

Pūrongo ā-Tau 2020
**ANNUAL
REPORT 2020**

Te Rāhui Rēhia o Kaiteriteri

Kaiteriteri

Recreation Reserve

CONTENTS

Rārangi Upoko

Performance	4
Chair / CEO Report	6
Vision, Mission, Values	11
Spatial Master Planning	12
Guest Services	15
Operations	19
Kaiteriteri Store	23
Food and Beverage	27
Kaiteriteri Mountain Bike Park	31
Digital Marketing	35
Community, Environment, Partners	37
Governance	48
Financial Report	50
Directory	66



PERFORMANCE

Te Hua Mahi



Kaiteriteri Store

\$2.26m
REVENUE



Kai & GoneBurgers

\$2.17m
REVENUE



Camp & Apartments

\$2.47m
REVENUE



Concessions & Sundry

\$272k
REVENUE



153 44 full-time
109 peak season

EMPLOYEES



Investment in training,
development & support

\$57k

INVESTMENT



Cleaning products,
waste & consumables

\$372k

EXPENDITURE



Events, community &
marketing promotions

\$151k

INVESTMENT



**Kaiteriteri
Mountain Bike Park**

\$55k

INVESTMENT



Maintenance of beach,
grounds & assets

\$255k

INVESTMENT

CHAIR / CEO REPORT

Te Pūrongo a te Heamana
me te Tumu Whakarae

2020 will certainly be etched in everyone's minds as, with the rest of New Zealand, the Kaiteriteri Recreation Reserve responded to the unprecedented global Covid-19 pandemic. Indeed, despite New Zealand's world-leading government and community response which has provided probably the best conditions anywhere, we are still living through the challenges and uncertainties. Our team, visitors and guests are core to the Reserve and history will judge that we looked after them well in 2020.

The Reserve is a self-funding Crown entity with a social enterprise model where all profits are invested back into the Reserve for social, economic, environmental, and cultural prosperity. Prior to Covid-19, the Reserve was experiencing its busiest year in history and we have been implementing many exciting initiatives that are a feature of the Reserve's relatively unique operating model. Our shoulder seasons have been extended and we are improving as a four-season rather than a summer season destination, thanks to the hard work of the Reserve's leadership team, staff, community, and business partners.

This year we farewelled three Board members – Ropata Taylor, Joy Shorrock and Terry Kreft. We thank them very much for their many years of excellent service to the Reserve. We welcome to the Board Renee Thomas, Aneika Young and Lee-Anne Jago and look forward to their contribution. Terry Kreft also remains engaged with the Reserve through his appointment as Chair of the new Audit & Risk Committee.

COVID-19 RESPONSE

Through the support of HAPNZ and other industry representatives, the Reserve has been diligent in developing, implementing, and communicating sound policy across safety, hygiene, and operations prior to, during and after Covid-19 lockdown including throughout the range of alert levels. The Reserve reviewed the government's first wage subsidy criteria and ascertained that we had more than a 30% decline in actual or predicted revenue over the allocated period when compared to last year, due to the Covid-19 outbreak. We applied for, received, and allocated 100% of the first subsidy to staff but did not apply for any subsequent wage subsidies as we did not meet the criteria. All staff working throughout the alert levels were paid in full, while those that could not work at all received 80% of their remuneration through to late April and then just the wage subsidy amount from late April to business re-opening. Board members and senior managers agreed to take a 20% pay reduction from 22 April through to the end of July.

From an operational perspective, we closed the restaurant, northern and southern toilet facilities, all playgrounds and the Kaiteriteri Mountain Bike Park. The Kaiteriteri Store and our accommodation business continued to operate as essential services and as support to civil defence. We monitored our assets including the beach for activity. All guest bookings cancelled due to Covid-19 were refunded in full. Some staff who resided in Europe were due to fly home and could not leave the country. We accommodated them free of charge till they could leave after lockdown. All staff were eligible for a special cost plus GST grocery offer at the Store.

Some key lessons and reminders from this period include:

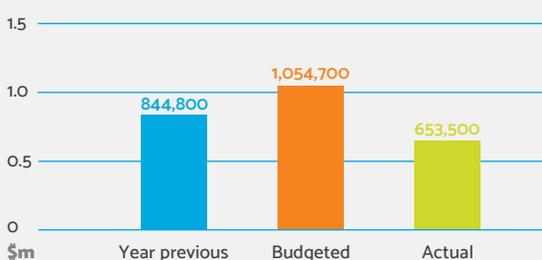
- Ensuring clarity with the whole team that the crisis would have a significant impact and to neither underplay or overstate the potential impacts and consequences.
- The importance of sourcing accurate information from partner industry and government sources and it must be formatted for conciseness and applicability.
- Being visible is important and we made sure to personally engage with the team to address the uncertainties. Use of Zoom and WhatsApp messaging ensured onsite and offsite work activity continued and a sense of humour was maintained.
- Ensuring that intentions and support from the Board and senior leadership through to the whole team was clear, consistent and resonant to prevent mixed messages or confusion. Decisions were considered, genuine, empathetic, and supportive.
- Regular monitoring of wellbeing and making tangible offers of support through the business assets.
- A reminder that plans are nothing, but planning is everything. Adaptability is crucial.

