
GREAT SOUTH



Southland Regional Development Agency

Statement of Intent

2023 - 2026

Version 2



COMPANY DIRECTORY

SOUTHLAND REGIONAL DEVELOPMENT AGENCY LIMITED – TRADING AS GREAT SOUTH

PO Box 1306, Invercargill 9810
(03) 211 1400

REGISTERED OFFICE

143 Spey Street, Invercargill, New Zealand

DIRECTORS

Ian Collier (Chair), Lucy Griffiths, Maria Pera, Jason Franklin,
Jeff Grant, Peter Heenan, Rachel Lindsay

BANK

Westpac New Zealand Limited

AUDITORS

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

SHAREHOLDERS AND MEMBERS

Class A Shareholders:

Invercargill City Council, Southland District Council,
Gore District Council, Environment Southland

Class B Shareholders:

Southland Chamber of Commerce, Invercargill Licensing Trust,
Mataura Licensing Trust, SIT | Te Pūkenga

Members:

Community Trust South

LEGAL STATUS

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

COMPANIES OWNED BY GREAT SOUTH

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

PURPOSE OF THIS STATEMENT OF INTENT

In accordance with the requirements of Section 64(1) of the Local
Government Act 2002, this Statement of Intent publicly states
the planned activities, intentions and performance measures for
Great South, Southland Regional Development Agency, for the next
three years. It is written in response to the shareholders' letter of
expectation, received 31 March 2023.



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

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

Foreword

We are pleased to present our Statement of Intent for 2023 – 2026.

As Great South enters its fifth year of operation, we are now in a strong position to further increase value and contributions we make to the region after some significant disruptions during the past few years. Much has changed over the last 12 months with our new Chief Executive Chami Abeyasinghe joining the team, a number of Government contracts we received as a result of Covid have come to an end, and Space Operations New Zealand Limited is continuing to grow and develop as a business in its own right.

Most exciting as we look ahead, we now have a robust regional plan, Beyond 2025 Southland, that sets out the strategic framework and priority projects that will be the focus for our region over the next 10 years. Whether or not New Zealand Aluminium Smelter at Tiwai Point remains open beyond 2024, as a region we have a course of action and a number of new large-scale projects in the pipeline.

Beyond 2025 Southland has highlighted the importance of Aquaculture and Clean Energy as new priority industries for our region. Furthermore, support for housing, building data repositories, and attracting and retaining a skilled workforce are key enablers that support wider economic development opportunities, and will be a core focus for Great South over the next 12 months. Our work within the tourism space, including destination management, will continue as in previous years.

The Great South team now know with confidence that this plan is backed up by sound data and more significantly it has been endorsed by the people of Murihiku Southland. It is testament to the significant input and ongoing support from so many parties, contributing to the contents of the plan which has given central government the confidence to contract the implementation phase of the project to Great South.

As Southland's regional development agency, working for the benefit of the entire region enables us to have conversations that connect and potentially attract investment from outside of the region that might not otherwise be possible. We also provide a wide range of information that helps leaders and organisations across the region make important decisions that are in the best interests of their own organisations and the wider Murihiku Southland community.



Ian Collier
Great South Board Chair

About us

Great South, Southland's regional development agency, is responsible for economic development and promotion of Murihiku Southland.

This involves managing Murihiku Southland's regional tourism organisations and central government's Regional Business Partner (RBP) Network, as well as delivering a range of events, regional initiatives, and government-funded contracts that pave the way for development. Through the essential support provided to Murihiku Southland, Great South provides a unified voice for the region, establishes a strong platform for regional success and takes strides towards its clear vision of even better lives through sustainable regional development.

Great South is a council-controlled organisation, jointly owned by Invercargill City Council, Southland District Council, Gore District Council, Environment Southland, Invercargill Licensing Trust, Maitaia Licensing Trust, Southland Chamber of Commerce, SIT | Te Pūkenga and its member Community Trust South. We are governed by an independent Board of Directors.

Established in March 2019, we began full operations in July that year. We receive funding from our shareholding Councils to cover core operational costs, Central Government agencies who contract Great South to perform specific services, as well as private sector partners.

We have a memorandum of understanding with all four Papatipu Rūnaka in Murihiku Southland – Awarua, Hokonui, Ōraka-Aparima, and Waihōpai.

CONSTITUTION OBJECTIVES

1. Achieve the objectives of our shareholders, both commercial and non-commercial
2. Be a good employer
3. Exhibit a sense of social and environmental responsibility
4. Conduct our affairs in accordance with sound business practice

GREAT SOUTH GOVERNANCE

The Board of seven independent directors is responsible for the strategic direction of Great South and the initiatives it is involved with. The Board oversees the business undertaken by Great South in accordance with the Local Government Act 2002, Companies Act 1993, the Company's Constitution and the Statement of Intent.

The Chief Executive is responsible for the day-to-day operations of Great South, including the management of staff and reporting to directors on the performance against set priorities.



