

DIRECTORY

Governing Body

Taupō Airport Authority Committee

Mayor David Trewavas
Councillor Kathy Guy (Council Representative)
Councillor Christine Rankin (Council Representative)
Chris Johnston (Business Representative)
Andrew Hintz (Business Representative)

Airport General Manager

Rhys Frearson

Bankers

Bank of New Zealand, Taupō – transactional banking

Auditors

Audit New Zealand on behalf of
The Controller & Auditor General

Solicitors / Legal Advisors

Le Pine & Co, Taupō

Insurance Brokers

Aon New Zealand Limited

Joint Venture Partners

Taupō District Council	50%
The Crown (Ministry of Transport)	50%

Address

Anzac Memorial Drive, TAUPŌ
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STATEMENT OF PERFORMANCE: PERFORMANCE TARGETS AND RESULTS ACHIEVED TO DATE

Non-financial performance:

Taupō Airport		
Objective: To operate a successful commercially viable business providing land and infrastructure for the safe, appropriate and efficient air transport needs of the Taupō district.		
Performance targets	Results	Achievement
To maintain facilities so as to avoid any diversion or cancellation of scheduled flights other than for weather or airline problems.	Achieved	No diversions or cancellations due to facility maintenance (2021: Achieved)
The airport will be operated in such a way as to continue to hold CAA Part 139 certification.	Achieved	The Airport is CAA Part 139 certified (2021: Achieved)
The airport will manage health and safety risks and provide a safe and healthy environment for everyone affected by the activities of TAA including employees, customers, tenants, contractors and visitors.	Achieved	Rule Part 139 Compliant Rule Part 100 Compliant (2021: Achieved)
The TAA will be self-funding in terms of its own cash flow.	Not Achieved	Operating cash flow for the year is \$-78k (June 2021: \$-31k, Not Achieved)

Financial performance:

Consolidated shareholder funds to total assets 91.34% (June 2021: 92.49%) against a projected 86.0%.

SUMMARY OF AIRCRAFT MOVEMENTS

For the six months ended 31 December 2021

	<i>Six months to 31 December 2021</i>	<i>Year to 30 June 2021</i>	<i>Year to 30 June 2020</i>	<i>Year to 30 June 2019</i>	<i>Year to 30 June 2018</i>
Scheduled airlines	710	2,016	2,278	3,012	2,992
Private operation	6,456	12,110	9,656	11,922	11,104
Parachuting	858	2,840	5,612	7,648	6,272
Military operations	3	16	12	52	24
Helicopters	2,759	4,875	4,642	5,626	5,316
	<u>10,786</u>	<u>21,857</u>	<u>22,200</u>	<u>28,260</u>	<u>25,708</u>

Statement of Comprehensive Revenue and Expense
For the half-year ended 31 December 2021

		Unaudited Actual 6 Months to 31 December 2021 \$	Unaudited Actual 6 Months to 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Revenue				
Revenue from services provided	4	205,066	201,402	438,555
Finance revenue	5	1,391	1,158	2,330
Subsidies and grants		-	1,834	1,834
Total revenue		<u>206,457</u>	<u>204,394</u>	<u>442,719</u>
Expenditure				
Employee benefit expenses	6	96,497	96,413	197,648
Depreciation and amortisation expense		109,339	112,606	230,132
Other expenses	6	181,658	154,371	659,021
Total operating expenditure		<u>387,494</u>	<u>363,390</u>	<u>1,086,801</u>
Surplus/(deficit) before tax		(181,037)	(158,996)	(644,082)
Income tax (expense)/credit		-	-	(13,840)
Surplus/(deficit) attributable to TDC and The Crown		<u>(181,037)</u>	<u>(158,996)</u>	<u>(657,922)</u>
Other comprehensive revenue				
Property, plant & equipment revaluations	7	-	-	(150,453)
Deferred tax on revaluation		-	-	42,127
Total other comprehensive income		-	-	(108,326)
Total comprehensive income		<u>(181,037)</u>	<u>(158,996)</u>	<u>(766,248)</u>
Net surplus/(deficit) after taxation is attributable to: TDC and The Crown		<u>(181,037)</u>	<u>(160,830)</u>	<u>(659,756)</u>
Total comprehensive revenue and expenses attributable to: TDC and The Crown		<u>(181,037)</u>	<u>(158,996)</u>	<u>(766,248)</u>

