

TAUPŌ AIRPORT TE TAUNGA WAKA RERERANGI O TAUPŌ

INTERIM REPORT 2023

DIRECTORY

Governing Body

Taupō Airport Authority Committee

Mayor David Trewavas
Councillor Yvonne Westerman (Council Representative)
Councillor Duncan Campbell (Council Representative)
Chris Johnston (Business Representative) (Chairman)
Chris Grace (Business Representative)

Airport General Manager

Wayne Wootton

Bankers

Bank of New Zealand, Taupō – transactional banking

Auditors

Silks Audit, Whanganui,
on behalf of Office of Auditor
General

Solicitors / Legal Advisors

Holland Beckett Law, 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
RD 2, TAUPŌ

Telephone

Airport Manager	[07] 378-7771
Facsimile	[07] 377-7776
email	admin@Taupoairport.co.nz
website	www.Taupoairport.co.nz

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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 (Dec 2022: 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 (Dec 2022: 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 (Dec 2022: Achieved)
The TAA will be self-funding in terms of its own cash flow.	Not Achieved	Operating cash flow for the year to date is \$-18k (Dec 2022: \$-298k, Not Achieved)

Financial performance:

Consolidated shareholder funds to total assets 91.5% (Dec 2022: 92.3%) against a projected 93.8%.

SUMMARY OF AIRCRAFT MOVEMENTS

For the six months ended 31 December 2023

	Six months to 31 Dec 2023	Six months to 31 Dec 2022	Year to 30 June 2023	Year to 30 June 2022	Year to 30 June 2021
Scheduled airlines	1,179	1,068	2,225	1,824	2,016
Private operation	2,421	3,182	6,050	7,572	7,235
Parachuting	1,638	1,520	3,158	2,547	2,840
Military operations	0	0	0	6	16
Helicopters	3,228	2,923	5,928	5,567	4,875
	<u>8,466</u>	<u>8,693</u>	<u>17,361</u>	<u>17,516</u>	<u>16,982</u>

**Taupo Airport Authority
Financial statements
for the Half Year ended
31 December 2023**

Statement of Comprehensive Revenue and Expense

For the half-year ended 31 December 2023

		Unaudited 6 Months to 31 Dec 2023	Unaudited 6 Months to 31 Dec 2022	Audited 12 Months to 30 Jun 2023
	Note	\$	\$	\$
Revenue				
Revenue from services provided	4	622,989	246,146	586,095
Finance revenue	5	3,528	6,142	10,138
Gain on sale of vehicle		-		-
Total revenue		626,517	252,288	596,233
Expenditure				
Personnel costs	6	130,554	114,227	264,019
Depreciation and amortisation expense		225,712	109,057	244,424
Loss on disposal of assets		-	-	99,984
Finance costs	5	6,654	3,382	9,223
Other expenses	6	388,209	171,639	476,348
Total operating expenditure		751,129	398,305	1,093,997
Operating surplus/(deficit) before tax		(124,612)	(146,017)	(497,765)
Income tax (expense)/credit		-	-	147,199
Operating surplus/(deficit) after tax		(124,612)	(146,017)	(350,566)
Other comprehensive income				
Property, plant & equipment revaluations		-	-	2,516,645
Deferred tax on revaluation		-	-	(704,661)
Total other comprehensive income		-	-	1,811,984
Total comprehensive income		(124,612)	(146,017)	1,461,419
Total comprehensive revenue and expenses attributable to:				
Taupo District Council		(62,306)	(73,009)	730,709
The Crown		(62,306)	(73,009)	730,709
		(124,612)	(146,017)	1,461,419

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

Statement of Changes in Equity

For the half-year ended 31 December 2023

		Unaudited 6 Months to 31 Dec 2023	Unaudited 6 Months to 31 Dec 2022	Audited 12 Months to 30 Jun 2023
	Note	\$	\$	\$
Net Assets/Equity at start of the year	7	21,049,182	18,954,100	18,954,100
Total comprehensive revenue and expenses		(124,612)	(146,017)	1,461,419
Equity injections by Crown		806,067	98,406	153,663
Equity injections by Taupo District Council		(0)	-	480,000
Balance at 30 June	7	21,730,636	18,906,489	21,049,182

