

BAY
OF PLENTY



SUP lessons with Mauao Adventures, Mount Maunganui

ANNUAL REPORT

TO 30 JUNE 2023

TĀPOI TE MOANANUI Ā TOI | TOURISM BAY OF PLENTY
(WESTERN BAY OF PLENTY TOURISM AND VISITORS TRUST)

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KIA ORA

FROM THE BOARD CHAIR

It's been an exciting time since New Zealand's international border fully reopened last August, following two-and-a-half years of COVID-19 restrictions. With the country once again welcoming international visitors, by sea and air, it's been refreshing to see an uplift in overall visitor arrivals and spend in our region despite the ongoing struggles the hospitality and transport sectors have been having with staffing and resource limitations.

Notwithstanding the economic impact of recent weather events and continuing global and domestic inflationary pressures, discretionary spending on travel and tourism in the Coastal Bay of Plenty has been positive. Accordingly, the Board has been pleased with the various programmes and promotions that Tourism Bay of Plenty (TBOP) has been busy implementing over the past 12 months. A few key highlights are:

- In October 2022, Tauranga welcomed the country's first cruise ship visit of the 2022/23 season. The city went on to host 91 cruise ships, carrying a total of approximately 133,000 passengers and 68,000 crew. TBOP supported a number of new tourism operators, notably Te Whānau Tāpoi Māori o Tauranga Moana (a collective of indigenous tourism businesses), to improve their capability to cater for these visitors.
- The start of 2023 was buoyed by the return of the business events sector, with former COVID restrictions no longer inhibiting such gatherings. TBOP worked hard to optimise this pent-up demand by marketing our region's business event venues and associated operators at various sector trade shows and through Tourism NZ Business Events.

This year has also seen a series of changes to our Board, with Chair Laurissa Cooney and trustee Gwendoline Keel departing after their six-year tenures, Board intern Suki Xiao completing her one-year tenure, and mana whenua representative Charlie Rahiri stepping down due to other work commitments. We've been pleased to welcome the appointment of new trustees Janine Tulloch and Peter Blakeway.

Central to our success is the collaboration we enjoy with our key stakeholders. I'd like to acknowledge and thank our essential funding partners: Tauranga City Council, Western Bay of Plenty District Council, Whakatāne District Council, the Ministry of Business, Innovation and Employment (MBIE), and Bay of Plenty Regional Council Toi Moana.

It's a privilege to present this annual report in my new role as the Chair. It has been, and promises to be an extremely exciting time for our coastal region's tourism sector.



Russ Browne
Board of Trustees Chair
Tāpoi te Moananui ā Toi | Tourism Bay of Plenty

KIA ORA

FROM THE GENERAL MANAGER

This report provides an overview of the key projects and activities delivered by Tourism Bay of Plenty, in accordance with our Statement of Intent 2022-2023, during what has been a progressive transition into a post-COVID tourism environment.

The key projects Tourism Bay of Plenty has undertaken during the past year include:

- Supporting local tourism operators as our region welcomed the return of international visitors, following the reopening of our international border, and enabling the reinstatement of travel trade relationships.
- Delivery of timely marketing campaigns and media familiarisation programmes with relevant partners such as key wholesale travel trade, Tourism New Zealand, NZ Māori Tourism, and visiting media.
- Hosting the second annual Flavours of Plenty Festival, which was successfully delivered over a 10-day period in March and April 2023. This year's festival featured 34 events which were held across the Coastal Bay of Plenty region and, with more than 5,000 attendees, it was exponentially larger than the inaugural festival in 2022.
- The continued delivery of The Green Room | Te Rūma Kākāriki sustainability programme and subsequent ongoing engagement with visitor sector businesses and organisations across the rohe.
- Supporting local tourism businesses through the delivery of other programmes and campaigns that reduce cost and/or increase efficiency, marketing effectiveness, and profitability.

In addition, Tourism Bay of Plenty has contributed significant resource and specialist skills to support a range of wider council community projects and Action and Investment Plans relating to events, cycleways, wayfinding, climate change, city branding, and spatial planning (including the iconic Te Manawataki o Te Papa project).

The remainder of this report offers a more informative insight into our team's recent mahi, as we look forward to continuing to lead the prosperity of our people and place through tourism.



Oscar Nathan

Manahautū | General Manager

Tāpoi te Moananui ā Toi | Tourism Bay of Plenty

PROGRESS AGAINST KPIs

Target by June 2023

-  Achieved
-  On track
-  Work in progress
-  Not achieved

ECONOMIC WELLBEING

Visitor spend YE June 2023
Te Moananui ā Toi | the Coastal Bay of Plenty

↑ 8%

Compared to
YE June 2022

↑ 17%

Compared to
YE June 2019



SOCIAL WELLBEING

YE June 2023

Percentage of residents
who agree that tourism has
a positive impact on the
community.

64%

Tauranga



71%

WBOP



Target: 70%

CULTURAL WELLBEING

Supported TCC in developing content for
a cultural intelligence app, integrating the
cultural narrative with key destination
messaging. This Te Ara Whānui app is
undergoing beta testing, as at June 2023.



ENVIRONMENTAL WELLBEING

51

number of businesses
participating in The Green
Target: 40 Room | Te Rūma Kākāriki.



TBOP ORGANISATION WELLBEING

April 2023

77%

Target: 70%

of the team are
happy/very happy to be
working at TBOP.



DESTINATION MANAGEMENT

ELEVATE THE REGION'S CYCLING OFFERING

5,000

copies of the Western Bay of Plenty and
Tauranga cycle trails booklet were printed
and distributed.



DESTINATION MARKETING

ELEVATE THE REGION'S FOOD STORY

Flavours of Plenty Festival delivered
24 March - 2 April 2023

56%

Target: 80%

tickets sold, which equates
to over 4,000 tickets.



DESTINATION MANAGEMENT

OPERATOR CAPABILITY BUILDING

10

Target: 10

tourism businesses have been
provided with 1-to-1 digital
marketing training.