Statement of Changes in Net Assets/Equity
For the half-year ended 31 December 2021

		Unaudited Actual 6 Months to 31 December 2021 \$	Unaudited Actual 6 Months to 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Equity at start of the year	7	14,854,372	13,114,700	13,120,621
Total comprehensive revenue and expenses previously reported		(181,037)	(158,996)	(766,248)
Equity injections by Crown		2,750,000	-	-
Equity injections by Taupo District Council		250,000	2,500,000	2,500,000
Equity as at 31 December 2021	7	<u>17,673,334</u>	<u>15,455,705</u>	<u>14,854,372</u>
Total recognised revenue and expenses are attributable to:				
Taupo District Council		(90,518)	(79,498)	(383,124)
Crown		(90,519)	(79,498)	(383,124)
Total comprehensive revenue and expenses		<u>(181,037)</u>	<u>(158,996)</u>	<u>(766,248)</u>

Summary of significant accounting policies and the accompanying notes form part of these financial statements.

Statement of Financial Position
As at 31 December 2021

	Note	Unaudited Actual 31 December 2021 \$	Unaudited Actual 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
ASSETS				
Cash and cash equivalents	8	5,776,338	4,921,257	4,621,744
Trade and other receivables	9	115,521	71,423	92,041
Prepayments		900	12,823	5,572
Total current assets		<u>5,892,759</u>	<u>5,005,503</u>	<u>4,719,357</u>
Non-current assets				
Intangible assets		1,057	346	1,220
Property, plant and equipment		13,454,498	11,620,388	11,339,854
Total non-current assets		<u>13,455,555</u>	<u>11,620,734</u>	<u>11,341,074</u>
Total assets		<u>19,348,314</u>	<u>16,626,237</u>	<u>16,060,431</u>
LIABILITIES				
Current liabilities				
Trade and other payables	10	619,251	77,304	146,476
Employee benefit liabilities	11	31,726	31,289	33,715
Provisions		3,729	1,865	3,729
Total current liabilities		<u>654,706</u>	<u>110,458</u>	<u>183,920</u>
Non-current liabilities				
Provisions		14,916	20,509	16,781
Deferred tax liabilities		1,005,358	1,039,565	1,005,358
Total non-current liabilities		<u>1,020,274</u>	<u>1,060,074</u>	<u>1,022,139</u>
Total liabilities		<u>1,674,980</u>	<u>1,170,532</u>	<u>1,206,059</u>
Net assets (assets minus liabilities)		<u>17,673,334</u>	<u>15,455,705</u>	<u>14,854,372</u>
EQUITY				
Equity interest of joint venture partners	7	12,311,585	9,311,587	9,311,585
Appropriation accounts	7	1,600,426	1,746,581	1,781,463
Asset revaluation reserves	7	3,761,323	4,397,537	3,761,324
Total equity		<u>17,673,334</u>	<u>15,455,705</u>	<u>14,854,372</u>

Summary of significant accounting policies and the accompanying notes form part of these financial statements.

Statement of cashflows

For the half-year ended 31 December 2021

	Unaudited Actual 6 Months to 31 December 2021	Unaudited Actual 6 Months to 31 December 2020	Unaudited Actual 30 June 2021
Note	\$	\$	\$
Cash flows from operating activities			
Receipts from customers	226,358	215,898	422,575
Finance revenue	1,391	1,158	2,330
Payments to suppliers	(145,716)	(178,509)	(258,383)
Payments to employees	(98,487)	(100,324)	(199,133)
Net GST	(62,285)	(15,521)	1,557
Net cash flow from operating activities	<u>(78,739)</u>	<u>(77,298)</u>	<u>(31,054)</u>
Cash flows from investing activities			
Receipts from sale of property, plant, and equipment	12,186	-	-
Purchase of property, plant and equipment	(1,778,853)	(345,976)	(691,735)
Net cash flow from investing activities	<u>(1,766,667)</u>	<u>(345,976)</u>	<u>(691,735)</u>
Cash flows from financing activities			
Equity injection	3,000,000	2,500,000	2,500,000
Net cash flow from financing activities	<u>3,000,000</u>	<u>2,500,000</u>	<u>2,500,000</u>
Net increase (decrease) in cash and cash equivalents held	1,154,594	2,076,726	1,777,211
Add cash at start of year	<u>4,621,744</u>	<u>2,844,529</u>	<u>2,844,533</u>
Cash, cash equivalents, and bank overdrafts at the end of the year	8 <u>5,776,338</u>	<u>4,921,255</u>	<u>4,621,744</u>

Summary of significant accounting policies and the accompanying notes from part of these financial statements.