FINANCIAL PERFORMANCE

The combined result (excluding depreciation, impairment and disposal of assets) for the three business groups was up 17% on budget at \$1,287,256 and 1% above last year. When adding concession revenue and additional wider Reserve expenditure, the result was up 49% on budget and up 9% on last year. It should be noted however that this year's result was significantly impacted by the Covid-19 related decision not to progress with major budgeted expenditure on planning for the spatial design project and the inclusion of the wage subsidy into revenue.

Covid-19 Wage Subsidy Application

Estimated reserve-wide revenue effect over three months – April, May, June 2020



Total Revenue

	2020 (\$)	Budget	2019 (\$)
Store	2,259,552	2,142,340	2,143,355
Camp	2,473,469	2,364,390	2,450,149
Restaurant	2,171,786	2,117,725	2,158,483
Reserve	272,182	312,502	113,310

Although the impacts of Covid-19 were profound, prior to March the Reserve was experiencing its strongest year in history from a revenue perspective and the post lockdown trade was unexpectedly buoyant. The Reserve is benefiting from robust planning, product development and a focus on shoulder and winter periods which has also assisted with positive cashflow for longer periods.

Kaiteriteri Store

The Kaiteriteri Store is open every day of the year outside of maintenance and deep cleaning. It provides a great community resource and a model for staff retention. This was reflected during the Covid-19 lockdown when the Store operated as an essential community service. Total revenue for the year at \$2,259,552 is up 5% on budget and up on last year by 5% due to good purchasing, value perception, and wage subsidy.

GP is on budget at 37% and expenditure has been well controlled with a cost to income ratio of 30% against a budgeted 31%. The result, before depreciation and impairment is a surplus of \$212,741.

Guest Services and Operations

Prior to Covid-19, our accommodation business was performing very well with the strongest year on record. We have successfully extended our visitor season and seen an increase in activities such as mountain biking and events to further deliver sustainable income and mitigate profit variability by reducing the duration and extent of the traditional low season. Strong demand for our apartments coupled with dynamic pricing models has helped deliver record apartment income of \$416,203 which is a 2% increase on budget and 4% up on last year. Total revenue, including wage subsidy sits at \$2,473,469 which is 5% above budget but 1% below last year. Limited trading outside civil defence during lockdown certainly impacted but the revenue is also up due to a one-off accounting adjustment of \$68,525 in apartment revenue which had been understated over the past 3 years to 30 June 2019 due to an error relating to the integration of our Newbook booking system with Booking.com. Expenditure sits at \$1,762,173 which is below budget by 7%. The result before depreciation and impairment at \$933,487 is 36% up on budget and 3% above last year.

Food and Beverage

It has been a tough year for the restaurant despite reasonable revenue. The restaurant was closed through Covid-19 lockdown and results were also affected by higher cost of goods which reduced our gross profit while wages, although equivalent to last year, were above budget. Revenue including wage subsidy at \$2,171,786 is above budget by 3% and above last year by 1%. GP at 59% is below the budgeted 64%, and below last year's 63% due to cost variability. Expenditure to sales for the year is at 58% compared to the budgeted 51%. The result before depreciation and impairment is \$141,028 which is well down on the budgeted \$263,105. Investments in digital signage will provide us with more pricing flexibility to respond to cost of goods which will help improve cash surpluses.

Impairment

An assessment of impairment on our property, plant and equipment has been calculated due to the circumstances of Covid-19 and accounting standards required. Time and operating conditions will determine a re-assessment for FY 2021.

RESERVE MANAGEMENT

The Reserve has made progression with implementing MangoLive, the new QHSE system that will significantly enhance the management of H&S, personnel, and other projects on the Reserve. This is supported at a more strategic level with ongoing engagement with the H&S Business Leaders Forum and our HR partners Intepeople. The transition to Xero will be completed by November 2020 and the Reserve appreciates the work of Nicola Bensemann and administrative staff. Together with the new Audit and Risk Committee, this will substantially improve the Reserve's financial functions, financial risk management and oversight.

Zoe Dryden from Second Base was contracted to provide leadership training and mentoring to the management team during FY 2020. Through workshops, group and one-on-one meetings, the focus was centered around culture, purpose and direction, communication, teamwork, management, learning and development, reward and recognition, customer focus and job satisfaction.