DESTINATION MARKETING

PROMOTE DESTINATION TO TARGET MARKETS

Focus on social and other digital channels,
taking a partnership approach to trade
marketing, and critically assessing the value
of media famils to ensure value for money.



DESTINATION MANAGEMENT

BUSINESS EVENTS

40

Target:
15 bids

conference bid proposals
submitted; 11 confirmed
conferences.



FLAVOURS OF PLENTY FESTIVAL

34

EVENTS

10

DAYS

51

CONTRIBUTING
ORGANISATIONS

5,000+
ATTENDEES

\$450K

TICKET REVENUE FOR
LOCAL BUSINESSES

\$1.3M

DIGITAL EAV

19%

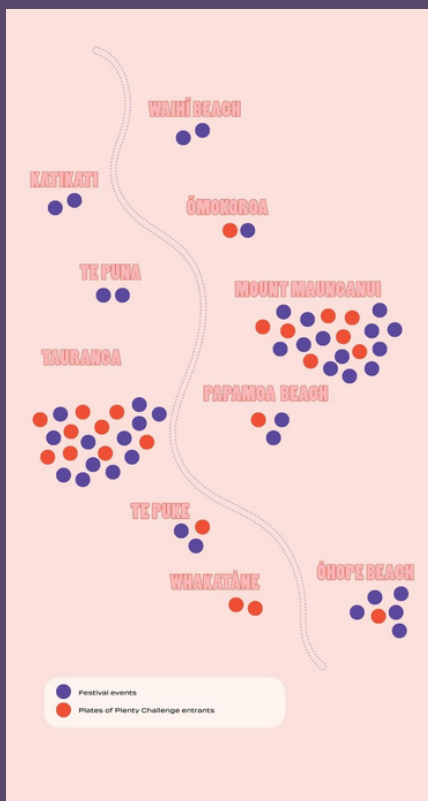
TICKETHOLDERS FROM
OUT-OF-REGION

4,000+

TICKETHOLDERS

12

Coastal BOP eateries featured in the Cuisine Good Food Awards Guide 2023-24 as a direct result of TBOP's media familiarisation programme associated with the festival.



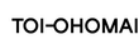
FESTIVAL FUNDERS:



FESTIVAL POWERED BY:



FESTIVAL SUPPORTERS:



FLAVOURS OF PLENTY



Cuisine Magazine

PROFILING THE FOOD STORY

Details: Media coverage and content creation to position the region as a food destination.

Areas covered: Tauranga, Western Bay of Plenty

Results: Feature articles in:



Fife Lane

MATARIKI DISH CHALLENGE

Details: Seven local eateries participated in the Bay of Plenty challenge, alongside Rotorua eateries.

Result: Increased awareness and understanding of Matariki among eatery staff and diners, and exposure for local eateries.

Areas covered: Tauranga, Mount Maunganui, Papamoa, and Paengaroa.



LOCAL PRODUCT IN LOCAL EATERIES

Details: Hosted networking events, festival, and Plates of Plenty Challenge to encourage collaboration.

Result examples: Pearl Kitchen uses Kaimai Eggs; Pepper & Me uses Fat Guy Fungi mushrooms; Alma Eatery uses Te Puke Truffles, Kaimai Eggs and Marama's mushrooms.

Areas covered: Tauranga, Western Bay of Plenty

DOMESTIC & EVENT MARKETING



DOMESTIC CAMPAIGNS

Details: Ran campaigns in winter 2022, spring 2022, and winter 2023 targeting drive and fly markets.

Results: These campaigns generated a combined 8.9m impressions, 554k video views, and 11.5k link clicks.

Areas covered: Tauranga, Western Bay of Plenty



MATARIKI GUIDE

Details: Highlighting and celebrating the significance of Matariki in the Coastal BOP, incorporating our food story.

Results: 6,500 views of online guide; 3,800 new eDM subscribers; 16,000 views of Instagram reels.

Areas covered: Tauranga, Western Bay of Plenty



EVENT PROMOTION

Details: Supported events via social, digital, and print promotions, including event guides and FIFA collateral.

Results: Over 50 events supported; marketing video and flags showcased at nine events; two prize packages.

Areas covered: Tauranga, Western Bay of Plenty

DOMESTIC VISITOR SPEND VIA ELECTRONIC CARD TRANSACTIONS ONLY*



*Excludes cash, online & pre-bookings. Source - Marketview

INTERNATIONAL TRADE & MARKETING



Reach:
2.8m
people

SOCIAL CAMPAIGN IN AUSTRALIA

Details: Partnered with Tourism New Zealand to run a social media campaign on the eastern seaboard of Australia.

Results: Reached 2.8 million; 21,000 website clicks; 16,000 video views.

Areas covered: Mount Maunganui



SALES ACTIVITY

Details: Attended trade shows, such as TRENZ and eXplore, with tourism operators. Focused on key markets.

Results: Increased reach and profile in international markets, meaning more likelihood of bookings.

Areas covered: Tauranga



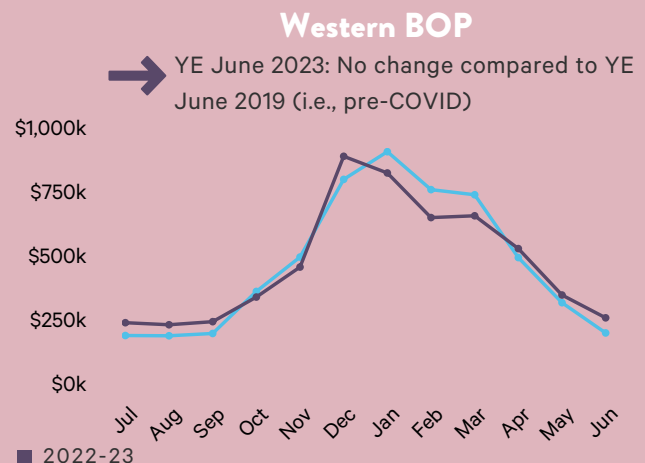
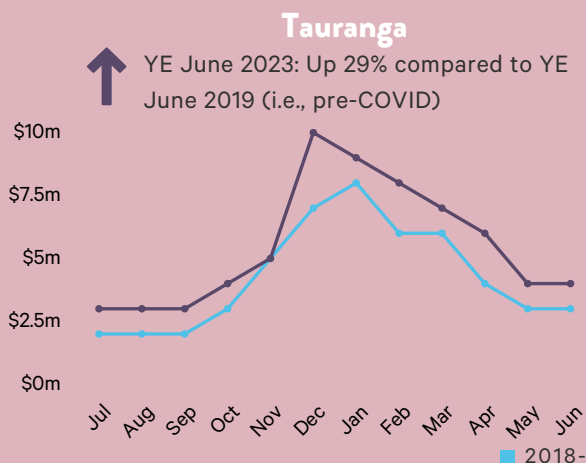
HOSTED INTERNATIONAL JOURNALISTS