What we value

KAITIAKITANGA

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

SOUTHLAND PROUD

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

SUSTAINABILITY

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

HERITAGE

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

BEING REAL

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

QUALITY OVER QUANTITY

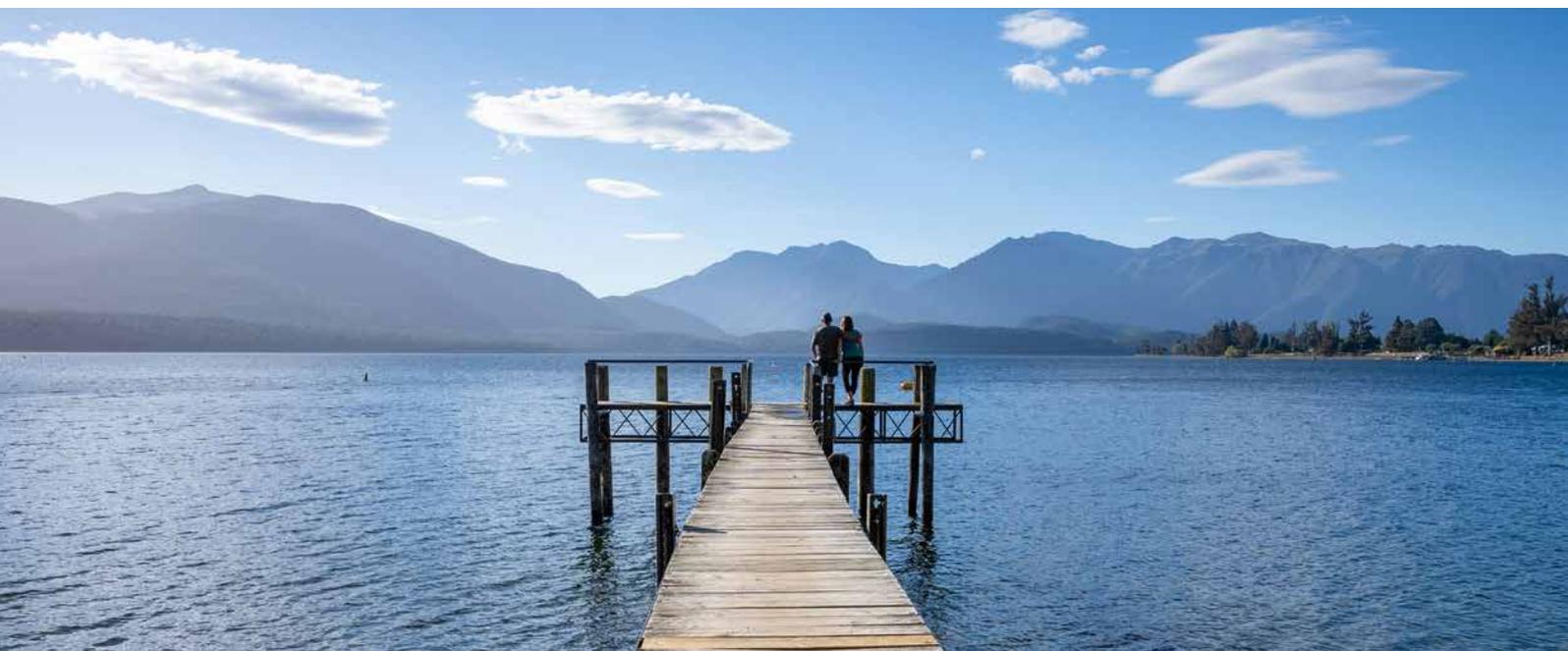
We focus on doing a smaller number of things well, rather than spreading ourselves too thinly. The nature of our involvement may vary across different regional initiatives, but we will at all times be committed to the development of the place we call home.