The Reserve's partners include HotHouse Creative and WaltersPR for specific creative and communications support plus Capstone, Holiday Parks Association New Zealand (HAPNZ), Nelson Regional Development Agency (NRDA), Extraordinary Experiences and the Nelson Tasman Chamber of Commerce for destination activity. Work throughout the year has focused on regular updates of the Kaiteriteri and Mountain Bike Park websites, social media, plus ongoing search engine optimisation and promotions. Prior to Covid-19 we

had made further progress in enhancing relationships with trade and online travel agents to better support Capstone in their work with our Guest Services team.

It is a privilege to be closely engaged with our community and over \$150,000 was invested into environmental, sports, event and community partnerships plus promotions, campaigns, and marketing. This is core to our social enterprise model.

The Reserve received \$246,539 in concessions and communications rental income in FY2020. All revenue from concessionaires is invested back into the Reserve, including amounts paid by Spark New Zealand, Vodafone and 2Degrees.

Tourism concessionaires are an important part of the Reserve's destination ecosystem and include:

- Abel Tasman Sea Shuttles and Kaiteriteri Kayaks
- Wilsons Abel Tasman
- Abel Tasman Eco Tours
- Abel Tasman Sailing Adventures
- Kaiteriteri Boat Charters
- Waka Abel Tasman
- Kiwi Journeys
- Wheelwoman
- Whenua Iti
- Abel Tasman Aqua Taxi
- Efoil Adventures
- Coffee & Cruise Absolute Adventures Ltd



OUTLOOK

Planning for FY2021 has proved challenging and despite strong demand from domestic visitors, the Reserve will miss vital international income. Our budget forecasts are based on sound assumptions but nonetheless we are expecting revenue and profit targets to be less than the upward trends of the past five years. Some straightforward projects will immediately be implemented such as the new digital signage at GoneBurgers, the electric vehicle charging station and the coinless shower operation.

In March 2020, after a robust six-month evaluation and selection process, WSP was confirmed as the Reserve's partner for significant spatial planning. We had set aside funds for the full scope of this spatial planning, but due to Covid-19, we have determined that we need to protect cash reserves as security against uncertainties ahead with regards to standard operating costs. We are liaising with the government around our intention to proceed in 2021.

The Reserve's new Five-Year Strategy will be presented before November 2020. This will clarify our intent with detailed ambition, priorities, structure, and resources. Fundamental to this are the vision, mission and values which form the Reserve's foundations. Covid-19 is one of the greatest economic shocks in New Zealand's history, and although the full extent of the global pandemic is ongoing, it is clear that our economy and tourism patterns will be significantly altered. The strategy will account for the impacts and future uncertainty around Covid-19 but will be developed through a thorough review of our strengths,

weaknesses, opportunities and threats, including the team workshops with Second Base. It will also be the basis from which annual plans, financial budgets and marketing strategy are developed and the annual plans will provide specific, aligned objectives measured against key performance indicators. The development of a new Management Plan alongside the transformational spatial framework will be key components within the document's intent.

There will be an emphasis on people, culture, our responsibilities to the Treaty of Waitangi and our formal partnerships with Ngāti Rārua, Te Ātiawa, Ngāti Tama, Department of Conservation and Tasman District Council. Also included will be the Reserve's approach to the full scope of sustainability, performance, safety, wellbeing and how we structure, resource, and direct the Reserve for durability and growth.

2021 will be uncertain for business, tourism, and recreation in New Zealand. The Reserve is well positioned to successfully push through this period and approach a five-year timeframe with confidence and ambition to ensure that Kaiteriteri is the best coastal outdoor recreation experience in New Zealand.



Chair

Chris Hawkes



CEO

David Ross





VISION, MISSION, VALUES

Moemoeā, Whāinga, Uara

VISION

Kaiteriteri, the best coastal outdoor recreation experience in New Zealand.

MISSION

Inspire our visitors, guests and community through memorable family recreation experiences, Kaitiakitanga, sustainable operating practices and the preservation of our taonga and wāhi tapu for generations to enjoy.

VALUES

Kotahitanga – we are one team with a diverse, progressive and inclusive culture.

Quality – the pursuit of excellence in our products, service and operations.