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

Statement of Financial Position

As at 31 December 2023

		Unaudited As at 31 Dec 2023 \$	Unaudited As at 31 Dec 2022 \$	Audited As at 30 Jun 2023 \$
ASSETS				
Current assets				
Cash and cash equivalents	8	254,628	242,263	293,194
Trade and other receivables	9	126,623	171,002	77,326
Prepayments		26,867	11,136	10,597
Total current assets		408,117	424,401	381,117
Non-current assets				
Property, plant and equipment		23,347,768	20,066,556	23,461,250
Intangible assets		406	731	569
Total non-current assets		23,348,174	20,067,287	23,461,819
Total assets		23,756,291	20,491,688	23,842,936
LIABILITIES				
Current liabilities				
Trade and other payables	10	474,616	597,124	1,237,974
Employee entitlements	11	41,852	32,620	44,729
Provisions		3,729	3,729	3,729
Total current liabilities		520,196	633,473	1,286,432
Non-current liabilities				
Borrowings	12	200,000	200,000	200,000
Provisions		7,458	11,187	9,323
Deferred tax liabilities		1,298,000	740,539	1,298,000
Total non-current liabilities		1,505,458	951,726	1,507,323
Total liabilities		2,025,655	1,585,199	2,793,755
Net assets (assets minus liabilities)		21,730,636	18,906,489	21,049,182
EQUITY				
Equity interest of joint venture partners	7	13,751,315	12,409,993	12,945,248
Appropriation accounts	7	1,284,144	1,613,303	1,408,756
Asset revaluation reserve		6,695,177	4,883,193	6,695,177
Total equity		21,730,636	18,906,489	21,049,182

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 2023

	Unaudited 6 Months to 31 Dec 2023	Unaudited 6 Months to 31 Dec 2022	Audited 12 Months to 30 Jun 2023
Note	\$	\$	\$
Cash flows from operating activities			
Receipts from customers	539,949	241,470	583,965
Finance revenue	3,528	6,142	10,138
Interest paid	(6,256)	(966)	(6,095)
Payments to suppliers	(439,289)	(395,866)	(679,253)
Payments to employees	(133,431)	(126,293)	(263,978)
Net GST refunded / (paid)	17,947	(22,359)	78,227
Net cash flow from operating activities	(17,552)	(297,872)	(276,996)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	-	-	-
Purchase and development of property, plant and equipment	(827,081)	(3,083,966)	(3,589,167)
Net cash flow from investing activities	(827,081)	(3,083,966)	(3,589,167)
Cash flows from financing activities			
Equity injections	806,067	98,407	633,663
Related party Loan	-	200,000	200,000
Net cash flow from financing activities	806,067	298,407	833,663
Net increase (decrease) in cash held	(38,566)	(3,083,431)	(3,032,500)
Add cash at start of year	293,194	3,325,694	3,325,694
Cash, cash equivalents, and bank overdrafts at the end of the year	254,628	242,263	293,194
8			

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.

01. Statement of accounting policies for the year ended 31 December 2023

1.1 Reporting entity

The Taupo Airport Authority (TAA) is a joint venture between Taupo District Council (TDC) 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 TAA 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, TAA has designated itself a public benefit entity for the purposes of New Zealand equivalents to International Public Sector Accounting Standards (PBE IPSAS).

The financial statements of the Taupo Airport Authority are for the period ended 31 Dec 2023. The unaudited financial statements were approved by the Taupo Airport Authority Committee on 12 February 2024.

02. Summary of significant accounting policies

2.1 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 (GAAP) in New Zealand. The financial statements have been prepared in accordance with Tier 2 RDR standards as total expenses are less than \$2m. These financial statements comply with Public Sector Public Benefit Entity (PS PBE) standards.

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 is New Zealand dollars.

Changes in accounting policies

There are no changes in 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 TAA are airfield landing charges, lease revenue from leasehold sites, and carparking fees. Revenue is recognised in the period to which it relates. Payment is by automatic payment or direct debit.

Summary of significant accounting policies continued

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.

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.

(ii) 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.

(iii) 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

The equity of Taupo Airport Authority is made up of the following components:

- Capital contributions
- Accumulated funds
- Revaluation Reserves

Equity is the Partner'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 Authority classifies its investments as loans and receivables.

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 entity 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.

Summary of significant accounting policies

2.9 Property, plant and equipment

Property, plant, and equipment consists of Land, operating assets, and infrastructural assets.

Asset classes that are not revalued are recorded at historical cost less accumulated depreciation and impairment losses. 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 entity 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 entity and the cost of the item can be reliably measured.

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.

Transfers

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.

Summary of significant accounting policies

Depreciation

Land is not depreciated. Depreciation has been provided on a straight-line basis on all other 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	2.5 - 64 Years	1.56% - 40.37%
Furniture and Fittings	4 - 15 Years	6.67% - 25.2%
Office Equipment and Plant and Equipment	4 - 50 Years	2.0% - 25.0%
Motor vehicles	5 Years	20%
Infrastructural assets		
Runways	3 - Indefinite Years	
Roading Network	3 - 52 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, and this 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 2022.