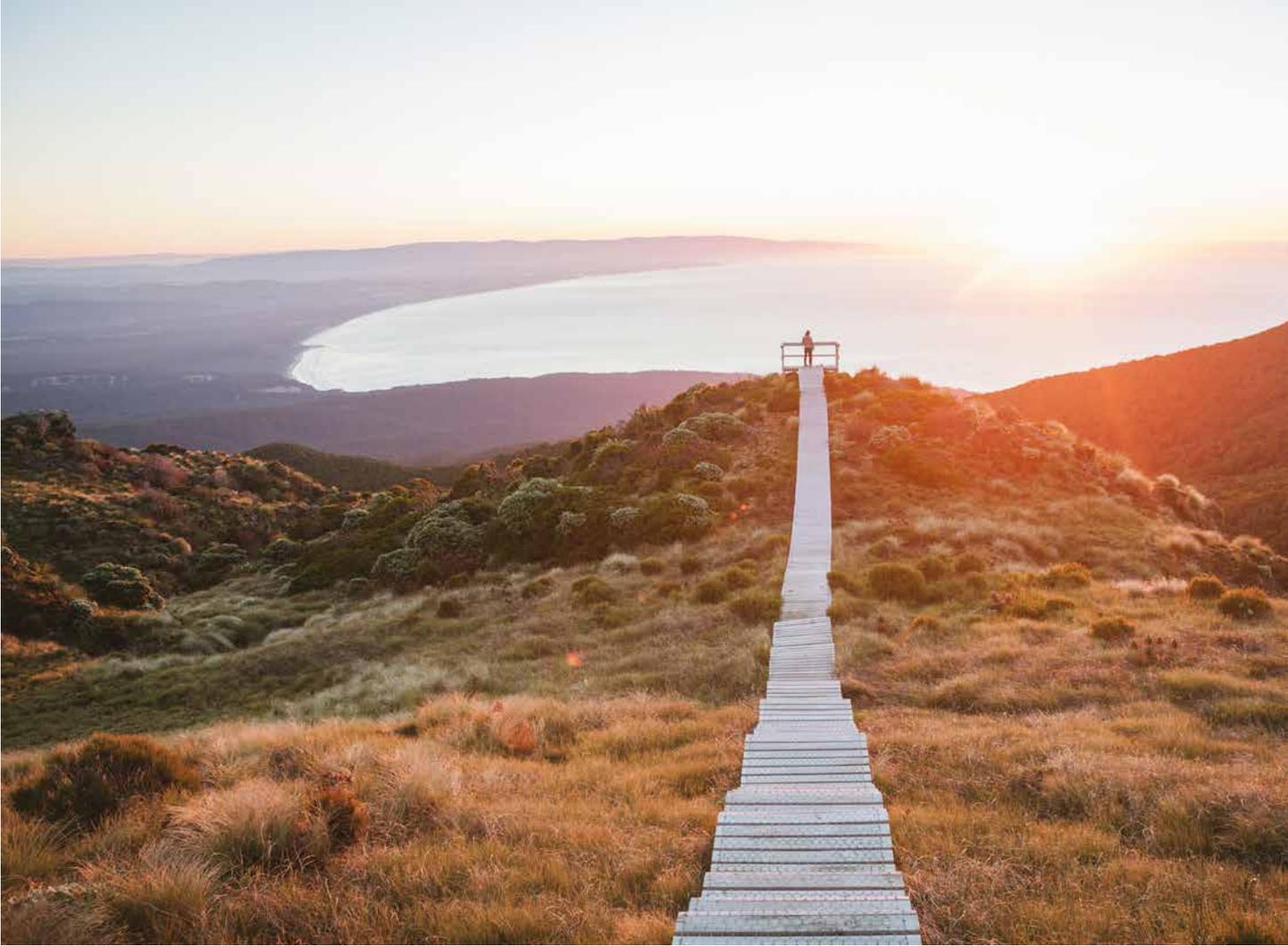
COMMUNITY SUPPORT

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

SHAREHOLDER CONFIDENCE

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





Our vision

Even better lives through sustainable regional development

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

In this time of unprecedented change for Murihiku Southland, with major industry changes and climate effects forcing shift in activity, taking a sustainable approach in its widest sense (environmental, economic and social), is critically important.



Southland snapshot



NET EMISSIONS FOR 2021

5,373,965 tCO₂e

3.3% decrease from 2018 baseline



CURRENT POPULATION

102,400

GEOGRAPHIC AREA

31,218 km²



REGIONAL GDP

\$7.24b



AVERAGE HOUSEHOLD INCOME

\$107,000



UNEMPLOYMENT RATE

3.3%

MAIN INDUSTRIES BASED ON NUMBER OF EMPLOYEES



Agriculture



Retail



Health Care

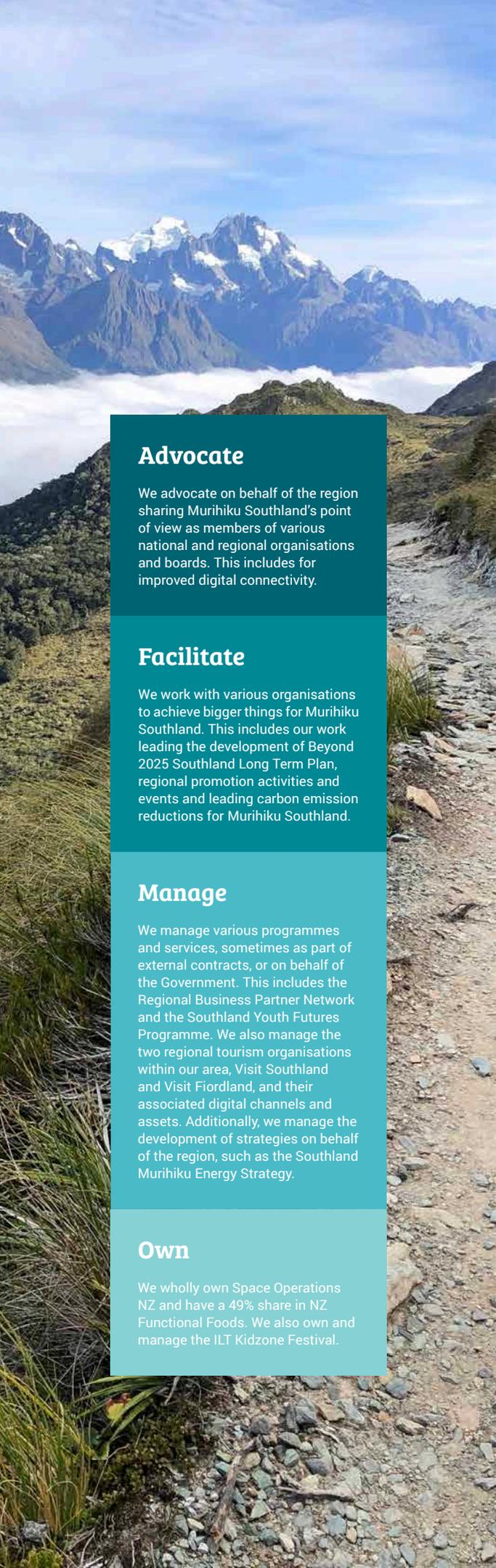


Manufacturing



Construction

Figures sourced from Infometrics & Statistics New Zealand



How we operate

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

With the Government having declared a climate change emergency and committed to net zero emissions by 2050, and the uncertainty around continuity of the NZ Aluminium Smelter at Tiwai Point beyond 2024, this is a time of unprecedented change for Murihiku Southland and strong leadership is required.

At a workshop with our shareholders conducted in May 2023, it was identified that Great South’s work in four priority areas (see pages 10 and 11) will lead to overall regional and economic development. With the Beyond 2025 Southland Regional Long Term Plan and associated outcomes, it has also been identified that Great South will lead the facilitation of key regional projects by developing the Beyond 2025 Southland Implementation Plan.

ROLES OF GREAT SOUTH

Our role varies depending on the nature of the project or initiative we are involved with. It may be to advocate, facilitate, manage, or own. We continue to build on relationships with sector representatives and key Murihiku Southland stakeholders.

Our various roles



Advocate

We advocate on behalf of the region sharing Murihiku Southland’s point of view as members of various national and regional organisations and boards. This includes for improved digital connectivity.

Facilitate

We work with various organisations to achieve bigger things for Murihiku Southland. This includes our work leading the development of Beyond 2025 Southland Long Term Plan, regional promotion activities and events and leading carbon emission reductions for Murihiku Southland.

Manage

We manage various programmes and services, sometimes as part of external contracts, or on behalf of the Government. This includes the Regional Business Partner Network and the Southland Youth Futures Programme. We also manage the two regional tourism organisations within our area, Visit Southland and Visit Fiordland, and their associated digital channels and assets. Additionally, we manage the development of strategies on behalf of the region, such as the Southland Murihiku Energy Strategy.

