



**DESTINATION
GREAT LAKE TAUPŌ**

ANNUAL REPORT

**FOR THE SIX MONTHS ENDING
31 DECEMBER 2014**



GREAT LAKE TAUPŌ

DIRECTORY

Governing Body

Destination Lake Taupō Trust Board

Ray Salter (Chairman)
Kathy Guy
Andrea Blair
Dennis Christian
Sue Sullivan
Neil Gestro

General Manager

Vanessa Freeman

Bankers

Bank of New Zealand, Taupō – Transactional Banking

Auditors

Audit New Zealand on behalf of
The Controller & Auditor General

Insurance Brokers

Aon New Zealand Limited

Address

Level 1, 32 Roberts Street, TAUPŌ

Telephone

Phone	[07] 376-0400
Facsimile	[07] 376-0410
email	info@greatlaketapu.com
website	GreatLakeTaupo.com

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PERFORMANCE AND OTHER MEASURES ACHIEVED

Below is a table outlining the half year measures against performance targets set for year end 30 June 2015.

Major operators in the region invest in marketing of the destination alongside the umbrella messages DGLT implement. Both cash and in kind contributions make up the overall investment in the destination marketing programmes.

1. Performance Against Objectives:

Objectives	Measures of Success/Goals	Results/Actuals
Building a thriving Tourism Economy	950,000 commercial guest nights as measured by CAM	366,854 guest nights first 5 months of financial year, 17,881 ahead of first 5 months 2014 Annual result to be reported YE June 2015 Source: Commercial Accommodation Monitor, MBIE http://www.med.govt.nz/sectors-industries/tourism/tourism-research-data/commercial-accommodation-monitor-data
	Average Length of Stay as measured by CAM 1.71	Tracking at 1.88 nights for first 5 months of financial year Annual result to be reported YE June 2015 Source: Commercial Accommodation Monitor, MBIE http://www.med.govt.nz/sectors-industries/tourism/tourism-research-data/commercial-accommodation-monitor-data
	35,000 visits on average to www.greatlaketaupo.com as measured by google analytics	July – Dec 2014 average 52,733 visits per month Final result to be reported at YE June 2015 Source: Google Analytics
	80% willingness to recommend Taupo region in Annual Visitor Survey	Scheduled for April 2015 Source: Annual Visitor Survey
	Establish market size for 1 special interest group by YE June 2015	On track – Final result to be reported at YE June 2015 Source: Bike Taupo Track Counters and customer survey

Commitment to effective stakeholder engagement and participation	\$130,500 contributed from key visitor industry participants for DGLT JVs (to include both cash and in-kind contributions)	<p>\$126k in marketing promotions partnership income for the period end Dec 2014</p> <p>(\$35,000K in-kind contributions to date based on trade, media, corporate, backpack and i-SITE famils, plus reduced rates for venue hire, and prizes for packages and giveaways at events we have attended and as support for competitions.)</p> <p>Source: Statement of Financial Performance Dec 2014</p>
	85% industry stakeholders are satisfied with DGLT performance as measured by Annual Industry Survey	<p>Scheduled for July 2015</p> <p>Source: Annual Stakeholder Survey</p>
	50 separate stakeholder interactions per month across different mediums	<p>Achieved for first 6 months</p> <p>Source: Annual Outputs Spreadsheet</p>
Fiscal responsibility in the way we do business	Increase net revenue 2.5% annual growth in net revenue (for commissions, advertising, and retail profit margin)	<p>Scheduled for YE June 2015</p> <p>Source: Statement of Financial Performance June 2014</p>
	Completed policies and procedures document completed – ‘The way we work’	<p>Draft completed. Ongoing document, reviewed and updated each quarter</p> <p>Source: ‘The way we work’ – Policies and Procedures document</p>
	Development of HR plan	<p>In development stage</p> <p>Source: ‘The way we work’ – Policies and Procedures document</p>

STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE

For the period ended 31 December 2014

	Note	31/12/14 \$	30/06/14 \$
Revenue			
<i>Exchange Revenue</i>			
- Revenue from services provided	1	357,347	716,705
- Interest income	1	9,402	22,778
<i>Non Exchange Revenue</i>			
- Grant received from Taupō District Council	1	875,000	1,750,000
- Vested Assets - Other	1	-	15,982
Total Operating Revenue		1,241,749	2,505,465
Expenditure			
Employee benefit expenses	2	460,300	851,697
Depreciation and amortisation	2	12,868	18,381
Finance costs	2	489	2,334
Management and administration expenses	2	128,651	244,948
Other operating expenditure	2	551,201	1,490,281
Total Expenditure		1,153,509	2,607,641
Operating Surplus (Deficit) before taxation		88,240	(102,176)
Taxation (expense)/credit	3	-	-
Net Surplus (Deficit) after taxation		88,240	(102,176)
Total Comprehensive Revenue & Expense		88,240	(102,176)

STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2014

	Note	31/12/14 \$	30/06/14 \$
Equity at start of the period		46,309	148,485
Net surplus (deficit) for the year	4	88,240	(102,176)
Equity as at 31 December 2014		134,549	46,309

The accompanying accounting policies and notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

as at 31 December 2014

	Note	31/12/14	30/06/14
		\$	\$
Trust Equity			
Equity	4	100	100
Retained earnings	4	134,449	46,209
Total Trust Equity		134,549	46,309
Assets			
Current Assets			
Cash & cash equivalents	5	666,608	274,008
Trade & other receivables	6	111,632	95,320
Inventory	7	42,415	42,753
Total Current Assets		820,655	412,081
Non-Current Assets			
Property, plant and equipment	8	78,228	72,430
Total Non-Current Assets		78,228	72,430
Total Assets		898,883	484,511
Liabilities			
Current Liabilities			
Trade & other payables	9	604,409	243,251
Employee entitlements	10	77,402	104,554
Borrowings	11	4,106	11,980
Tax payable		75,942	75,942
Total Current Liabilities		761,859	435,727
Non-Current Liabilities			
Employee entitlements	10	2,475	2,475
Total Non-Current Liabilities		2,475	2,475
Total Liabilities		764,334	438,202
Total Net Assets		134,549	46,309

The financial statements of The Destination Lake Taupō Trust are for the period ended 31 December 2014. The financial statements were authorised for issue by the Trust Board on 13th February 2015.

Ray Salter
CHAIRPERSON

Andrea Blair
DEPUTY CHAIRPERSON

The accompanying accounting policies and notes form part of these financial statements.

STATEMENT OF CASHFLOWS

For the period ended 31 December 2014

Cash flows from operating activities	31/12/14	30/06/14
	\$	
Cash was provided from:		
Receipts from customers	340,676	690,271
Receipts from Taupō District Council operating grant	875,000	1,750,000
Interest Received	9,402	22,778
Cash inflows from operating activities	1,225,078	2,463,049
Cash was applied to:		
Payments to suppliers and employees	629,030	2,379,991
Interest	489	2,334
Net GST paid	176,419	176,419
Cash outflows from operating activities	805,938	2,558,744
Net Cash inflow (outflow) from Operating Activities	13	(95,695)
Cashflows from Investing Activities		
Cash was disbursed to:		
Purchase of Fixed Assets	18,666	38,696
Decrease in Finance Lease	7,874	14,391
	26,540	53,087
Net Cash inflow (outflow) from Investing Activities	(26,540)	(53,087)
Net Increase (decrease) in cash held	392,600	(148,782)
Add Cash at start of year	274,008	422,790
Cash at end of period	666,608	274,008
Consisting of:		
Cash and bank	28,797	9,595
Call deposits	637,811	264,413
Cash at end of period	666,608	274,008

The GST (net) component of cash flows from operating activities reflects the net GST paid to and received from the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation basis of the other primary financial statements.

The accompanying accounting policies and notes form part of these financial statements.

STATEMENT OF ACCOUNTING POLICIES

For the period ended 31 December 2014

REPORTING ENTITY

The Destination Lake Taupō Trust ("the Trust") is a Council Controlled Organisation of Taupō District Council, by virtue of the Council's right to appoint the Board of Trustees. Governance is provided by the Trust Board.