1 Statement of accounting policies for the half-year ended 31 December 2021

1.1 Reporting entity

The Taupo Airport Authority is a joint venture between Taupo District Council and the Crown with both parties having a 50% interest. Taupo District Council has responsibility for the management of the Airport. Governance is provided by a Committee of Council

The primary objective of the Airport is to operate a successful commercially viable business providing land and infrastructure for the safe, appropriate, and efficient air transport needs of the Taupo district, rather than making a financial return. Accordingly, the Airport has designated itself a public benefit entity for the for the purposes of New Zealand equivalents to International Public Sector Accounting Standards (PBE IPSAS).

The financial statements of Taupo Airport Authority are for the half year ended 31 December 2021. The financial statements were authorised for issue by the Airport Committee on 14th February 2022.

2 Summary of significant accounting policies

2.1 Statement of Compliance and Basis of Preparation

The financial statements have been prepared on the going concern basis and in accordance with the Civil Aviation Act 1990, the Airport Authorities Act 1966, and the Local Government Act 2002, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZGAAP).

The accounting policies set out below have been applied consistently to all periods 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 Airport is New Zealand dollars.

Changes in accounting policies

There have been no changes to accounting policies

2.2 GST

The financial statements have been prepared exclusive of GST with the exception of receivables and payables that have been shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

Commitments and contingencies are disclosed exclusive of GST.

2.3 Revenue

Revenue is measured at the fair value of consideration received or receivable.

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.

Landing revenue is recognised on a straight-line basis over the term of the payments.

Rental revenue from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue.

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.

Revenue is measured at fair value of consideration received.

The main sources of revenue for the Airport are airfield landing charges and lease revenue from leasehold sites at the airport. Revenue is recognised in the period to which it relates. Payment is by credit card, EFTPOS, automatic payment or direct debit.

2 Summary of significant accounting policies

2.4 Leases

(i) Finance 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 lease 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 leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Payments made under operating leases are recognised in the surplus or deficit 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 leases

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 using the effective interest rate method.

2.5 Equity

- Accumulated funds
- Revaluation Reserves

Equity is the community's interest in the Airport and is measured as the difference between total assets and total liabilities.

2.6 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.

2.7 Financial assets

Taupo Airport 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.

2.8 Trade and other receivables

Trade and other receivables are recognised at their cost less impairment losses.

A provision for impairment of receivables is established when there is objective evidence that the Airport will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the present value of the estimated recovery of the debt.

2.9 Property, plant and equipment

Property, plant, and equipment consist of operational assets, which include office equipment, furniture and fittings, computer equipment, and a vehicle.

2 Summary of significant accounting policies

These assets are shown at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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 the Airport and the cost of the item can be reliably measured.

Valuation methodologies

Those asset classes that are revalued, are revalued on a three yearly valuation cycle. All other asset classes are carried at depreciated historical cost. The carrying values of all assets not revalued in any year are reviewed at each balance date to ensure that those values are not materially different to fair value.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amounts arising on revaluation of an asset class are credited to revaluation reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in the surplus or deficit, the increase is first recognised in the surplus or deficit. Decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the surplus or deficit.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Airport and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the surplus or deficit during the financial period in which they are incurred.

Additions

Additions between valuations are shown at cost.

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 the Airport and the cost of the item can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in other reserves in respect of those assets are transferred to retained earnings.

When the use of a property changes from owner-occupied to investment property, the property is reclassified to investment property at its fair value at the date of the transfer.

Subsequent measurement

Property, plant, and equipment, and intangible assets subsequently measured at cost 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 amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable 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.