Own

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

PARTNERING FOR SUCCESS

The future success of Murihiku Southland depends on partnerships. Great South works with stakeholders and the wider community and is committed to telling the shared stories of Murihiku Southland - people and place.

Great South is committed to meeting its obligations under Te Tiriti o Waitangi and collaborates with the four Murihiku-based Rūnaka on significant projects.

SUSTAINABLE FOCUS

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

OPERATIONAL EFFICIENCIES

In line with best management practice, we seek continuous improvement, improving processes and IT systems, to allow staff to operate in the most effective manner. We continue to assess each purchasing decision and contract negotiation to ensure it can withstand a level of scrutiny as expected in the public sector.

TE REO MĀORI

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

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

OUR PEOPLE AND CULTURE

The most valuable asset at Great South is our people. We are committed to creating a positive work environment and ensuring staff skills are relevant and up to date, allowing our people to thrive. We will regularly survey staff to ensure we are on track. A key focus will be to embed our values in the organisation.

Our team values

- Respect each other's contribution
- Work together to achieve great things for our region
- Care for each other and our place
- Enjoy work and have fun

HEALTH AND SAFETY

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

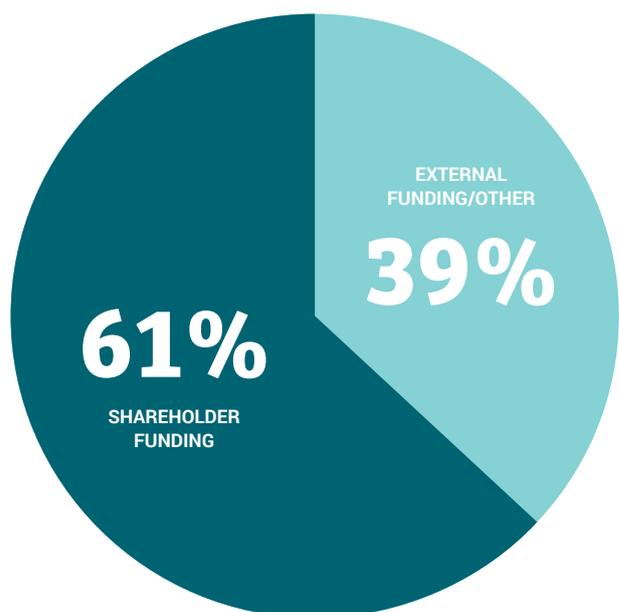
HOW WE ARE FUNDED

Great South's four shareholder councils – Invercargill City Council (ICC), Southland District Council (SDC), Gore District Council (GDC), and the Southland Regional Council operating as Environment Southland (ES) – all contribute to the core costs of running Great South. In addition, ICC, SDC and GDC contribute to contract funding that supports the activities under our priorities as highlighted in this Statement of Intent. Great South has also successfully secured funding from commercial and government partners.

Examples of this include:

- MBIE and Callaghan Innovation for the Regional Business Partner Programme (RBP)
- MBIE Regional Event Fund (REF)
- MBIE Southland Youth Futures (to December 2023)
- MBIE Beyond 2025 Southland Implementation
- Commercial engagements

Our revenue sources for 2023-2024



Our priorities



Regional development leadership

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



Regional promotion

Great South promotes Murihiku Southland as a great place to live, work and visit and in doing so supports the attraction of tourists whose values align with ours.



Business support and diversification

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



Net Zero Southland

Great South works with businesses across Murihiku Southland to address carbon emissions, and facilitates and supports them in making reductions, as the region heads towards being carbon neutral by 2050.

Regional development leadership



Strategy implementation

Great South will facilitate implementation of the Beyond 2025 Southland Regional Long Term Plan and continue to review and support development of various regional strategies.



Data and insights

Up-to-date data is essential for successful regional planning and for attracting new investment to the region. Great South has access to regional data and insights that it will continue to provide, to help with regionwide decision making. It will also continue to analyse regional trends and liaise with Central Government on areas of the Murihiku Southland economy that require support. Great South will design and develop dashboards and share this for decision making at a variety of levels. This would benefit Council long term planning and businesses of all sizes.



Feasibility assessment

Great South will assess feasibility of projects of benefit to the region within its priority areas. Feasibility studies will be carried out for the establishment of an activation hub and i-SITE in the Invercargill CBD, business events for Murihiku Southland outside of Invercargill, and for agriculture extension in the Gore District. Feasibility studies will also be carried out to attract new and complementary businesses to the region that would support existing business and/or new opportunities.



Advocacy

On behalf of the region, Great South will continue to advocate to government and regulation setting bodies, on issues within its priority areas to ensure Murihiku Southland is resourced appropriately and that the nuances of the region are understood. We will continue to advocate for improved infrastructure and digital connectivity, housing and services, and attracting investment to the region.