The primary objective of the Trust is to promote the Great Lake Taupo region to the domestic and international visitor market with the specific intention of growing this market, rather than making a financial return. Accordingly, the Trust has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Public Sector Accounting Standards (PBE IPSAS).

These Financial Statements have been prepared for the Trust in accordance with the Local Government Act 2002. The financial statements are for the six months ended 31 December 2014, and were approved by the Board of Trustees on 13th February 2015.

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and therefore also comply with International Public Sector Accounting Standards.

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

The financial statements are prepared using the historical cost basis except for certain classes of assets and liabilities which are recorded at fair value. These are detailed in the specific policies below.

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.

CHANGES IN ACCOUNTING POLICIES

A new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB) has been adopted by Destination Lake Taupo Trust and effective from the 1/7/2014. Under this Accounting Standards Framework, the Trust has elected to be classified as a Tier 1 reporting entity and is required to apply full Public Benefit Entity Accounting Standards (PBE IPSAS). These standards have been developed by the XRB based on current International Public Sector Accounting Standards. With the exception of some disclosure requirements on the face of the accounts the Trust believes the impact on the presentation of the financial statements is minimal. The financial statements presented are the Trust's first set of financial statements presented in accordance with PBE IPSAS.

The following accounting policies have been changed to reflect the new accounting standards:

2 Revenue Recognition – change to treatment of grant and bequest revenue to reflect the differentiation of conditions and restrictions. Revenue has also been split between exchange and

non-exchange revenue as per *PBE IPSAS 9 Revenue from Exchange Transactions* and *PBE IPSAS 23 Revenue from Non-exchange Transactions*.

6 Trade and other receivables – receivables relating to non-exchange revenue are to be disclosed separately *PBE IPSAS 23 Revenue from Non-exchange Transactions*.

8 Property, plant and equipment – a statement has been added to class all DGLT’s assets as non-cash generating assets as per definitions in *PBE IPSAS 21 Impairment of Non-Cash Generating Assets*.

General terminology has been changed throughout the policies to reflect terminology in *PBE IPSAS 1 Presentation of Financial Statements*, for example “Statement of Comprehensive Income” is now “Statement of Comprehensive Revenue and Expense”.

ACCOUNTING POLICIES

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

1 Goods & services tax

The financial statements have been prepared on a goods and services tax (GST) exclusive basis, except for trade and other receivables and trade and other payables.

2 Revenue recognition

Non-exchange revenue

All grants (including the grant from Taupo District Council) and bequests received, including non-monetary grants at fair value, shall be recognised when there is reasonable assurance that:

- (a) the entity will comply with the conditions accounting to them; and
- (b) the grants will be received.

Grants and bequests, other than those related to assets, shall be recognised as revenue over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Grants and bequests of assets are recognised as revenue when control over the asset is obtained.

Any grants and bequests received without conditions are recognised when control over the asset is obtained.

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue.

Exchange revenue

The main sources of exchange revenue for the Trust are joint venture revenue from the industry to support marketing initiatives, and revenue derived through the i-sites.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

Revenue from any services rendered (except as described above) is recognised in proportion to the stage of completion of the transaction at the balance date. The stage of completion is assessed by reference to surveys of work performed.

Interest revenue is recognised as it accrues, using the effective interest method.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

3 Leases

Leases in which substantially all of the risks and rewards of ownership transfer to the lessee are classified as finance leases. At inception, finance leases are recognised as assets and liabilities on the Statement of Financial Position at the lower of the fair value of the leased property and the present value of the minimum lease payments. Any additional direct costs of the lessee are added to the amount recognised as an asset. Subsequently, assets leased under a finance lease are depreciated as if the assets are owned.

Operating lease payments

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of Comprehensive Revenue and Expense as an integral part of the total lease expense.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term, so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Financing costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, foreign exchange losses, and losses on hedging instruments that are recognised in the Statement of Comprehensive Revenue and Expense. The interest expense component of finance lease payments is recognised in the Statement of Comprehensive Revenue and Expense using the effective interest rate method.

4 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits, and other short term highly liquid investments with maturities of three months or less.

5 Financial Assets

The Trust classifies its investments as loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments, which are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the statement of comprehensive revenue and expense.