Details: Hosted six international journalists from Frommers, 9Honey, Forbes Magazine, Australian's Women's Weekly etc.

Results: Increased reach into international markets; this gave rise to higher quality tourism operations, given the more stringent international requirements.

Areas covered: Tauranga, Western Bay of Plenty

INTERNATIONAL VISITOR SPEND VIA ELECTRONIC CARD TRANSACTIONS ONLY*



*Excludes cash, online & pre-bookings. Source - Marketview

ELEVATION OF CULTURAL TOURISM PROPOSITION



NEW CULTURAL ITINERARY

Details: Developed cultural itinerary covering Coastal Bay of Plenty from Te Puna to Whirinaki Forest.

Results:

- Itinerary is being picked up in trade market, creating exposure for the region and these operators.
- Increase in cultural products added to international wholesale brochures will build interest and drive sales.

Areas covered: Tauranga, Western Bay of Plenty



GLOBAL TOURISM NZ FAMIL

Details: Introduced global Tourism NZ staff to Māori cultural tourism product, partnering with NZ Māori Tourism.

Results:

- NZMT and TNZ can knowledgeably share local offering with wider networks, including Inbound Tour Operators.
- Operators built connections with TNZ and now better understand the trade space and how to refine product to fit.

Areas covered: Tauranga, Western Bay of Plenty



DEVELOPED STORYTELLING APP

Details: Storytelling and cultural intelligence app developed in collaboration with TCC Takawaenga team.

Results: App content covers regional history, stories, key information, experiences, and significant sites. App in beta testing phase, planned release date is September 2023.

Areas covered: Tauranga

CRUISE



SUCCESSFUL CRUISE SEASON

Details: A pop-up isite centre was established at the port, with six desks manned by tour operators and isite staff.

Result: Direct promotion and selling of experiences to cruise passengers.

Areas covered: Tauranga, Western Bay of Plenty



**91 total
ships**



**77 ship
days**



**133,000
passengers
(estimated)**



**68,000
crew
(estimated)**

SALES



**isite sales
\$34,000**



**HOHO pax
3,989**



**Ferry pax
558**



76% OF RESIDENTS SUPPORT CRUISE

Details: Pre-season survey of residents to understand perceived concerns and advantages of cruise.

Result: Positive media coverage to celebrate the return of cruise after a two-and-a-half year absence, including primetime lead TV news item.

Areas covered: Tauranga

SUPPORTING OPERATORS



BUILDING DIGITAL CAPABILITY

Details: Digital capability sessions held with ten local tourism operators.

Results: Improved the digital footprint, website listings, and online marketing knowledge of these operators.

Areas covered: Tauranga, Western Bay of Plenty



SUPPORTING BUSINESS EVENTS

Details: Attended business events trade shows to profile the region and the conferencing and incentives offerings here. BE workshops attended by 50+ businesses.

Results:

- 40 bids submitted and 11 conferences secured.
- Partnered with Bay Venues at MEETINGS Expo 2023.

Areas covered: Tauranga, Western Bay of Plenty



OPERATORS ACHIEVE QUALMARK

Details: Supported operators to get Qualmark, allowing them to operate in the cruise market and to be marketed off-shore.

Result: Eight new Qualmark operators across the Coastal BOP region; several others improved their rating.

Areas covered: Tauranga, Western Bay of Plenty

VALUING OUR ENVIRONMENT



SUPPORTING HARBOUR FERRY

Details: Supported the Tauranga Harbour Ferry with ticketing, promotion, and connection to cruise passengers.

Results: Over 1,700 tickets sold. Provides a more sustainable transport option to city centre when larger (1,000+ pax) ships are in port.

Areas covered: Tauranga



CYCLE TRAILS BOOKLET

Details: Cycle trails booklet developed and 5,000 copies distributed via information centres, accommodation providers, bike shops, cycle groups, Tauranga Airport etc.

Results: Provides information about cycle trails and increases awareness of them to encourage use for leisure and travel.

Areas covered: Tauranga, Western Bay of Plenty

Funders

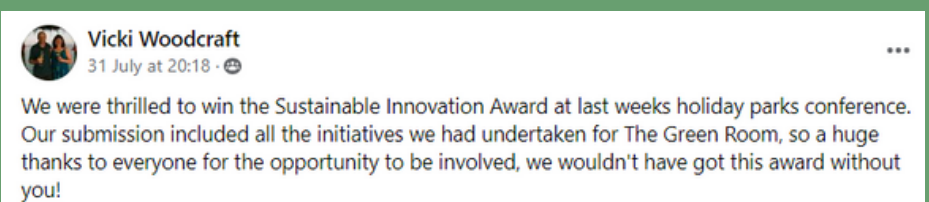


THE GREEN ROOM | TE RŪMA KĀKĀRIKI

Details: A 12-week programme which enables visitor sector organisations to become more sustainable.

Results: Carbon and waste measurement and reduction, review of business plans to build resilience, donating and participating in community and environmental initiatives etc.

Areas covered: 31 Tauranga and 21 Western Bay of Plenty organisations have completed or started the course.