Advocate

Facilitate

Manage

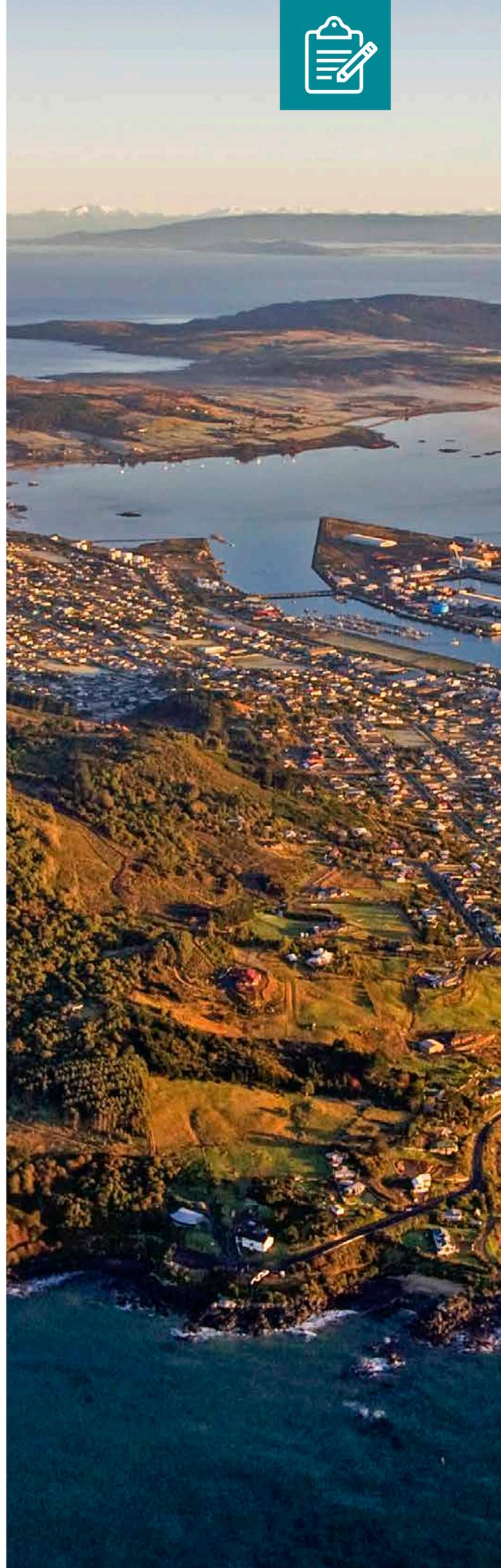
Own

Murihiku Southland representation

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



Indicates activity directly relating to the priorities of our three contract funding shareholders: Invercargill City Council, Southland District Council and Gore District Council. In addition to contract funding, these three councils and the Southland Regional Council (operating as Environment Southland) provide core funding that keeps Great South operational.



Regional promotion



Attract people to live and work in the region

To attract people to live and work in Murihiku Southland, Great South will create a marketing toolkit with video and imagery to support businesses with their recruitment campaigns. Working with Southland Business Chamber and COIN South, we will provide targeted skills development support for local businesses, including workshops and seminars with Immigration NZ. We will also support SIT | Te Pūkenga with international education recruitment.



Murihiku Southland regional story

Great South will use the Murihiku Southland regional story to ensure a cohesive and regionwide approach is taken to attract people to live, study, work and visit. Capturing the region's essence, its people and distinctive qualities, this story will be used to support communications and marketing by organisations that represent and promote our region. Great South will also establish a regional ambassador programme, giving our community the tools and knowledge to engage with visitors, and creating a sense of regional pride.



Tourism product and destination development

As a core focus for Great South, we will continue to deliver, develop and progress various projects identified within the revised Murihiku Southland Destination Strategy. These include establishing Murihiku Southland as a World Class Dark Skies Destination and Fiordland National Park as an International Dark Sky Sanctuary, working with Clutha Development to support development and marketing of the Catlins, and supporting Ōraka Aparima Rūnaka to investigate options for development of the Te Anau Bird Park. Great South will also assist Gore District Council by identifying opportunities to develop and strengthen agritourism and brown trout fishing.



Deliver and support major events

Major and iconic events are a key reason why New Zealanders travel. Great South will continue to deliver iconic family event ILT Kidzone Festival and will also continue to provide delivery support to the Burt Munro Challenge, another iconic event celebrating Southland heritage. We will also continue to promote events around the region as part of marketing clusters.





Business events

Business events are an important opportunity for Murihiku Southland, particularly to attract visitors during tourism off seasons. Acting as Business Events Southland, Great South will continue to prospect for national and international events that could be held in our region with the aim to put Murihiku Southland on the map as a business events destination. Great South will also assess the feasibility of developing business events in the region outside of Invercargill.



Invercargill city centre activation

A thriving Invercargill city centre is essential for the benefit of the whole of Murihiku Southland. On behalf of Invercargill City Council, Great South employs a city centre coordinator to deliver inner city events and activations. A monthly event calendar promoting city centre activities will be produced and all events will be listed on our promotional website southlandnz.com.



Destination marketing

Great South will continue to profile Southland and Fiordland as unique visitor destinations. Great South will operate southlandnz.com as the primary destination promotion website, as well as fiordland.org.nz, along with their associated social media platforms. Southlandnz.com is our key tool to promote Murihiku Southland as a great place to live, work and visit. It is a valued promotional platform for local businesses who list on this site, and also provides practical information to support decision making and travel for international and domestic visitors.

We will continue to work closely with key national tourism partners, including Tourism NZ, and will continue to partner with Air New Zealand and Invercargill Airport to advocate for flights into Invercargill, as the gateway to Murihiku Southland. Marketing campaigns will be targeted at visitors from key international markets as well as domestic visitors. Familiarisation opportunities will be held for tourism operators, travel media companies and business events organisers.



Indicates activity directly relating to the priorities of our three contract funding shareholders: Invercargill City Council, Southland District Council and Gore District Council. In addition to contract funding, these three councils and the Southland Regional Council (operating as Environment Southland) provide core funding that keeps Great South operational.

Business support and diversification



Business diversification

Great South will support businesses within Murihiku Southland to identify opportunities for diversification and to develop plans to implement these opportunities. This includes evaluating low climate impact industries for the region. Great South will support Southland District Council to identify alternative income sources for Te Anau Airport Manapouri. We will also undertake feasibility studies to attract new and complementary businesses to the region that support existing and/or new business opportunities.



Economic diversification

While continuing to support Space Operations New Zealand Limited, hydrogen and data centre opportunities, Great South's focus will be on looking at opportunities to expand existing business into larger industries for the region. We will facilitate feasibility studies to assess opportunities for new market development and the possibility of developing export markets for new and existing products.