6 Trade receivables

Trade receivables are recognised at their cost less impairment losses.

A provision for impairment of receivables is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

7 Inventory

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories is based on the first-in, first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

8 Property, Plant, and Equipment

Property, plant and equipment consist of operational assets, which include office equipment, furniture and fittings, computer equipment and a vehicle. These assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of property, plant or 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 the Trust and the cost of the item can be reliably measured.

All the Trust's assets are classed as non-cash generating, that is they are not held with the primary objective of generating a commercial return.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the surplus or deficit.

Depreciation has been provided on a straight-line basis on all plant and equipment. Depreciation is provided at rates calculated to allocate the asset cost over the estimated useful life. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Class of asset	Estimated useful life	Depreciation rates
Office equipment	4-10years	13.33% - 25%
Furniture and fittings	2-10 years	10% - 50%
Computer equipment	4 years	25%
Vehicles	4-10years	10% - 25%

9 Financial liabilities

Short term creditors and other payables are recorded at their face value.

10 Employee entitlements

Provision is made in respect of the Trust's liability for annual leave. Annual leave has been calculated on an actual entitlement at current rates of pay.

11 Interest-bearing borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

12 Income Taxation

The Trust uses the tax payable method to account for income tax.

Under this method income tax expense is recognised in the Statement of Comprehensive Revenue and Expense is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior periods.

13 Advertising costs

Advertising costs are expensed when the related service has been rendered.

NOTES TO FINANCIAL STATEMENTS

For the period ended 31 December 2014

1	Operating Revenue	31/12/14	30/06/14
		\$	\$
	Exchange Revenue		
	<i>Revenue from Services Provided</i>		
	Marketing promotions	126,003	197,770
	I-site operations (see analysis below)	232,222	505,364
	Other income	(878)	13,571
		1,232,347	2,466,705
	Financial Revenue		
	Interest income	9,402	22,778
	Non Exchange Revenue		
	Operating grant from Taupō District Council	875,000	1,750,000
	Vested Assets - Other	-	15,982
	Total Operating Revenue	1,241,749	2,505,465
	Analysis of I-site Revenue		
	Retail sales	116,518	279,274
	<i>less Cost of Goods sold</i>	(72,457)	(170,989)
	Gross Margin on retail sales	44,061	108,285
	<i>less stock losses</i>	0	(8,480)
		44,061	99,805
	Commissions	108,815	296,314
	Operator advertising income	62,412	74,400
	Other	16,934	34,845
	Total I-site operations revenue	232,222	505,364
2	Expenditure (by nature)	31/12/14	30/06/14
		\$	\$
	Employee Benefit Expenses		
	Salaries and wages	447,515	818,722
	Changes in employee entitlements	858	13,083
	Superannuation	11,927	19,892
	Employee Benefit Expenses	460,300	851,697
	Finance Costs		
	Finance charge on leased assets	489	2,334
	Total Finance Costs	489	2,334
	Depreciation & Amortisation		
	Depreciation	12,868	18,381
	Total Depreciation & Amortisation	12,868	18,381

Management and Administration Expenses		
Audit fees - Audit NZ	8,450	16,533
Audit fees - Audit NZ (prior year audit disbursements)	1,563	313
Trustee fees	21,000	38,893
Legal Fees	1,847	-
Taupō District Council indirect costs	89,500	179,000
Administration	6,291	10,209
Total Management & Administration Expenses	128,651	244,948
Other Operating Expenditure		
Advertising	97,176	468,953
Consultants and professional fees	126,654	429,799
Travel and accommodation	33,789	59,317
Printing and stationery	39,859	46,080
Hire	1,421	4,470
Bank fees	13,805	32,616
Fringe benefit tax	2,532	5,518
Rental expense on operating leases	5,828	5,828
Rental	69,021	146,619
Publicity	51,959	76,217
Staff related expenses	2,943	12,681
Maintenance	5,888	14,795
Conference fees	18,196	15,579
Materials and supplies	8,043	22,263
Vehicle expenses	(1,881)	(6,876)
Grants	1,034	19,847
Rates and insurance	7,768	10,099
All other expenses	67,166	126,476
Total Operating Expenditure	551,201	1,490,281
Total Expenditure	1,153,509	2,607,641