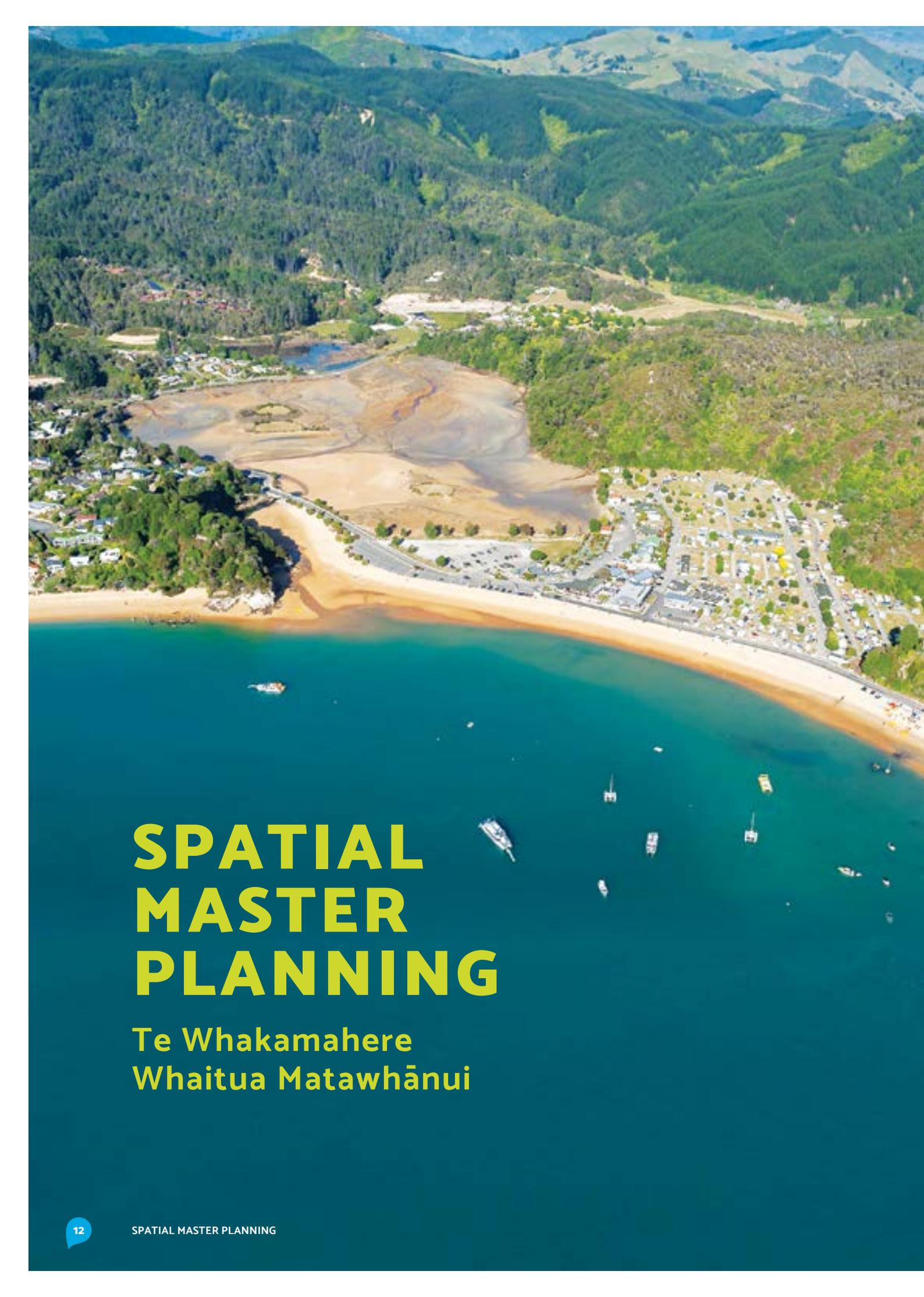
Integrity – all our relationships and partnerships are based on integrity and respect.

Innovation – our success is built on innovation and adaptability rather than convention.

Whanaungatanga – we share our experiences, strengthen each other and our community.

Kaitiakitanga – guardianship, sustainability, protection and preservation.



An aerial photograph of a coastal town and bay. The foreground shows a sandy beach and turquoise water with several sailboats. A road runs along the coast, separating the beach from a residential area with many houses and a parking lot. Behind the town is a large, flat, brownish area, likely a tidal flat or a dry lake bed, with some water channels. The background consists of rolling green hills covered in dense forest.

SPATIAL MASTER PLANNING

Te Whakamahere
Whaitua Matawhānui



The Reserve requires the development of a spatial master plan, new management plan and bylaws that will be innovative and transformational to address the significant constraints that are impeding the achievement of our vision and mission. Kaiteriteri must be delivering inspired solutions across connected landscape, cultural, restoration, durability and sustainability components.