Support the agriculture sector

Acknowledging that agriculture is the main economic contributor to our region, Great South will undertake feasibility studies on opportunities to support the industry through skills development and new market development, including export opportunities and through attraction and retention of a skilled workforce. Great South will support our councils to identify opportunities for alternative land use, such as hemp and hops.



Support CBD businesses

Activations in Invercargill's CBD will support business activity in that area (see 'Invercargill city centre activation' page 15).





Deliver/facilitate workshops and training

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



Southland Youth Futures

Great South will continue to deliver the Southland Youth Futures Programme until funding ceases in December 2023. The programme is important for young people to get exposure to the variety of jobs within the region and is of benefit to employers in connecting them with a future workforce.



Digital connectivity

For businesses in Murihiku Southland to flourish, it is essential for broadband and mobile coverage to be available regionwide, for both business owners and their customers. Through the completion of the Mobile Blackspot Report, we will advocate for change in the current network on behalf of Southland District and Gore District.



Indicates activity directly relating to the priorities of our three contract funding shareholders: Invercargill City Council, Southland District Council and Gore District Council. In addition to contract funding, these three councils and the Southland Regional Council (operating as Environment Southland) provide core funding that keeps Great South operational.

Net Zero Southland



Encourage low impact industry

The New Zealand Government has committed to reaching net zero emissions of long-lived gases by 2050 and to reduce biogenic methane emissions to 24-27 percent below 2017 levels by 2050. To support meeting these goals by 2050, Great South will provide data and insights that enable major decisions to be made on behalf of the region, and ensure that new industries address climate change and emissions reduction targets.



Support the business sector to reduce carbon emissions

Great South will continue to offer its Decarbonisation Workshop Series for business. This course gives businesses the tools they need to measure carbon emissions, address them, and make tangible changes that in turn will support financial resilience.



Monitor emissions

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



Sustainable destination management

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





Advocate

Facilitate

Manage

Own

Energy planning

Following the release of the Southland Murihiku Regional Energy Strategy 2022-2050 in March 2023, Great South will provide support to the Southland District Council for energy planning in Rakiura Stewart Island and Piopiotahi Milford Sound. The aim of the Strategy was to support energy resilience and affordability and to provide clean renewable energy, supporting the region to achieve net zero emissions by 2050.

SDC

ICC

SDC

GDC

Indicates activity directly relating to the priorities of our three contract funding shareholders: Invercargill City Council, Southland District Council and Gore District Council. In addition to contract funding, these three councils and the Southland Regional Council (operating as Environment Southland) provide core funding that keeps Great South operational.



Performance measures

DESCRIPTION	KPI 2023-24	KPI 2024-25	KPI 2025-26
 Beyond 2025 Southland Implementation Plan Carry-out deliverables against the contract with MBIE, including designing and developing the Implementation Plan and investigation of resources and funding	<ul style="list-style-type: none"> Implementation Plan designed and approved by regional leaders and MBIE Three key projects identified and implemented Reporting to regional leaders and MBIE on all workstreams that have received funding under Just Transition 	<ul style="list-style-type: none"> Projects for three years starting 2024-25 identified through the Implementation Plan and included in the Letter of Expectation from the councils and their respective Long-Term Plans Regional Governance Leadership Group established and effectively meeting 	<ul style="list-style-type: none"> Projects for 2025-26 identified and completed Regional Governance Leadership Group continues to be effective in providing direction for the Beyond 2025 Southland projects
 Attraction of visitors to Murihiku Southland Promote Murihiku Southland as a great place to live, work and visit via campaigns, media and trade famils	<ul style="list-style-type: none"> Deliver and develop 4 destination promotion campaigns Facilitate 10 famils to the region Ensure at least 85% of traffic to Southland & Fiordland websites comes from key markets (New Zealand, Australia, North America & Europe) From 2022-23 YE baseline: Increase traffic on southlandnz.com and fiordland.nz by 5% Increase total engagement across all social media channels by 5% 	<ul style="list-style-type: none"> Integrate Fiordland website on Southland website platform (Simpleview) 5% growth on previous year on visitation or engagement from key markets (New Zealand, Australia), subject to available resources Ensure alignment with Milford Opportunities Project (MOP) outcomes around branding story telling 	<ul style="list-style-type: none"> 5% growth on previous year on visitation or engagement from key markets (New Zealand, Australia), subject to available resources Ensure alignment with MOP outcomes around branding story telling Partner with MOP to ensure Murihiku Southland-wide story/ brand application
 Tourism sector development Support the development of our regional tourism sector to attract visitors and provide economic benefit	<ul style="list-style-type: none"> Progress 10 projects from the revised Murihiku Southland Destination Strategy Implement Murihiku Southland Business Events Strategy including feasibility of business events in Gore 	<ul style="list-style-type: none"> Continued implementation of the revised Murihiku Southland Destination Strategy At least one new business event in Murihiku Southland 	<ul style="list-style-type: none"> Continued implementation of the revised Murihiku Southland Destination Strategy At least two new business events in Murihiku Southland
 Alternative land use Support the diversification of agricultural land	<ul style="list-style-type: none"> Support provided to four projects that encourage land use diversification, including the completion of at least 2 feasibility studies 	<ul style="list-style-type: none"> Identified opportunities supported through to diversification 	<ul style="list-style-type: none"> Identified opportunities supported through to diversification
 Business engagements Number of businesses who are engaged with via the Regional Business Partner Network or through skills development workshops, events and webinars	<ul style="list-style-type: none"> 280 business engagements 	<ul style="list-style-type: none"> 300 business engagements 	<ul style="list-style-type: none"> 320 business engagements
 Data and dashboards Develop and design dashboards for use by councils and stakeholders, and develop a repository for holding data that supports the work undertaken by Great South on behalf of the Shareholders	<ul style="list-style-type: none"> Repository designed Dashboards developed and designed and made available to councils 	<ul style="list-style-type: none"> Repository maintained Dashboards are up to date and maintained 	<ul style="list-style-type: none"> Repository maintained Dashboards are up to date and maintained
 Carbon emissions reduction Support Murihiku Southland businesses to reduce carbon emissions, including farmers	<ul style="list-style-type: none"> 120 businesses take part in decarbonisation workshops One-on-one meetings with 100 businesses are held regarding decarbonisation 10 Murihiku Southland businesses decarbonise their heating systems 	<ul style="list-style-type: none"> 140 businesses take part in decarbonisation workshops One-on-one meetings with 120 businesses are held regarding decarbonisation 10 Murihiku Southland businesses decarbonise their heating systems 	<ul style="list-style-type: none"> 160 businesses take part in decarbonisation workshops One-on-one meetings with 150 businesses are held regarding decarbonisation 10 Murihiku Southland businesses decarbonise their heating systems