3 Income Tax Expense	31/12/14	30/06/14
	\$	\$
Profit before tax	88,240	(102,176)
Tax at 33%	29,119	(33,718)
Plus (less) tax effect of:		
Non-deductible expenditure	319,969	610,355
Non-taxable income	(325,872)	(610,692)
Unrecognised temporary differences	(23,216)	34,055
Tax expense (credit)	-	-
Comprising:		
Current tax	-	-
Adjustments to current tax in prior periods	-	-
Taxation Expense	-	-

Tax losses of \$100,960 (June 14 \$100,960) are available to carry forward and offset against future tax profits

4 Trust Equity	31/12/14	30/06/14
	\$	\$
Retained surpluses		
Opening balance	46,309	148,485
Net surplus (Deficit)	88,240	(102,176)
Closing Balance	134,549	46,309

5 Cash & Cash Equivalents	31/12/14	30/06/14
	\$	\$
Cash at bank and in hand	28,797	9,595
Call deposits	637,811	264,413
Cash equivalents for the purpose of the statement of cashflows	666,608	274,008

The carrying value of cash and short-term deposits with maturity dates of three months or less approximates their fair value.

6 Trade & Other Receivables	31/12/14	30/06/14
	\$	\$
Trade receivables from exchange transactions	84,462	27,802
Related parties receivables	6,299	4,184
Prepaid insurance	2,890	439
Sundry accruals and prepayments	10,286	219
GST refund	7,695	62,676
Total Net Trade and Other Receivables	111,632	95,320

Debtors and other receivables are non-interest bearing and receipt is normally on 30 day terms. Therefore the carrying value of debtors and other receivables approximates their fair value.

The status of receivables as at 31 December 2014 are as follows:

	31/12/14	30/06/14
	\$	\$
Not past due	76,931	8,798
Past due 1-30 days	732	9,622
Past due 31-60 days	1,191	11,886
Past due >60 days	9,725	1,397
Total	88,579	31,703

Destination Lake Taupō Trust holds no collateral as security or other credit enhancements over receivables that are either past due or impaired

7 Inventory	31/12/14	30/06/14
Commercial inventories		
- held for use in the provision of services	42,415	42,753
Total Inventory	42,415	42,753

8 Property, Plant and Equipment

December 2014	Cost	Accum	Carrying	Cost	Accum	Carrying
	31/12/14	31/12/14	31/12/14	30/06/14	30/06/14	30/06/14
	\$	\$	\$	\$	\$	\$
Motor vehicles	63,481	24,191	39,290	63,481	16,190	47,291
Furniture & fittings	22,340	5,874	16,466	20,441	3,853	16,588
Office equipment	15,596	5,571	10,025	13,063	4,513	8,550
Machinery	13,410	964	12,446	-	-	-
Total	114,827	36,600	78,228	96,985	24,556	72,430

Movements for the half year ending 31/12/14

	Carrying Amount 01/07/14	Additions	Disposal	Depn Expense	Carrying Amount 31/12/14
	\$	\$	\$	\$	\$
Motor vehicles	47,291	-	-	8,000	39,290
Furniture & fittings	16,588	1,899	-	2,021	16,466
Office equipment	8,550	3,358	-	1,883	10,025
Machinery	-	13,410	-	964	12,446
Total	72,429	18,667	-	12,868	78,228

Movements for the year ending 30/06/14

	Carrying Amount 01/07/13	Additions	Disposal	Depn Expense	Carrying Amount 30/06/14
	\$	\$	\$	\$	\$
Motor vehicles	24,950	33,913	-	11,573	47,291
Furniture & fittings	3,020	17,106	-	3,538	16,588
Office equipment	8,163	3,656	-	3,269	8,550
Total	36,133	54,675	-	18,380	72,430

9 Trade & Other Payables	31/12/14	30/06/14
	\$	\$
Trade payables	378,686	146,037
Amounts owing to related parties	7,895	3,502
Income in advance	1,295	1,654
Provision for ACC	1,463	2,162
Provision for audit fee	8,450	16,533
Other payables	206,620	73,363
Total Trade & Other Payables	604,409	243,251

Trade and other payables are non-interest bearing and are normally settled on 30 day terms. Therefore the carrying value of trade and other payables approximates their fair value.