MAJOR NEXT STEPS



01 ONGOING PROMOTION

TBOP will continue to promote the region, both domestically and internationally. We are looking to build our activity in the trade marketing space post-COVID, concentrating on our key international markets of Australia, the UK, and the USA. Tauranga has long been a popular destination among New Zealanders, so we are also exploring new and innovative ways of connecting with our domestic target markets.

We will also continue to build on the business events proposition, building capability, and promoting the region for business events, conferences, and incentives.



02 DEVELOPING A SMART CITY NETWORK

TBOP is implementing a digital storytelling and wayfinding solution for Tauranga City. We have acquired two digital kiosks which are user-friendly, interactive, and have accessibility features. These kiosks provide tailored visitor information and specific area-related storytelling. The kiosks allow for updates on weather, emergencies, events and more, to be shared to increase our in-region touchpoints with visitors. We are aiming to establish an integrated network of these kiosks, managed by TBOP, with Tauranga City Council, Bay Venues Limited, and other stakeholders coming on board as partners. This system will also be linked with a destination app, sharing the same kind of location information, storytelling and promotion of experiences.



03 WELLNESS AS A VISITOR PROPOSITION

A key element of our destination is the ocean and beaches for which the region is already well-known. We have recognised an opportunity to elevate perceptions of the destination's surf and beach culture to include 'wellness'. This will involve linking in products and opportunities to the visitor experience that support mental, emotional, physical, and cultural wellbeing. The initial focus will be on connecting these products to the tourism sector, with a particular interest in how this could tie to the business events sector.

MAJOR NEXT STEPS



04 BRAND

TBOP is working with TCC, WBOPDC, and other stakeholders on the Brand Tauranga Moana project. A formal stakeholder group is being pulled together to collaborate on next steps. TBOP will lead this project.



05 DEVELOPING THE CRUISE SECTOR

There are currently 111 ships booked to visit Tauranga during the next cruise season. We are working with TCC, Port of Tauranga, tourism operators, cruise lines, NZ Cruise Association, and other entities to plan for the season ahead.

TBOP is also undertaking a project to better understand the impacts and values of the cruise sector in Tauranga and the wider Coastal Bay of Plenty. It will take a four wellbeing approach, assessing the economic, social, cultural, and environmental impacts.



06 REGIONAL DEVELOPMENT

TBOP is actively involved in a number of exciting projects and initiatives across the region, which include Te Manawataki o Te Papa, and the Mount Spatial Plan, and a potential new community/tourism/cruise hub for Coronation Park. These important projects are expected to make a significant impact on the future visitor experience in Tauranga.

TBOP is also supporting development opportunities in Te Puke, Waihi Beach and Maketū. We have scoped the tourism opportunities in the latter two locations and will be following these up with council and other stakeholders in the coming months.

We will continue to play a key role as a connector, promoter and experience developer (where possible) on cycleways, waterfalls, and walking trails and reserves, and other projects that support our region's tourism offerings.

ACCOUNTS

WESTERN BAY OF PLENTY TOURISM AND VISITORS TRUST

TRUST DIRECTORY AS AT 30 JUNE 2023

PURPOSE OF BUSINESS

The principle objective of Tourism Bay of Plenty is to promote the economic welfare and development of the region and its community through marketing and management that positively supports the region as a visitor destination.

LEGAL BASIS

Charitable Trust

STRUCTURE

The Trust comprises a Board of eight Trustees who oversee the governance of the Trust, a General Manager who is responsible for the day-to-day operations of the Trust and reporting to the Trustees, and 14 other full-time staff who support the General Manager in delivering the Trust's objectives. The Trustees are appointed by the Tauranga City Council and the Western Bay of Plenty District Council.

MAIN SOURCES OF CASH AND RESOURCES

Operating grants received from the Tauranga City Council, Western Bay of Plenty District Council and Whakatāne District Council are the primary sources of funding to the Trust. The Trust also earns revenue from sales of local and domestic products.

TRUSTEES

R. Browne - Chair
C. Swallow
J. Hill
P. Blakeway
J. Tulloch

REGISTERED OFFICE

8 Wharf Street
Tauranga

SOLICITORS

Holland Beckett, Tauranga

BANKERS

ASB, Tauranga

AUDITORS

Silks Audit Chartered Accountants

ACCOUNTS

WESTERN BAY OF PLENTY TOURISM AND VISITORS TRUST

STATEMENT OF COMPREHENSIVE REVENUE & EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 Actual	2023 Budget	2022 Actual
REVENUE				
Funding - Tauranga City Council		2,460,663	2,410,660	2,354,721
Funding - Western Bay of Plenty District Council		252,000	232,000	232,000
Funding - Whakatāne District Council		84,705	84,000	84,000
Retail sales		21,048	17,000	10,386
Finance revenue		24,185	1,700	4,424
Other revenue	1	1,587,843	1,642,140	879,900
Total revenue		4,430,444	4,387,500	3,565,431
EXPENDITURE				
Cost of sales	2	12,733	10,300	6,709
Operating & marketing	3	1,938,003	2,096,867	1,469,910
Administration & overhead	4	418,775	495,333	462,266
Finance costs		0	0	0
Employee benefit expenses	5	1,514,566	1,636,200	1,328,354
Trustee fees		81,500	87,000	75,000
Depreciation and loss on sale of assets	11&12	54,276	61,800	70,276
Total expenditure		4,019,853	4,387,500	3,412,515
SURPLUS/(DEFICIT) before Tax	6	410,590	0	152,915
Taxation	7	0	0	0
SURPLUS/(DEFICIT) after tax		410,590	0	152,915
Other Comprehensive Revenue & Expense				
Other comprehensive revenue		0	0	0
Total Other Comprehensive Revenue & Expense		0	0	0
Total Comprehensive Revenue & Expense		410,590	0	152,915

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2023

	2023 Actual	2022 Actual
Net Assets/Equity at start of the year	614,203	461,288
Total comprehensive revenue and expenses	410,590	152,915
BALANCE AT 30 JUNE	1,024,793	614,203

The accompanying notes form part of these financial statements.

ACCOUNTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalents	8	947,899	1,700,714
Investments	9	500,000	200,000
Debtors & prepayments from exchange transactions	10	44,317	77,831
Debtors & prepayments from non-exchange transactions		36,614	63,500
Inventories		8,516	9,410
Total current assets		<u>1,537,346</u>	<u>2,051,455</u>
Non-current assets			
Property, plant and equipment	11	176,267	181,992
Intangible assets	12	17,630	35,260
Total non-current assets		<u>193,897</u>	<u>217,252</u>
TOTAL ASSETS		<u>1,731,242</u>	<u>2,268,707</u>
LIABILITIES			
Current liabilities			
Creditors and accrued expenses	13	166,815	335,727
Revenue received in advance	13	361,797	1,141,229
Employee benefit liabilities	14	177,837	177,548
Finance leases	15	0	0
Total current liabilities		<u>706,450</u>	<u>1,654,504</u>
Non-current liabilities			
Loans		0	0
Finance leases		0	0
Total non-current liabilities		<u>0</u>	<u>0</u>
TOTAL LIABILITIES		<u>706,450</u>	<u>1,654,504</u>
TOTAL ASSETS LESS TOTAL LIABILITIES		<u>1,024,793</u>	<u>614,203</u>
EQUITY			
Accumulated funds		1,024,793	614,203
TOTAL EQUITY		<u>1,024,793</u>	<u>614,203</u>

The accompanying notes form part of these financial statements.

ACCOUNTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	2023 Actual	2022 Actual
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash flow from exchange transactions:		
Receipts from retail sales	21,048	10,386
Receipts from other revenue	819,983	1,313,521
Interest receipts	23,185	3,424
Dividend receipts	1,000	1,000
Interest payments	0	0
Payments to suppliers and employees	-4,087,561	-3,278,952
Total cash flows from exchange transactions	-3,222,345	-1,950,621
Net cash flow from non-exchange transactions		
Receipts of Funding - Tauranga City Council	2,460,663	2,354,721
Receipts of Funding - Western Bay of Plenty District Council	252,000	232,000
Receipts of Funding - Whakatāne District Council	84,000	84,000
GST (net)	3,787	-6,789
Total cash flows from non-exchange transactions	2,800,450	2,663,932
Net cash flow from operating activities	-421,895	713,311
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES		
Repayment of loans	0	0
Receipts from sale of fixed assets	0	141
Payments to acquire fixed assets	-30,921	-24,769
Net cash flow from investing & financing activities	-30,921	-24,628
ADD OPENING BANK ACCOUNTS AND CASH	1,900,714	1,212,031
CLOSING BANK ACCOUNTS AND CASH	1,447,899	1,900,714

The accompanying notes form part of these financial statements.

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2023

ENTITY STATEMENT

Western Bay of Plenty Tourism and Visitors Trust is a Council Controlled Organisation (CCO), by virtue of the Council's right to appoint the Board of Trustees. Governance is provided by the Trust Board as per the Trust Deed. The relevant legislation governing the Trust's operations includes the Local Government Act 2002. The financial statements of the Trust have been prepared in accordance with the provisions of section 68 and 69 of the Local Government Act 2002. The Trust is a public benefit entity for financial reporting purposes.

The principle objective of the Trust is to promote the economic welfare and development of the region and its community through marketing and management that positively supports the region as a visitor destination.

The financial statements of the Trust are for the year ended 30 June 2023. The unaudited financial statements were approved by the Board of Trustees on 16th August 2023. The audited financial statements approval date is to be confirmed.

BASIS OF PREPARATION

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

The financial statements of the Trust have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZGAAP).

These financial statements have been prepared in accordance with Tier 2 PBE accounting standards on the basis that the Trust is not publicly accountable and expenses are between \$2 and \$30 million. These financial statements comply with Public Benefit Entity standards Reduced Disclosure Regime.

Measurement base

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

Changes in accounting policies

There have been no changes in accounting policies.

Functional and presentation currency

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

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2023

Goods & Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST. GST is shown as a net amount in the cashflow.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ('use or return condition'). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Sale of goods

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Sale of services

Revenue from the sale of services is recognised when the service is provided.

Interest and dividend revenue

Interest revenue is recorded as it is earned during the year. Dividend revenue is recognised when the dividend is declared.

Employee related costs

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

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

Advertising, marketing, administration, and overhead costs

These are expensed when the related service has been received.

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2023

Lease expense

Operating leases

Lease payments are recognised as an expense on a straight-line basis over the lease term.

Finance leases

At the commencement 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 or the present value of the minimum 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. The lease is fully depreciated over the lease term.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cheque or savings accounts, and deposits held on call with banks.

Investments

Investments are shares, term deposits, bonds, units in unit trusts, or similar instruments held by the entity.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Inventory

Inventory held for sale on a commercial basis is valued at the lower of cost or net realisable value. The cost of the inventory is determined using the weighted average method.

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2023

Property, plant, equipment

Property, plant, equipment is recorded at cost, less accumulated depreciation and impairment losses.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a diminishing value 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 estimated useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

- Furniture and fittings (10% - 40%)
- Computers and software (50% - 60%)
- Buildings and leasehold improvements (10% - 25%)
- Office equipment (8% - 67%)

Intangible Assets

Website Development

Website development costs are capitalised when it is probable that the expected economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. Furthermore, the website must be shown to be capable of generating revenues, including direct revenues from enabling orders to be placed.

Amortisation

Website costs are amortised on a diminishing value basis over the asset's useful life. Amortisation begins when the asset is available for use and ceases at the date when the asset is disposed of. The amortisation charge for each year is included with depreciation and recognised in the Statement of Comprehensive Income.

The useful life and associated amortisation rate has been estimated as follows:

- Website (50%)

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2023

Creditors and accrued expenses

Creditors and accrued expenses are recorded at their face value.