In March 2020, after a robust six-month evaluation and selection process with four leading companies in New Zealand, WSP was confirmed as the Reserve's partner for spatial and management planning. Supporting this are three reports that were completed throughout 2019 and the summer of 2020:

- Ecological report on Kaiteriteri Estuary, Beach and Kaka Point Historic Reserve by Davidson Environmental Limited in June 2019.
- Kaiteriteri Parking Demand Survey by Stantec in January 2020.
- Traffic Volume Analysis Master Planning Project by Stantec in February 2020.

Planning was due to commence in 2020 but has been postponed to 2021 due to Covid-19. It will include:

LANDSCAPING AND CULTURAL

- Reserve lands including beach, parking, mini-golf, playground, boat wash, bike hub and estuary areas.
- Landscaping of Kaka Point with Ngāti Rārua, Te Ātiawa and Ngāti Tama.

- Implementing appropriate cultural interpretation throughout the Reserve.
- Improvement and better integration.
- Parking of vehicles, boats and trailers on Reserve land. Traffic volumes around the Nelson Tasman and West Coast regions have been rising rapidly in recent years and consequently there has been a steep increase in parking demands at all visitor sites.
- Safe movement of pedestrians throughout the Reserve including walkways around the estuary.
- Improved green spaces for events and functions.
- Better disability access to the beach and other Reserve assets and infrastructure.
- The development of an appropriate welcoming entrance to the Reserve.

RESTORATION

- Kaka Point Historic Reserve.
- Kaiteriteri Beach and estuary.
- Reserve walks and pathways.

SUSTAINABILITY

- Climate change mitigation.
- Utilities including energy and water use.
- Waste, recycling and chemical use.
- Electric vehicles and bikes.
- Working with suppliers to meet our sourcing and packaging requirements.
- Community civil defence assets, communications and processes.
- Launch of a youth scholarship, funded by the Reserve, focused on sustainability and the environment through an economic lens.

INFRASTRUCTURE AND VISITOR FACILITIES

- Rebuild Block 1 for the benefit of our accommodation guests with potential options for conference and recreation facilities on a second floor.
- Ascertain conversion options for existing conference space into accommodation space.
- Improve office facilities for team members.
- Improve accommodation requirements for seasonal team members.
- Improvement of amenities for the Kaiteriteri Mountain Bike Park including toilets, bike facilities and green space.
- Disability access evaluation and implementation.
- Cashless systems.

APPROACH

The Reserve will adopt not just sustainable but regenerative design principles. Rather than just doing less or no harm to the ecosystem, this approach takes a holistic view of the site within its wider ecosystem and how human use and activity can be an agent of restoration rather than consumption and degradation. Technical expertise is required in terms of landscape restoration and land uses, transportation planning, energy use, water and waste management and appropriate materials and construction methodology.

To provide a unique and authentic design, the Reserve must capture the stories, character and imagination of the community that lives, works, and plays in Kaiteriteri. This starts with an effective engagement process with the community to identify the core

values and underlying patterns of life that have shaped the land, vegetation, wildlife, commercial and recreation environments. These are the values that make people want to live at and visit Kaiteriteri. The process will help to find the common threads amongst a diversity of values and use this to help build support and consensus for a common vision for the Reserve.

Department of Conservation, tāngata whenua and Tasman District Council will be active participants in the process and the Reserve will leverage their wide pool of experience managing similar issues on other sites while allowing them to upskill our staff in spatial master planning and regenerative design strategies.

WSP are a leading global environmental, planning and engineering business as reflected through their Sustainability and Environmental Policy, ISO 14001:2015 accredited Environmental Management System, Global Sustainability Report and integrated health, safety and environmental management system. WSP will measure our carbon footprint and set targets to reduce our emissions, energy use and waste, and will lead the planning for a more resilient and sustainable community. In New Zealand, WSP is a signatory to the Climate Leaders Coalition. They have committed to taking urgent action on climate change and have set science-based Greenhouse Gas (GHG) reduction targets for our New Zealand operations. They are members of the New Zealand Climate Leaders Coalition, the Sustainability Council of New Zealand and the Sustainability Business Network. WSP will support the project as the Sustainability Champion to embed sustainability in governance, visioning, optioneering, procurement and impact measurement. They have much experience delivering low-carbon design, construction and operation; energy efficient buildings and systems; electric vehicle conversion and services and zero waste circularity, which ensures that the Reserve will receive the best expertise available.



GUEST SERVICES

Ngā Ratonga Manuhiri

LOOKING AFTER PEOPLE IN UNCERTAIN TIMES



15 May 2020

Kaiteriteri Recreation Reserve Camp
Attn: Karen Bellow
5 Kaiteriteri-Sandy Bay Road
Kaiteriteri 7197
By email: Karen@krr.co.nz

Dear Karen

With the move to Alert Level 2, freedom campers will be able to resume their travels. Due to this change, Civil Defence Emergency Management (CDEM) Group will transition from directly supporting accommodation for this group of travellers.