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 independent valuer WSP New Zealand Limited (formerly Opus Consultants Limited) at 30 June 2023. The stormwater system assets were valued at fair value by independent valuer 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 TAA'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 on a straight line basis over the expected useful life of the website.

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

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

Summary of significant accounting policies continued

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 currently 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, and lieu leave.

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, 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.

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.

Summary of significant accounting policies continued

2.15 Statement of Intent (SOI) or Budget figures

The budget is approved by the TAA 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 considers that the continued adoption of the going concern assumption for the preparation of this financial statement is appropriate. The 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.

03. Critical accounting estimates and judgements

In preparing the financial statements the TAA 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.

04. Revenue from services provided

	Unaudited 6 Months to 31 Dec 2023 \$	Unaudited 6 Months to 31 Dec 2022 \$	Audited 12 Months to 30 Jun 2023 \$
<u>Revenue from significant activities</u>			
Landing fees	390,099	73,315	223,244
Terminal passenger fees	7,178	-	73,633
Lease and terminal rent	156,633	122,337	245,234
Parking fees	63,055	-	41,162
Other services	6,024	50,494	2,821
Total revenue from services provided	622,989	246,146	586,095

05. Finance revenue and expenses

	Unaudited 6 Months to 31 Dec 2023 \$	Unaudited 6 Months to 31 Dec 2022 \$	Audited 12 Months to 30 Jun 2023 \$
Finance revenue			
Interest revenue	3,528	6,142	10,138
Total finance revenue	3,528	6,142	10,138
Finance costs			
Interest expense	6,654	3,382	9,223
Total finance costs	6,654	3,382	9,223

06. Operating expenditure

	Unaudited 6 Months to 31 Dec 2023 \$	Unaudited 6 Months to 31 Dec 2022 \$	Audited 12 Months to 30 Jun 2023 \$
Employee benefit expenses			
Salaries and wages	131,882	124,109	260,254
Increase/(decrease) in employee entitlements/liabilities	(2,878)	(12,068)	-
Defined contribution plan employer contributions	1,549	2,186	3,765
Total employee benefit expenses	130,554	114,227	264,019
Depreciation expense (refer note 11)	225,549	108,894	244,099
Amortisation expense (refer note 12)	163	163	325
Total depreciation and amortisation	225,712	109,057	244,424
Audit fees for financial statements	8,398	7,553	15,863
Landside maintenance	114,308	12,705	37,255
Airside maintenance	10,986	24,783	45,897
Terminal maintenance	2,742	639	1,796
Other maintenance	-	-	4,162
Airfield contractors	16,827	8,078	70,158
Electricity and gas	34,989	10,861	45,504
Materials and supplies	4,842	2,642	18,988
Professional services fees/legal fees	68,591	34,127	67,191
Accountancy & business services (TDC)	24,000	6,250	12,500
Vehicle running costs	976	1,906	3,616
Insurances	14,680	5,800	16,282
Cleaning	2,253	14,461	16,298
Equipment hire and rental fees	27,759	1,181	29,439
Rates	12,296	8,440	17,711
Software licenses	19,770	18,682	39,013
Provision for bad debts	-	-	-
Other grants	-	-	-
Other expenses	24,793	13,531	34,676
Total other expenses	388,209	171,639	476,348

07. Equity

	Unaudited 6 Months to 31 Dec 2023 \$	Unaudited 6 Months to 31 Dec 2022 \$	Audited 12 Months to 30 Jun 2023 \$
(a) Equity Interest of Joint Venture Partners			
(i) Taupo District Council			
Opening balance	7,103,902	6,623,903	6,623,902
Capital injections	(0)	-	480,000
Closing balance	7,103,902	6,623,903	7,103,902
(ii) The Crown			
Opening balance	5,841,346	5,687,683	5,687,683
Capital injections	806,067	98,407	153,663
Closing balance	6,647,413	5,786,090	5,841,346
Total closing balance of equity accounts	13,751,315	12,409,993	12,945,248
(b) Appropriation Accounts			
(i) Taupo District Council			
Opening balance	2,029,009	2,204,291	2,204,292
Share of net deficit	(62,306)	(73,009)	(175,283)
Closing balance	1,966,703	2,131,282	2,029,009
(ii) The Crown			
Opening balance	(620,252)	(444,970)	(444,970)
Share of net deficit	(62,306)	(73,009)	(175,283)
Closing balance	(682,558)	(517,979)	(620,252)
Total closing balance of appropriation accounts	1,284,144	1,613,303	1,408,756
(c) Asset Revaluation Reserve			
Property, plant and equipment revaluation reserve			
Opening Balance	6,695,177	4,883,193	4,883,193
Revaluation gains/(losses)	-	-	2,516,645
Deferred tax on revaluation	-	-	(704,661)
Closing Balance	6,695,177	4,883,193	6,695,177
Represented by:			
Operational assets:			
Land	2,389,772	2,389,775	2,389,772
Buildings	82,967	82,966	82,967
Fencing	73,669	54,811	73,669
Infrastructure assets:			
Roading & streetlighting	736,941	143,710	736,941
Stormwater	86,874	67,010	86,874
Runways	3,324,954	2,144,921	3,324,954
Total asset revaluation reserves	6,695,177	4,883,193	6,695,177
Total Equity	21,730,636	18,906,489	21,049,182