Employee Entitlements

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

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date, using current rates of pay.

Loans

Loans are recognised at the amount borrowed from the lender. Loan balances include any interest accrued at year end that has not yet been paid.

Income Taxation

The Trust holds a tax exemption from the Inland Revenue Department in terms of section CW40 of the Income Tax Act 2007, as a local or regional promotional body.

Budget figures

The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 2 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements. Note that the classification of the expenses is different from the Statement of Intent as the employee costs are shown separately in the accounts.

Cashflow

Operating activities have been presented in accordance with the direct method.

Equity

Equity is the councils' interest in the Trust and is measured as the difference between total assets and total liabilities.

ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022	
1 Other Revenue			
Industry Contributions	87,681	24,006	
Regional Events Funding	578,782	327,694	
STAPP Funding	680,149	398,704	
BOPRC Funding	60,000	60,000	
Other Income	181,231	69,496	
	<u>1,587,843</u>	<u>879,900</u>	
2 Cost of Sales			
The write-down of inventory during the year was Nil (2022: Nil). The reversal of write-downs for the year was Nil (2022: Nil).			
Opening Inventory	9,410	12,620	
Purchases	11,839	3,499	
Closing Inventory	(8,516)	(9,410)	
Total Cost of Sales	<u>12,733</u>	<u>6,709</u>	
3 Operating and Marketing			
Credit Card Charges	2,219	329	
Events Marketing	716,107	512,385	
Cruise Marketing and Operating	189,883	10,730	
Consumer Marketing	430,327	283,130	
Development & Research	414,622	365,956	
General and Other Marketing	184,845	297,380	
	<u>1,938,003</u>	<u>1,469,910</u>	
4 Administration and Overhead			
Audit Fees	27,072	24,783	
Cleaning & Security	16,068	15,385	
Rent	151,759	133,775	
Recruitment, Training & HR	7,115	60,844	
Repairs & Maintenance	5,743	808	
Vehicle	35,153	39,287	
Subscriptions	11,913	9,255	
IT expenses	33,271	42,481	
Telephone	8,421	7,674	
Electricity	8,425	8,496	
Other Administration & Overhead	113,835	119,478	
	<u>418,775</u>	<u>462,266</u>	
5 Employee Benefit Expenses			
Salaries and Wages	1,477,770	1,292,879	
Employer Superannuation Contributions	34,264	32,240	
Other Employee Related Costs	2,532	3,235	
	<u>1,514,566</u>	<u>1,328,354</u>	
6 Variance Budget to Actual			
INCOME	Actual	Budget	Variance
Other Revenue (MBIE funding not yet spent carried forward to next financial year)	1,587,843	1,642,140	- 54,297
EXPENDITURE			
Operating & Marketing (MBIE funding due to be spent this year will now be spent in 2023)	1,938,003	2,096,867	- 158,864
Administration & Overhead (Contingency & HR costs down on budget)	418,775	495,333	- 76,558
Employee Benefit Expenses (Staff vacancies for part of year)	1,514,566	1,636,200	- 121,634

ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

7 Taxation

The Trust holds confirmation of a tax exemption under section CW 40 of the Income Tax Act 2007

	2023	2022
8 Cash and Cash Equivalents		
Cheque Accounts	84,620	65,901
Savings Accounts	862,379	1,633,913
Cash on Hand	900	900
	<u>947,899</u>	<u>1,700,714</u>
9 Investments		
Term Deposit ASB Bank \$300,000 2.5% for 1 month, \$200,000 5.2% for 6 months	500,000	200,000
10 Debtors and Prepayments		
Debtors	40,141	36,395
Accrued Income	-	-
GST	36,614	63,500
Prepayments	<u>3,984</u>	<u>41,436</u>
	<u>80,739</u>	<u>141,331</u>
Debtors and prepayments from exchange transactions	44,125	77,831
Debtors and prepayments from non-exchange transactions	<u>36,614</u>	<u>63,500</u>
	<u>80,739</u>	<u>141,331</u>

11 Property, Plant and Equipment

Name	Cost	Accum Dep	1-Jul-22	Purchases	Depreciation	Disposals	30-Jun-23
Total Computers & Software	104,085	93,287	10,799	16,412	7,103	0	20,107
Total Furniture & Fittings	99,885	60,082	39,803	4,703	5,750	0	38,757
Total Leasehold Improvements	288,399	173,873	114,527	7,509	15,770	0	106,266
Total Office Equipment	113,785	96,921	16,864	2,297	8,023	0	11,138
Total	606,154	424,162	181,992	30,921	36,646	0	176,267

Name	Cost	Accum Dep	1-Jul-21	Purchases	Depreciation	Disposals	30-Jun-22
Total Computers & Software	87,674	70,261	7,937	9,476	6,614	0	10,799
Total Furniture & Fittings	95,182	49,184	44,957	1,041	6,195	0	39,803
Total Leasehold Improvements	280,890	149,903	130,987	0	16,460	0	114,527
Total Office Equipment	112,574	89,823	8,499	14,252	5,746	141	16,864
Total	576,320	359,171	192,380	24,769	35,016	141	181,992

12 Intangible Assets

Name	Cost	Accum Dep	1-Jul-22	Purchases	Depreciation	Disposals	30-Jun-23
Website & CRM	117,482	82,222	35,260	0	17,630	0	17,630
Total	117,482	82,222	35,260	0	17,630	0	17,630

Name	Cost	Accum Dep	1-Jul-21	Purchases	Amortisation	Disposals	30-Jun-22
Website & CRM	117,482	46,962	70,520	0	35,260	0	35,260
Total	117,482	46,962	70,520	0	35,260	0	35,260

ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
13 Creditors and Accruals		
Creditors	85,482	257,360
Accrued Expenses	31,790	39,184
Funds Received on Behalf of Tourism Operators	49,543	39,183
	<u>166,815</u>	<u>335,727</u>
Creditors and Accruals from Exchange Transactions	166,815	335,727
Creditors and Accruals from Non-exchange Transactions	-	-
	<u>166,815</u>	<u>335,727</u>
The Trust holds credit cards with ASB Bank, with a credit limit of \$50,000.		
14 Revenue Received in Advance		
Revenue Received in Advance	361,797	1,141,229
Revenue Received in Advance from Exchange Transactions	361,797	1,141,229
Revenue Received in Advance from Non-exchange Transactions	-	-
	<u>361,797</u>	<u>1,141,229</u>
15 Employee Benefit Liabilities		
Accrued Salaries and Wages	87,451	84,440
Annual Leave	90,386	93,108
	<u>177,837</u>	<u>177,548</u>
16 Finance Lease		
There are currently no finance leases.		
17 Capital and Operational Commitments and Operating Leases		
Non-cancellable operating leases as lessee:		
The Trust leases property, equipment and two vehicles in the normal course of its business, total expenditure for the year was \$143,786. The lease of 8 Wharf Street has two rights of renewal of four years and the lease of 103 The Strand has one right of renewal of four years. The following amounts relate to lease 8 Wharf Street, lease 103 The Strand, Haval vehicle lease, Nissan vehicle lease, and lease of Eftpos machines and photocopier.		
The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:		
Payable no later than one year	28,860	164,871
Later than one year, not later than five years	22,658	18,830
Later than five years	-	-
	<u>51,518</u>	<u>183,701</u>
18 Contingent Liabilities		
The Trust has no contingent liabilities		

ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

19 Related Party Transactions

The Trust received a significant amount of operating grants from the Councils' to deliver its objectives as specified in the Trust Deed.

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

	2023	2022
Key Management Personnel compensation		
Trustees		
Full-time Equivalent Members	6	5
Remuneration	81,500	75,000
Senior Management Team including CEO		
Full-time equivalent members	5	6
Remuneration	612,213	560,310
Total Full-time equivalent members	11	11
Total Remuneration	693,713	635,310

Due to the difficulty in determining the full-time equivalent for Trustees, the full-time equivalent figure is taken as the number of Trustees.

20 Donations

There were no donations paid.

21 Financial Instruments

Financial Instrument Categories

FINANCIAL ASSETS

Cash & Cash Equivalents	1,447,899	1,900,714
Debtors & Other Receivables	76,755	99,895
Total Financial Assets	1,524,654	2,000,609

FINANCIAL LIABILITIES

Creditors & Other Payables	166,815	335,727
Revenue Received in Advance	361,797	1,141,229
Finance Leases	0	0
Total Financial Liabilities at Cost	528,612	1,476,956

22 Events After Balance Date

There are no significant events post balance date.

23 Covid Impact Disclosures

The Senior Management Team and the Trustees have considered the current and future potential effects on the business caused either directly or indirectly by Covid. The effect on the overall results for the year ended 30 June 2023 has been positive, with extra funding received from TSRR and the Regional Events Fund.

Although the borders have now opened to visitors, including cruise passengers, future potential effects are speculative and unknown however the Bay of Plenty is in the privileged position of already attracting mostly domestic visitors. Around 80% is domestic tourism visitor spend and 20% international visitor spend (with cruise less than 5% visitor spend), so we may see a lessor impact in the Bay of Plenty than in other regions. Note that post balance date all Covid restrictions have been lifted in NZ.

CRUISE

Cruise ships were banned in New Zealand on 14 March 2020, resulting in the loss of cruise income last financial year.

Cruise ships have returned in this financial year.

TAURANGA ISITE

The Tauranga iSite has increased the income from the last financial year due to the increase in international tourists to our region since the border reopened.

MARKETING

TSRR Funding of \$1,000,000 was received in September 2021. \$905,353 has been spent as per the criteria and the remaining \$94,647 has been spent in the 2024 financial year. Regional Events Funding of \$1,518,194 has been received. \$1,251,044 has been spent as per the criteria and the remaining \$267,150 will be spent over the next two financial years.

ACKNOWLEDGEMENTS

Main funders



Other funding partners



Thank you for your continued support

CONTACT

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APPENDIX: PROGRESS AGAINST KPIs

WELLBEING KPIs

FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	BASELINE (JUNE 2022)	TARGET BY JUNE 2023	UPDATE	STATUS
ECONOMIC Wellbeing	Growing the economic value of the tourism industry.	Trends in visitor spending via electronic card transactions.	Direct Partnered Indirect	Marketview Tourism Dashboard. This may change to MBIE visitor spend data, depending on the best sources available at the time.	In the year ending May 2022, total visitor spending in Te Moananui ā Toi the Coastal Bay of Plenty was down 2% compared to the year ending May 2021.	Monitored and reported on changes in visitor spend to YE June 2023 and use the information to set new goals for future years.	In the YE June 2023, visitor spend in Te Moananui ā Toi the Coastal Bay of Plenty was up 8% compared to YE June 2022, and up 17% compared to the YE June 2019 (pre-COVID). Goals to continue to grow domestic and international visitor spend have been set for the next financial year.	Achieved
SOCIAL Wellbeing	Enhancing the value tourism brings to the community (according to the community).	Residents' sentiment towards tourism. This is measured by the percentage of residents who agree that tourism has a positive impact on the community. Residents provide a rating of 1 to 10, where 1 is strongly disagrees and 10 is strongly agrees.	Direct Partnered Indirect	Residents' satisfaction surveys conducted by the respective council.	Tauranga City Council: 68% agree. Jul-Dec 2021 Representing scores of 7 to 10 Western Bay of Plenty District Council: 62% agree. Jul-Dec 2021 Representing scores of 6 to 10 Whakatāne District Council: 69% agree. YE Dec 2021 Representing scores of 6 to 10	Implemented actions identified from TBOP's community perceptions survey to help enhance the perceived value of tourism to the community. Measured by 68% or more residents agreeing that tourism has a positive impact on the community.	Tauranga City Council: 64% agree. Down 4% compared to Jul-Dec 2021 and compared to the goal of 68%. YE June 2023 Representing scores of 7 to 10 Western Bay of Plenty District Council: 71% agree. Up 9% compared to Jul-Dec 2021 and exceeded goal of 68%. YE June 2023 Representing scores of 6 to 10 Whakatāne District Council: 72% agree. Up 3% compared to YE Dec 2021 result. Jul-Dec 2022 Representing scores of 6 to 10 TBOP's community perceptions survey, undertaken in 2021, concentrated on residents' perceptions of cruise visitors. The results of this survey identified concerns around the potential spread of COVID, overcrowding, and traffic congestion. These concerns were addressed through pre-emptive communication around the strict COVID protocols on cruise ships, a traffic management plan, and working with local tourism operators to provide tours and experiences across Te Moananui ā Toi the Coastal Bay of Plenty.	Not achieved

FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	BASELINE (JUNE 2022)	TARGET BY JUNE 2023	UPDATE	STATUS
CULTURAL Wellbeing	Improving the cultural wellbeing of the community through tourism.	Participation in developing cultural storytelling and wayfinding platforms.	Direct Partnered	TBOP Six-Month and Annual Reports.	Agreed to collaborate with councils and iwi on the development of an online resource of cultural stories and images appropriate to destination storytelling.	Managed online gallery and associated ambassador app content, integrating cultural narrative with key destination messaging.	TBOP worked in partnership with Tauranga City Council to develop a cultural intelligence app. This digital platform includes regional history, stories, key information, experiences, significant sites and more. The app has been developed and is undergoing beta testing as of June 2023. The plan is to launch the app during Te Wiki o te Reo Māori in September 2023. Photo shoots and video shoots undertaken included cultural content and will be used for campaigns and image library. B-roll content has been uploaded into a hub shared with our key funders and partners.	Achieved
ENVIRONMENTAL Wellbeing	Improving the environmental wellbeing of the region through environmental sustainability and regeneration projects.	Number of industry-focused environmental sustainability and regeneration initiatives facilitated or enabled by TBOP.	Direct Partnered	Programme reports.	Developed The Green Room programme (aimed at helping operators to reduce their carbon and waste footprints) and ran the first course.	A total of 40 tourism or hospitality businesses to complete The Green Room programme during the year.	A total of 51 tourism and hospitality businesses participated in The Green Room Te Rūma Kākāriki programme during the YE June 2023.	Achieved
TBOP ORGANISATION Wellbeing	Enhance TBOP's ability to achieve its goals through high staff engagement.	TBOP staff engagement.	Direct	Employee engagement survey.	Employee Engagement score: 63% of employees are 'happy' or 'very happy' working at TBOP. May 2022 (Note change of method compared to previous years, so results are not directly comparable.)	Employee Engagement score: at least 70% of employees are 'happy' or 'very happy' working at TBOP.	Employee Engagement score: 77% of the team are 'happy' or 'very happy' working at TBOP. Target exceeded by 7%. April 2023	Achieved

ACTIVITY KPIs

FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	BASELINE (FEB 2022)	TARGET BY JUNE 2023	UPDATE	STATUS
DESTINATION MANAGEMENT	Elevate the region's cycling offering	Develop and share promotional and informative material on cycle trails and help to facilitate the development of a cycle trail network.	Direct Partnered	Council's feedback.	First iteration of Western Bay of Plenty cycle trails booklet produced.	Combined Western Bay of Plenty and Tauranga cycle trails booklet and storytelling produced and shared via TBOP channels.	Tauranga and Western Bay of Plenty cycle trails booklet was released in September. A total of 5,000 copies were printed and distributed to visitor information centres, accommodation providers, bike shops and other retail outlets, local cycle groups, Tauranga Airport, libraries and more.	Achieved
	Build operator capability to enhance the quality of the region's tourism offering	Provide opportunities for operators to train or upskill in key areas and gain Qualmark certification.	Direct Partnered Indirect	Capability programme report.	Scoped key areas of training need and developed digital marketing health check and training modules.	Provided 1-to-1 digital marketing training to 10 tourism businesses.	Provided 1-to-1 digital marketing training to 10 tourism operators during the year.	Achieved
	Coordinate opportunities to bring business events to the region	Facilitate leads and bids for business events in the region.	Direct Partnered	TBOP Six-Month and Annual Reports.	Identified key partner agency which delivered one lead within a week of engaging with them.	Facilitated 15 leads or bids for business events in the region.	Bid proposals were submitted in response to 17 conference/event enquiries, with two conferences confirmed for 2022 and two conferences (so far) confirmed for 2023.	Achieved
DESTINATION MARKETING	Elevate the region's food story and proposition	Promote and facilitate the delivery of the Coastal Bay of Plenty region Flavours of Plenty Festival to draw visitors to the region.	Direct Partnered	Festival delivery.	Promoted and facilitated the delivery of the Flavours of Plenty Festival in April 2022.	Promoted the Flavours of Plenty Festival to help sell 80% of festival event tickets.	Over 4,000 Flavours of Plenty Festival event tickets were sold. This equates to 56% of overall tickets available, shy of the targeted 80%. This was primarily due to large events that are difficult to sell out, such as First We Eat, choosing to come under the Flavours of Plenty Festival banner. More than 5,000 people attended Festival events (both ticketed and un-ticketed).	Not achieved
	Promote the destination to our target markets (Outdoor adventurers, surf & beach lovers, cultural explorers, and eco-travellers)	Develop and deliver marketing campaigns that incorporate all four DNA™ elements and reach the destination's target markets.	Direct Partnered	Campaign collateral.	Delivered the refreshed domestic 'Sure to Make You Smile' campaign.	Identified effective channels for marketing to international and domestic audiences to ensure value for money.	TBOP has consistently reviewed reach, engagement (quantity and quality), and EAV (where possible) of various marketing channels, both domestically and internationally. This has resulted in a more targeted approach for international marketing and trade, a stronger focus on digital channels, and the ability to selectively pursue media opportunities that have a worthwhile potential return on the investment.	Achieved