I would like to take this opportunity to thank you and the Kaiteriteri Recreation Reserve for your assistance in managing these freedom campers.

Your assistance with giving freedom campers a place to stay during COVID-19 Alert Levels 3 and 4 has been a crucial part in the region's ability to stop people from moving about, thus helping to minimise the spread of the disease.

Please accept my sincere thanks to the Kaiteriteri Recreation Reserve for working in cooperation with our CDEM staff to help mitigate this risk in these extraordinary times.

Looking ahead, we can't rule out the possibility of a further wave or outbreaks in our region. While we are scaling back our response at this time, we will all need to remain ready to re-escalate should the need arise.

My team will finalise any last details but if you have questions, please feel free to get in touch directly.

I realise the tourism industry is facing challenging times and I wish you and your team all the best for the future.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R. Ball', written over a white rectangular background.

Roger Ball

Group Controller
Nelson Tasman Civil Defence Emergency Management Group

Nelson Tasman Emergency Management



The Reserve has eight premium apartments, 17 cabins, over 400 powered campsites and two rooms with conference facilities. Prior to the direct impacts of Covid-19, the Reserve was enjoying a very buoyant year from an accommodation perspective.

By February 2020, Guest Services had achieved 86% of the total year's accommodation revenue result which at the time was 6% above budget. The year commencing July 2019 started on a strong note which continued through into summer due to efforts from Rachelle Parkins, Karen Bellew and their team with great customer service, differential pricing, better Newbook management and the assistance from our partners, Capstone. Most of our guests stay in our campground in either a caravan, motorhome, or tent and this contributed to 57% of our total camp revenue. 17% of camp revenue was generated from our Reserve Apartments, 6% from En-Suite Cabins, 2% from Family Four-Berth Cabins and 2% from Two-Berth Cabins. Inclusive of wage subsidy, total camp revenue was \$2,473,469, which was above last year by 1%.

Rachelle Parkins went on maternity leave just before the start of the peak season and the team was led by Karen through to the end of the financial year. Karen did a great job leading her team through the challenges of Covid-19 as our accommodation facilities were an essential service and we assisted civil defence authorities to house those in need. Well prior to the lockdown restrictions in March,

we had implemented thorough hygiene and communications programmes to guests and staff that included information about the virus, how it spreads, symptoms, who was most at risk, prevention, work protocols and of course response to guest illness. In the week prior to lockdown and during we were restricting guests to only apartments, en-suite cabins, and motorhomes with toilet facilities.

Holiday Parks Association New Zealand (HAPNZ) provided much valued support in terms of guidance, information, lobbying and communications direct from government. During lockdown we focused on physical distancing for everyone, bubbles, hygiene protocols, visitor details, contact tracing, staff welfare and security. There was a significant amount of signage in place across the Reserve, hand sanitisers, glass partitions and queuing distances. It was a relief to be able to keep the team fully employed, albeit on reduced hours during this difficult time and all Guest Services team members received the wage subsidy. All bookings that were cancelled due to Covid-19 were fully refunded.

Despite the many challenges of this pandemic, our staff did a wonderful job engaging with each other and guests. This is a testament to the quality and professionalism of our people. It was also fantastic to see robust visitor demand post lockdown which just illustrates how special Kaiteriteri is as a destination. It is reassuring in the short to medium term to appreciate that on average around 80% of our accommodation revenue is derived through domestic visitors.

GUESTS FROM NEW ZEALAND

Region	Bookings	Average revenue per booking (\$)	Average length (nights)
Auckland	101	269.57	10
Bay Of Plenty	21	308.95	3
Canterbury	1,363	513.73	26
Gisborne	6	289.83	5
Hawke's Bay	4	276	6
Manawatu-Wanganui	13	400.77	6
Marlborough	244	345.98	12
Nelson	472	322.01	24
Northland	5	388.2	3
Otago	75	375.13	15
Southland	7	282.23	4
Taranaki	8	171.25	3
Tasman	440	321.44	21
Waikato	22	295.62	11
Wellington	148	390.62	17
West Coast	60	381.89	13
Other	4,569	182.51	5
Total	7,558		

GUESTS FROM OVERSEAS

Country	Bookings	Average revenue per booking (\$)	Average length (nights)
Argentina	18	112.91	1
Australia	266	161.48	7
Austria	40	115.91	2
Belgium	34	237.83	2
Canada	98	152.17	2
China	17	384.12	2
Czech Republic (the)	26	112.55	2
Denmark	106	128.46	2
Finland	10	81.27	1
France	208	105.78	2
Germany	655	107.84	2
Ireland	34	139.97	2
Israel	18	146.28	1
Italy	18	104.21	1
Netherlands (the)	250	119.23	2
Norway	13	144.54	2
Poland	13	106.08	1
Singapore	24	167.44	2
Spain	59	79.28	1
Sweden	43	90.15	2
Switzerland	153	111.53	2
United Kingdom	436	130.31	2
United States of America	172	128.53	2
Other	470	202.26	2
Total	3,181		