2 Summary of significant accounting policies

Depreciation

Land is not depreciated. Depreciation has been provided on a straight-line basis on all property, plant, and equipment. Depreciation is provided at rates that will write-off the cost (or valuation) 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:

Class of PP&E	Estimated useful life	Depreciation rates
Buildings	15 - 80 Years	1.3% - 6.7%
Furniture and Fittings	4 - 10 Years	10% - 25.2%
Office Equipment and Plant and Equipment	4 - 50 Years	2% - 25%
Motor vehicles	5 Years	20%
Infrastructural assets		
Formation	Indefinite	
Pavement	60 Years	
Top surface (seal)	15 Years	
Stormwater	50 - 80 Years	
Footpaths	80 Years	
Kerbs	50 Years	
Fencing	10 Years	
Streetlights	15 Years	

The depreciation rates are applied at a component level and are dependent on the expected remaining useful life of each component.

Details of valuations by asset class

Valuation of land and buildings

Airport land was initially valued at fair value by independent valuer Quotable Value New Zealand as at 1 July 2005, which was considered deemed cost. The land and buildings were revalued to fair value on the same basis by independent valuer, Quotable Value New Zealand at 30 June 2019. Land is not depreciated.

Valuation of infrastructural assets

Infrastructure assets are the utility systems that provide a continuing service to the Airport and are not generally regarded as tradeable. They include the runways, roads, and stormwater systems together with other improvements of an infrastructural nature. The runway and roading assets were valued at fair value by WSP New Zealand Limited (formerly Opus Consultants Limited) at 30 June 2020. The stormwater system assets were valued at fair value by AECOM New Zealand Limited at 30 June 2021.

Assets under construction/work in progress.

Assets under construction are not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated. Assets under construction are recognised at cost less impairment. The current carrying amount of items under construction is separately disclosed.

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

2.10 Intangible assets

Website

The website has been capitalised on the basis of costs incurred to acquire and bring to use the website. This has been valued at cost, and will be amortised over the expected useful life of the website.

Class of intangible asset	Estimated useful life	Amortisation rates
Website	4 years	25%

2 Summary of significant accounting policies

Costs associated with maintaining computer software are recognised as an expense when incurred.

2.11 Investment property

Properties leased to third parties under operating leases and properties held for capital appreciation are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, Taupo Airport Authority measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the statement of comprehensive revenue and expense.

All investment properties have been disposed.

2.12 Financial Liabilities

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

2.13 Employee entitlements

Short-term employee entitlements

Provision is made in respect of the Airport's liability for salaries and wages accrued up to balance date, annual leave, long service leave, lieu leave, and gratuities.

Retiring gratuities and long service leave, where there is already actual entitlement, is accrued at actual entitlement using current rates of pay. In addition, there is an actuarial assessment of value for which entitlement has not yet been reached. This assessment uses current rates of pay taking into account years of service, years to entitlement and the likelihood staff will reach the point of entitlement. These estimated amounts are discounted to their present value.

Liabilities for annual leave and lieu day leave are accrued on an actual entitlement basis, using current rates of pay.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Superannuation schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit when incurred.

2.14 Income tax

Income tax on the surplus or deficit for the year comprises current and deferred tax.

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

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.

2 Summary of significant accounting policies

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.

2.15 Budget figures

The budget figures are those approved by the Committee in the Statement of Intent and in complying with sections 64, 66, and 67 of the Local Government Act 2002.

2.16 Going Concern

The Taupo Airport Authority consider that the continued adoption of the going concern assumption for the preparation of this financial report is appropriate. This conclusion has been reached having regard to assurances from the Taupo District Council that financial support and / or funding will be made available to ensure that the Airport can continue its current operations.