Space Operations New Zealand

Great South's highly-successful space operations business became a stand-alone company, Space Operations New Zealand Limited, in 2021 to meet demand from rapid growth in the international small satellite (smallsat) community.

Murihiku Southland was identified as the ideal location for a satellite ground station, given its proximity to the South Pole, low horizon, sparse population density and no radio interference. This led to the Awarua Satellite Ground Station being established in 2004 by Great South, Southland's Regional Development Agency, in conjunction with the European and French Space Agencies.

The Awarua Satellite Ground Station hosts customers' and its own antennas to provide southern hemisphere ground segment support for space agencies and commercial satellite operators. Customers' satellites are used for all manner of purposes, including tracking shipping containers, measuring the atmosphere, imaging the Earth, calibrating satellite navigation systems and providing internet services. Some of the antennas provide downrange support for international launch companies, including Rocket Lab, founded by Invercargill's Peter Beck. It is the first station with spacecraft visibility on the western side of the Pacific Ocean and is New Zealand's only commercial low Earth orbit satellite ground station.

The Awarua Satellite Ground Station currently hosts more than 35 antennas and will add two new 11-metre antennas to the station as part of a recent collaboration with Lockheed Martin Australia that will see a SouthPAN (Southern Positioning Augmentation Network) satellite uplink station, supported by a mission operations centre in Invercargill, come to fruition, providing New Zealanders and Australians with centimetre accuracy positioning from their smartphones.

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



Statement of comprehensive revenue and expense

For the 12 months to June

	2023/24 Budget	2024/25 Budget	2025/26 Budget
Revenue			
Shareholder Investment			
Core	1,770,370	1,846,496	1,925,895
Contract	1,700,733	1,700,733	1,700,733
Total	3,471,103	3,547,229	3,626,628
Other Revenue			
Service Revenue	562,416	311,346	307,311
Project Revenue	1,971,323	1,473,500	1,663,500
Total	2,533,740	1,784,846	1,970,811
Total Revenue	6,004,843	5,332,075	5,597,439
Expenditure			
Project and Service Expenditure			
Regional Economic Development	1,144,963	1,015,103	1,060,058
Beyond 2025 Southland	470,000	-	-
Business Support Services	451,987	294,495	305,573
Regional Tourism Development	1,132,272	1,232,170	1,273,183
Regional Event Delivery	947,037	730,185	745,401
Total	4,146,259	3,271,954	3,384,214
Core Expenditure			
Directors Fees	176,000	183,568	191,461
Employee Expense	932,957	966,834	1,014,585
Depreciation and Amortisation	60,000	62,580	65,271
Other Expenses	811,170	778,255	811,720
Total	1,980,127	1,991,237	2,083,038
Total Expenditure	6,126,386	5,263,190	5,467,252
Net Surplus / (Deficit)	(121,544)	68,884	130,188
Taxation	-	-	21,708
Net Surplus / (Deficit) After Taxation	(121,544)	68,884	108,480



Statement of financial position

As at 30 June

	2023/24 Budget	2024/25 Budget	2025/26 Budget
Assets			
Current Assets			
Cash and Cash Equivalents	281,029	368,174	493,838
Receivables and Accruals	972,704	933,316	950,578
Prepayments	39,255	39,255	39,255
Total	1,292,987	1,340,744	1,483,671
Non-Current Assets			
Investments	1,072,534	1,072,534	1,072,534
Deferred Tax	33,220	33,220	33,220
Property, Plant and Equipment	269,761	267,181	261,910
Total	1,375,515	1,372,935	1,367,664
Total Assets	2,668,503	2,713,679	2,851,335
Liabilities			
Current Liabilities			
Payables and Accruals	512,544	454,527	466,676
Income Tax Payable	(6,652)	(6,652)	15,056
Income Received in Advance	105,755	80,755	55,755
Employee Entitlements	128,087	128,087	128,087
Other Current Liabilities	(48,591)	10,719	31,038
Total	691,143	667,436	696,612
Total Liabilities	691,143	667,436	696,612
Net Assets and Liabilities	1,977,360	2,046,244	2,154,723
Equity			
Contributed Capital	1,338,421	1,338,421	1,338,421
Retained Earnings	638,939	707,823	816,302
Total Equity	1,977,360	2,046,244	2,154,723