TEAM MEMBER PROFILE

Tyler Beaumont

GUEST SERVICES TEAM LEADER



Tyler grew up in Townsville, North Queensland and moved to New Zealand six years ago with her family. They have been based in the Tasman region for this time. Tyler took up an opportunity to work for the summer season as part of the Guest Services team two years ago and has continued to grow in her ability over this time, leading to her taking on the challenge of Team Leader for this coming summer.

“I enjoy my role because I get to meet a wide range of people from all over New Zealand and the world. I really enjoy welcoming them to the Kaiteriteri area, showing them what we have to offer and helping them to have a great experience during their time here.”

Covid-19 in 2020 has been a challenging year with trying to juggle many cancellations and amendments to bookings, liaising with guests and trade agents in particular, plus dealing with many upset people struggling to come to terms with this ‘new norm’. In saying that, the Guest Services Team worked very well together and supported each other throughout this time.



OPERATIONS

Ngā Mahi

PROTECTING THE RESERVE,
STAFF AND VISITORS



It has been a very busy year for our team across Maintenance, Housekeeping and Cleaning, Foreshore and Ranger activities.

Prior to the start of the summer season and in addition to normal day-to-day work, our team had been engaged across accommodation painting, northern playground works, southern toilet block refurbishment with partial roof replacement, bollard replacement, beach remediation, camp site soil remediation, spraying, weeding, drain clearing and improvements to the barbeque area in block 2 with clear weather barriers. One of the bigger projects involved installation of new industrial laundry facilities for the Housekeeping team and removing guest fridge storage due to H&S, space and refurbishment requirements. The purchase of the golf cart for the Housekeeping team has proved an invaluable asset. Dennis Petch, our Operations Manager, continued to lead the Reserve's H&S Committee and that team ensured that hazards were appropriately evaluated, mapped and controlled. The Reserve's schedule of plumbing, electrical and IT maintenance was assisted through our relationships with Flash Electrical, Bell Computers, PC Media and Hays. The Reserve would also like to acknowledge Ray Mockler and his boat ramp team during the busy summer period as well as the work done by the important Ranger team.

During Covid-19 lockdown, our focus was on implementing a programme of effective cleaning, sanitising and disinfecting. The Housekeeping and Cleaning team led by Jeanette Hoffman deserve much recognition for their efforts with the establishment of robust protocols and procedures. The Maintenance team led by Ray Reardon were also kept very busy during lockdown with a programme of works. Total expenditure on camp and accommodation operations during the financial year was \$1,762,173.

MAINTENANCE DURING COVID-19 LOCKDOWN

- Repair floor in apartment 6.
- Install adjoining door between apartments 2 and 3.
- Clean all accommodation.



19,300m³
WATER USED



790,400kWh
ELECTRICITY USED



190,200L
FUEL USED



51T
WASTE RECYCLED



181T
WASTE DISPOSED



22T
SOIL PLACED TO REMEDIATE CAMPSITES



290T
SAND MOVED DURING BEACH MAINTENANCE

- Clean all blocks and toilets.
- Extend laundry.
- Trim all trees in camp.
- Rake and seed all damaged sites.
- Tidy up beach.
- Clean up footpath beside beach.
- Tidy up monument at north end of beach.
- Paint outside and inside blocks 1 and 3.
- Service all water systems and boilers.
- Clean out and paint the old fridge storage areas.
- Install doors and paint rec sheds.
- Install sliding door courtyard para.
- Bring playground equipment to a higher standard.
- Number all sites.
- Paint forklift.
- Paint diesel tanker.
- Tidy all gardens, bark and feed.
- Paint fish bay.
- Trim perimeter of camp.
- Paint floor in northern toilet.
- Trim lower branches of beachfront trees.
- Water-blast all seats on the beach.

TRAFFIC AND PARKING

The Reserve experiences an unsustainable amount of traffic during the peak season. Although we mitigated some impacts in our car parks using wardens, significant change is required. In preparation for spatial management planning in 2021, the Reserve engaged the services of Stantec to monitor traffic flows and parking during in January and February 2020. To understand the traffic flow through the area, the flows were counted hourly and quarter hourly and northern and southern ends of Kaiteriteri beach. The total daily volume flows for both directions at each location are shown in the table.