3 Critical accounting estimates and judgements

In preparing the financial statements the Airport made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4 Revenue from services provided

	Unaudited Actual 6 Months to 31 December 2021 \$	Unaudited Actual 6 Months to 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Landing fees	41,142	59,478	126,590
Terminal passenger fees	18,682	30,545	66,453
Lease revenue	119,329	94,113	204,480
Other services	5,000	17,266	41,032
Other revenue	<u>20,913</u>	<u>-</u>	<u>-</u>
Total revenue from services provided	<u>205,066</u>	<u>201,402</u>	<u>438,555</u>

5 Finance revenue

	Unaudited Actual 6 Months to 31 December 2021 \$	Unaudited Actual 6 Months to 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Interest revenue	<u>1,391</u>	<u>1,158</u>	<u>2,330</u>
Total finance revenue	<u>1,391</u>	<u>1,158</u>	<u>2,330</u>

6 Operating expenditure

	Unaudited Actual 6 Months to 31 December 2021 \$	Unaudited Actual 6 Months to 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Employee benefit expenses			
Salaries and wages	95,823	98,939	193,326
Increase/(decrease) in employee entitlements/liabilities	(1,989)	(5,455)	(1,485)
Defined contribution plan employer contributions	2,663	2,929	5,807
Total employee benefit expenses	96,497	96,413	197,648
Depreciation by asset class:			
Total depreciation	109,176	112,086	229,185
Total amortisation	163	520	947
Total depreciation and amortisation	109,339	112,606	230,132
Other expenses			
Audit fees for financial statements audit	6,858	6,869	13,715
Airside maintenance	24,173	7,309	10,114
Landside maintenance	4,641	7,487	17,118
Terminal maintenance	1,470	2,002	3,395
Other maintenance	-	3,990	5,621
Airfield contractors	6,137	13,966	27,245
Electricity and gas	10,838	10,798	18,176
Materials and supplies	1,023	1,760	3,299
Professional services fees/legal fees	55,151	34,543	52,983
Accountancy & business services TDC	6,250	6,250	12,500
Vehicle running costs	6,130	6,655	12,487
Insurance	6,194	5,076	11,461
Committee expenses	-	-	630
Cleaning	11,595	9,494	21,926
Bad debts written off	86	-	-
Building impairment	-	-	359,559
Software licenses	17,754	6,677	14,121
Equipment Hire	5,315	10,036	1,622
Rental fees	-	522	20,463
Other grants	-	150	-
Other expenses	18,043	20,787	52,586
Total other expenses	181,658	154,371	659,021

7 Net assets/equity

	Unaudited Actual 6 Months to 31 December 2021 \$	Unaudited Actual 6 Months to 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
(a) Equity Interest of Joint Venture Partners			
(i) Taupo District Council			
Opening balance	6,373,902	3,873,903	3,873,902
Capital injections	250,000	2,500,000	2,500,000
Closing balance	<u>6,623,902</u>	<u>6,373,903</u>	<u>6,373,902</u>
(ii) The Crown			
Opening balance	2,937,683	2,937,684	2,937,683
Capital injections	2,750,000	-	-
Closing balance	<u>5,687,683</u>	<u>2,937,684</u>	<u>2,937,683</u>
Total closing balance of equity accounts	<u>12,311,585</u>	<u>9,311,587</u>	<u>9,311,585</u>
(b) Appropriation Accounts			
(i) Taupo District Council			
Opening balance	2,215,362	2,277,419	2,280,379
Transfer from reserves for disposed/impaired assets	-	-	122,150
Transfer from reserves for deferred tax on revaluation	-	-	141,794
Share of net surplus (deficit)	(90,518)	(79,498)	(328,961)
Closing balance	<u>2,124,844</u>	<u>2,197,921</u>	<u>2,215,362</u>
(ii) The Crown			
Opening balance	(433,899)	(371,842)	(368,881)
Transfer from reserves for disposed/impaired assets	-	-	122,150
Transfer from reserves for deferred tax on revaluation	-	-	141,793
Share of net surplus (deficit)	(90,519)	(79,498)	(328,961)
Closing balance	<u>(524,418)</u>	<u>(451,340)</u>	<u>(433,899)</u>
Total closing balance of appropriation accounts	<u>1,600,426</u>	<u>1,746,581</u>	<u>1,781,463</u>

7 Net assets/equity

The breakdown of asset revaluation reserves are disclosed as follows:

	Unaudited Actual 6 Months to 31 December 2021 \$	Unaudited Actual 6 Months to 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Property, plant and equipment revaluation reserve			
Balance at 1 July	3,761,321	4,397,538	4,397,534
Revaluation gains/(losses)	-	-	(150,453)
Deferred tax on revaluation	-	-	42,127
Transfers to appropriation accounts on disposal/impairment of property	-	-	(244,300)
Deferred tax on transfers to appropriation accounts	-	-	68,404
Historic correction on deferred tax on revaluation reserve	-	-	(351,991)
Balance at 31 December / 30 June	<u>3,761,321</u>	<u>4,397,538</u>	<u>3,761,321</u>
Operational assets:			
Land	1,165,800	1,165,800	1,165,800
Buildings	48,034	228,723	48,034
Fencing	54,811	59,664	54,811
Land improvements	137,035	130,967	137,035
	-	-	-
Infrastructure assets			
Roading & streetlighting	143,710	95,538	143,710
Stormwater	67,010	192,645	67,010
Runways	2,144,921	2,524,197	2,144,921
Total asset revaluation reserves	<u>3,761,321</u>	<u>4,397,538</u>	<u>3,761,321</u>

8 Cash and cash equivalents

	Unaudited Actual 31 December 2021 \$	Unaudited Actual 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Cash at bank and in hand	82,015	6,485	17,419
Call deposits	5,694,323	4,914,772	4,604,325
Total cash and cash equivalents used in statement of cashflows	<u>5,776,338</u>	<u>4,921,257</u>	<u>4,621,744</u>

Included in call deposits is the project fund for the redevelopment project of \$5,659,596 (June 2021: \$4,544,230)

9 Trade and other receivables

	Unaudited Actual 31 December 2021 \$	Unaudited Actual 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Trade receivables	47,705	67,690	83,481
Receivables from related parties	196	-	4,956
Other	<u>67,620</u>	<u>3,733</u>	<u>3,604</u>
Total current net trade and other receivables	<u>115,521</u>	<u>71,423</u>	<u>92,041</u>
Receivables from exchange transactions	<u>47,901</u>	<u>70,527</u>	<u>92,041</u>
Receivables from non-exchange transactions	<u>67,620</u>	<u>896</u>	<u>-</u>
Total current net trade and other receivables	<u>115,521</u>	<u>71,423</u>	<u>92,041</u>

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 2021 are detailed below:

Current	103,580	54,456	68,260
Past due 1-30 days	7,602	951	8,654
Past due 31-60 days	1,216	849	142
Past due 61+ days	<u>3,123</u>	<u>10,538</u>	<u>14,985</u>
At 31 December	<u>115,521</u>	<u>66,794</u>	<u>92,041</u>

10 Trade and other payables

	Unaudited Actual 31 December 2021 \$	Unaudited Actual 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Trade payables	16,608	14,379	52,476
Accrued expenses	549,436	11,872	40,374
Revenue in advance	<u>53,207</u>	<u>51,053</u>	<u>53,626</u>
Total creditors and other payables	<u>619,251</u>	<u>77,304</u>	<u>146,476</u>
Total creditors and other payables from exchange transactions	<u>618,882</u>	<u>92,259</u>	<u>141,771</u>
Total creditors and other payables from non-exchange transactions	<u>369</u>	<u>(14,955)</u>	<u>4,705</u>
Total current creditors and other payables from exchange and non-exchange transactions	<u>619,251</u>	<u>77,304</u>	<u>146,476</u>

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

11 Employee benefit liabilities

	Unaudited Actual 31 December 2021 \$	Unaudited Actual 31 December 2020 \$	Unaudited Actual 30 June 2021 \$
Current portion			
Accrued pay	3,333	3,097	2,141
Annual leave	27,679	22,735	28,499
Long service leave	-	4,690	2,345
Lieu leave	714	767	730
Total current portion	31,726	31,289	33,715

The present value of retirement gratuities and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation figure. Any changes in these assumptions will affect the carrying amount of the liability.

A discount factor of 0.22% (June 2021 0.22%) and an inflation factor of 2% (June 2021 2%) were used.

12 Contingencies

As at 31 December 2021 the Airport had no contingent liabilities or assets (June 2021: \$Nil).

Contingent assets

There are no contingent assets at 31 December 2021 (June 2021 \$Nil).

13 Events after balance date

There were no subsequent events after 31 December 2021.