10 Employee Benefit Liabilities	31/12/14	30/06/14
	\$	\$
Accrued pay	-	28,010
Annual leave	77,402	76,544
Long service leave	2,475	2,475
Total Employee Benefit Liabilities	79,877	107,029
Made up of:		
Current	77,402	104,554
Non-current	2,475	2,475
Total Employee Benefit Liabilities	79,877	107,029

11 Borrowings

31/12/14 30/06/14

Analysis of Finance Lease Liabilities

Payable no later than one year	4,181	12,544
	4,181	12,544
Future finance charges	(75)	(564)
Recognised as a liability	4,106	11,980

Representing Lease Liabilities

Current	4,106	11,980
	4,106	11,980

12 Related Party Disclosure

The Destination Lake Taupō Trust (the Trust) is a Council Controlled Organisation of Taupō District Council and received a significant amount of operating grants from the Council to deliver its objectives as specified in the Trust Deed. All transactions with related parties have been conducted at arms length.

13 Reconciliation of Net Surplus After Tax to Net Cash Flows from Operating Activities	31/12/14	30/06/14
	\$	\$
Net surplus after tax	88,240	(102,176)
Adjustment for non-cash items		
Vested assets	-	(15,982)
Depreciation & amortisation	12,868	18,381
Changes in working capital		
(Increase)/Decrease in trade & other receivables	(16,312)	(27,420)
(Increase)/Decrease in inventory	338	7,420
Increase/(Decrease) in trade & other payables *	353,284	(2,357)
Increase/(Decrease) in employee entitlements	(27,152)	12,048
Non-operating changes in working capital		
(Increase) / Decrease in capital creditors *	7,874	14,391
Net cash Flow from Operating Activities	419,140	(95,695)

* These figures combined equal the movement in "Trade and other payables" in the Statement of Financial Position

14 Comparison of actual to forecast budget

	Actual	SOI	% Bud
	31/12/14	31/12/14	
Income			
Council grant	875,000	875,000	100%
Marketing promotions	126,003	102,556	123%
I-Sites	232,222	254,222	91%
Other income	8,524	4,427	193%
Total Income	1,241,749	1,236,205	100%
Expenditure			
Marketing promotions	355,291	450,028	79%
Marketing administration	436,202	421,476	103%
I-Sites	349,148	346,885	101%
Depreciation	12,868	11,936	108%
Total Expenditure	1,153,509	1,230,325	94%
Net Surplus(deficit) before tax	88,240	5,880	

Main variances in income against budget

Marketing productions	126,003	102,556	123%
Other income	8,524	4,427	193%
Taupo I-Site	171,156	172,474	99%
Turangi I-Site	61,066	81,748	75%
	366,749	361,205	

Main variances in expenditure against budget

Advertising / consultant fees	223,830	290,596	77%
Travel & accommodation	33,789	60,742	56%
Grants	1,034	6,000	17%
Printing & stationery	39,859	16,482	242%
Materials & supplies	8,043	2,346	343%
Legal Fees	1,847	-	
Depreciation	12,868	11,936	108%
Rates & insurance	7,768	3,750	207%
Maintenance	5,888	5,788	102%
Other expenses	820,464	826,435	99%
Vehicle expenses	(1,881)	6,250	
	1,153,509	1,230,325	

15 Commitments

The Destination Lake Taupō Trust leases property, plant, and equipment in the normal course of its business. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows

Non cancellable operating lease commitments	31/12/14	30/06/14
	\$	\$
Payable no later than one year	132,398	135,237
Later than one, not later than two years	1,706	8,817
Later than two, not later than five years	-	1,706
Total lease commitments	134,104	145,760

This lease relates to a phone system for the Taupō i-site & office equipment for The Hub as well as one years rental for 1/32 Roberts Street, Taupo I-Site, and Turangi I-Site.

16 Contingent Liabilities

There are no contingent liabilities at 31 December 2014

17 Contingent Assets

There are no contingent assets at 31 December 2014

18 Events after Balance Date

There are no significant events after balance date