08. Cash and cash equivalents

	Unaudited 6 Months to 31 Dec 2023	Unaudited 6 Months to 31 Dec 2022	Audited 12 Months to 30 Jun 2023
	\$	\$	\$
Cash at bank and in hand	254,628	242,263	293,194
Call deposits	-	-	-
Total cash and cash equivalents used in statement of cashflows	254,628	242,263	293,194

Included in Cash at bank is the project fund for the redevelopment project of \$32 (2022: \$56,279).

9. Trade and other receivables

	Unaudited 6 Months to 31 Dec 2023	Unaudited 6 Months to 31 Dec 2022	Audited 12 Months to 30 Jun 2023
	\$	\$	\$
Trade receivables	114,070	49,435	52,468
Receivables from related parties (note 15)	-	196	0
Other	12,553	121,371	24,858
Total current net trade and other receivables	126,623	171,002	77,326
Total debtors and other receivables from exchange transactions	115,267	49,505	52,876
Total current net trade and other receivables from non-exchange transactions	11,355	121497	24450.18
Total current net trade and other receivables	126,623	171,002	77,326

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.

Bad and doubtful trade receivables

The Airport has recognised a \$ nil loss (2022: \$ nil) in respect of bad and doubtful trade receivables during the period ended 31 December 2023. Losses, if incurred, are included in 'other expenses' within the surplus or deficit of the statement of comprehensive revenue and expense.

The aging of receivables as at 31 December 2023 are detailed below:

	Unaudited 6 Months to 31 Dec 2023	Unaudited 6 Months to 31 Dec 2022	Audited 12 Months to 30 Jun 2023
	\$	\$	\$
Current	110,017	154,620	63,159
Past due 1-30 days	13,926	7,501	5,946
Past due 31-60 days	2,273	2,154	1,022
Past due 61+ days	407	6,727	2,285
Total Net receivables	126,623	171,002	72,412

10. Trade and other payables

	Unaudited 6 Months to 31 Dec 2023 \$	Unaudited 6 Months to 31 Dec 2022 \$	Audited 12 Months to 30 Jun 2023 \$
Trade payables	(757,684)	23,665	17,694
Trade payables to Related parties	1,092,007		1,092,007
Accrued expenses	76,773	510,685	59,498
Accrued expenses to Related parties	-		-
Revenue in advance	63,520	62,774	68,775
Total creditors and other payables	474,616	597,124	1,237,974
Total creditors and other payables from exchange transactions	387,123	534,466	1,163,323
Total creditors and other payables from non-exchange transactions	87,493	62,658	74,651
Total current creditors and other payables from exchange and non-exchange transactions	474,616	597,124	1,237,974

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 6 Months to 31 Dec 2023 \$	Unaudited 6 Months to 31 Dec 2022 \$	Audited 12 Months to 30 Jun 2023 \$
Current portion			
Accrued pay	8,315	3,332	8,197
Annual leave	26,380	24,439	29,598
Lieu leave	1,204	3,692	1,238
Long service leave	5,953	1,157	5,696
Total current portion	41,852	32,620	44,729
Total employee entitlements	41,852	32,620	44,729

There is assumed to be no non current retirement or long service leave obligations

12. Borrowings

	Unaudited 6 Months to 31 Dec 2023 \$	Unaudited 6 Months to 31 Dec 2022 \$	Audited 12 Months to 30 Jun 2023 \$
Non-current			
Borrowings	200,000		200,000
Total non-current provisions	200,000		200,000

TAA has a Loan Facility agreement with Taupo District Council, signed in July 2022. The purpose of the loan facility is for working capital and liquidity purposes only. The loan facility is up to \$300,000 for a term of up to 5 years. The loan is unsecured and subordinated to all other external indebtedness. Interest is payable quarterly in arrears. The interest rate is calculated as the Base rate (90 day BKBM bid rate) plus margin (lenders 2 year floating rate margin plus 0.65%).

13. Contingencies

As at 31 December 2023 the Airport had no contingent assets (2022: \$Nil), or contingent liabilities (2022 \$Nil).

14. Events after balance date

There were no subsequent events after 31 December 2023.