Statement of cash flows

For the 12 months to June

	2023/24 Budget	2024/25 Budget	2025/26 Budget
Cash Flow From Operating Activities			
Receipts From Shareholder Investment	3,471,103	3,547,229	3,626,628
Receipts From Other Operating Activities	3,473,984	2,672,635	2,793,165
Income Tax Paid	-	-	-
Payments to Employees	(3,253,808)	(3,154,666)	(3,261,659)
Payments to Suppliers	(3,980,197)	(2,909,054)	(2,963,470)
Total Cash Flow From Operating Activities	(288,918)	156,145	194,665
Cash Flow From Investing Activities			
Purchase of Fixed Assets and Intangibles	(207,000)	(69,000)	(69,000)
Total Cash Flow From Investing Activities	(207,000)	(69,000)	(69,000)
Cash Flow From Financing Activities			
Borrowings / (Repayments)	-	-	-
Total Cash Flow From Financing Activities	-	-	-
Net Cash Flows	(495,918)	87,145	125,665
Cash Balances			
Cash, Cash Equivalents and Overdrafts at Beginning of Period	776,947	281,029	368,174
Cash, Cash Equivalents and Overdrafts at End of Period	281,029	368,174	493,838
Net Change in Cash Balances	(495,918)	87,145	125,665



Accounting policies

REPORTING ENTITY

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

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

Committed to driving economic, social and cultural growth, Southland Regional Development Agency has a clear mandate to leverage opportunities for Southland in the areas of economic and business development, tourism and events. This involves incorporating Southland's Regional Tourism Organisations, central government's Regional Business Partner (RBP) Network, delivering a range of events, regional initiatives, and government-funded contracts that pave the way for regional development.

BASIS OF PREPARATION

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

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993, and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) Reduced Disclosure Regime (RDR). Southland Regional Development Agency is eligible and has elected to report in accordance with Tier 2 PBE standards RDR on the basis the entity has no public accountability and has expenses > \$2m and < \$30m.

PRESENTATION CURRENCY AND ROUNDING

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

MEASUREMENT BASE

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Revenue

Revenue is measured at the fair value of consideration received.

Where funding is not conditional and Southland Regional Development Agency has no obligation to deliver a specific event or service, the revenue will be recognised when receipted. Where the funding has conditions attached to it, the funding is recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. The funding is held as a liability until the specific conditions are met. In certain circumstances funding is not received until after the event, in which case the revenue will be accrued when it is highly probable the funding will be received.

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

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

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

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

Interest revenue is recognised using the effective interest method.

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

Revenue in Advance

Revenue in advance is recognised where amounts received are in excess of the amounts recognised as revenue.

Expenditure

All expenditure is recognised as incurred unless the liability is known and can be reasonably estimated, in which case the expenditure is accrued.

Foreign Exchange Transactions

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

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

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

Income Tax

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

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

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

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

Equity

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

Cash and Cash Equivalents

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

Trade and Other Receivables

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

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

Property, Plant and Equipment

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

Additions

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

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

Disposals

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

Subsequent Costs

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

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

Depreciation

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

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

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

Impairment of Property, Plant and Equipment

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

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

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

Value in Use For Non-Cash Generating Assets

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

Value in Use For Cash Generating Assets

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

Intangible Assets

Goodwill

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

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

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

Impairment of Intangible Assets

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

Joint Venture

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

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

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

Leases

Operating Leases

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

Finance Leases

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

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

Payables

Short-term payables are recorded at their fair value.

Financial Instruments

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

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

Statement of Cash Flows

Cash includes cash and cash equivalents as defined above.

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

Personnel Costs

Salaries and Wages

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

Defined Contribution Superannuation Schemes

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

Employee Entitlements

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

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

Changes in Accounting Policies

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

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

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



Shareholder requirements

STATEMENT OF INTENT

By 1 December each year Great South will deliver a draft Statement of Intent to the joint shareholders as required by the Local Government Act. The Joint Shareholders will provide feedback to the Great South board by 1 May, and the final document will be delivered by 15 June each year.

Note: Due to 2022 being a local body election year, this process was delayed. The draft Statement of Intent was delivered to shareholders on 31 March 2023 and the final document was published on 31 July 2023.

REPORTING

Half Yearly Reporting

By the end of February each year the Board must deliver to the Shareholders a report on the organisation's operations during that half year. The report must include the information required to be included by the LGA 2002 and the Statement of Intent and any other information requested by the Shareholders.

Annual Report

By the end of September each year, the Board must deliver to the Shareholders and make available to the public a report on the company's operations during the year. This will include audited financial statements and the performance targets and other measures by which performance was judged in relation to that organisation's objectives.

Note: Delivery of the 2021-22 Annual Report was delayed due to auditing delays as a result of Covid.

SHAREHOLDER MEETINGS

A meeting will be held before the end of September each year to present the annual report. The notice of the Annual Meeting will be no less than 10 working days before the meeting, unless agreed by all Shareholders who are entitled to attend and vote at the meeting.

Note: As above, delivery of the 2021-22 Annual Report was delayed, which meant the AGM was held on 3 April 2023.

SHAREHOLDER APPROVAL

Any subscription, purchase or acquisition by Great South of shares in a company or organisation will, require

shareholder approval by special resolution as will the other matters outlined in Great South's constitution.

LOCAL AUTHORITY COMPENSATION

The Directors do not envisage any circumstances arising that would give rise to any claim from any local authority during the year other than those already stated in the financial statements.

DIVIDEND POLICY

The Great South Board is not authorised to approve any dividends.

NO SURPRISES

The Great South Board will keep the Shareholders, through the Joint Shareholders Committee informed on a "no surprises" basis. The board will be sensitive to the demand for accountability placed on the Councils from their respective ratepayers.

PUBLIC EXPECTATIONS

Great South is very mindful of the public scrutiny that comes with being a CCO. Great South will:

- Build accountability and constructive working practices between their organisation and the shareholders.
- Commit to transparency and accountability to the public. This includes fulfilling the planning, reporting and disclosure requirements of the Local Government Act 2002 as it applies to CCOs, and the requirements of the Local Government Official Information and Meetings Act 1987 as it applies to CCOs.
- Ensure the organisation is fiscally disciplined with expenditure.
- Embrace the Shareholder Councils' strategic priorities as set out in their Long-term Plans 2018-2028 and any other relevant documents.

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





www.greatsouth.nz

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