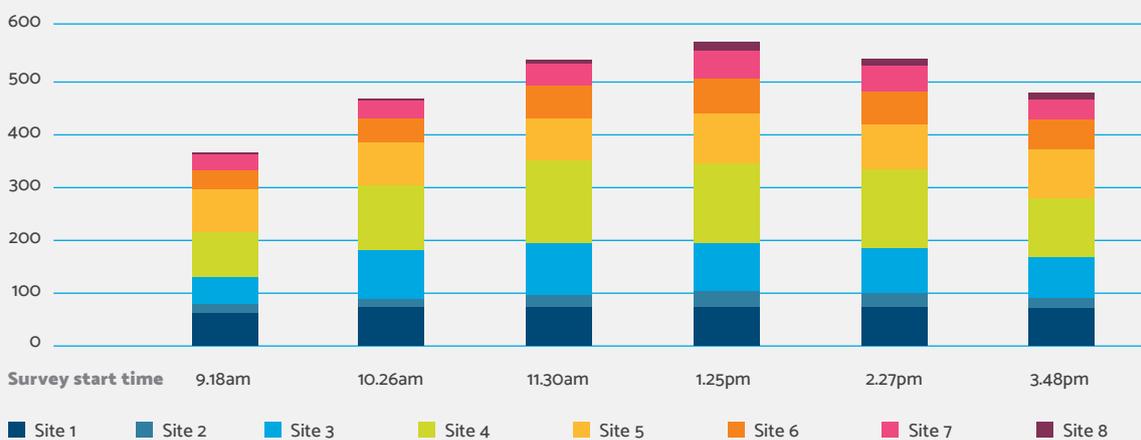
The counts were collected over a two week period which contained two public holidays, Waitangi Day (Thursday 6 February) and Nelson Anniversary Day (Monday 3 February). Both public holidays had a larger volume of vehicles throughout the day, and in the case of Waitangi Day the effects were also seen the day after. This is likely due to people taking the Friday off work to have a longer weekend, resulting in traffic flow typical of the weekend. At both locations, low traffic volumes were recorded on February 4. This is attributed to the poor weather on that day compared with days preceding and days after.

The daily flow values for Waitangi Day, Nelson Anniversary Day and the other impacted days are representative of public holiday flow. The parking survey was completed on Friday 10 January 2020 between 9am and 4pm. Each car park site was surveyed manually in order from sites 1–8. Upon completion of each round of surveying, the sites were surveyed approximately hourly for a total of six survey results per site. The surveyors assessed the capacity of the car park sites and observed general parking behaviour. More details are available in the respective reports.

Traffic flow through the Reserve

	Count 1 (southern)	Count 2 (northern)
Wednesday 29 January	2,513	902
Thursday 30 January	2,714	956
Friday 31 January	2,840	922
Saturday 1 February	3,183	1,031
Sunday 2 February	3,611	1,327
Monday 3 February	3,652	1,196
Tuesday 4 February	2,212	789
Wednesday 5 February	2,968	937
Thursday 6 February	3,931	1,381
Friday 7 February	3,548	1,265
Saturday 8 February	3,493	1,256
Sunday 9 February	3,641	1,201
Monday 10 February	2,299	911
Tuesday 11 February	2,558	923

Total vehicle count at parking sites



TEAM MEMBER PROFILES

Nathan Bell

MAINTENANCE AND GROUNDS

Nathan is a local lad, born over the hill in Tākaka, now living in Motueka with his partner. He has been working at Kaiteiteri for two years as a key member of our maintenance team in Operations. The Reserve greatly values the work that Nathan does, often in difficult weather and under seasonal pressures.

"I enjoy the versatility of the work, from mowing lawns to the maintenance of cabins and the apartments. I also do some engineering work when required. Covid-19 was a challenge, but we were able to complete a lot of maintenance tasks while the camp was quieter. We worked reduced hours, but I enjoyed the long weekends!"



Vaughan Chisholm

HOUSEKEEPING AND CLEANING

Vaughan was born in Wellington and grew up in Lower Hutt where he had various part time jobs whilst at school. Cooking was a passion and a focus for him at that stage.

This trade continued after he left school and gained his City and Guilds, working in and around the Wellington area. Vaughan moved to Tākaka 25 years ago where he met his partner and then settled in Kaiteiteri, working in the tourism and hospitality industry. He also trained and worked in the health sector providing care and support for the elderly.

"I've been at the Kaiteiteri Recreation Reserve for over a year now and am impressed by the loyalty they show to their staff; the meals they provided over summer and especially when Covid-19 hit, the support they have in an uncertain time, giving all staff a discount at the shop and café. My interests include gardening, theatre, music and the environment... so if you see two legs wriggling out of a rubbish bin, it's probably me doing my bit for the planet".

KAITERITERI STORE

Te Toa o Kaitereterē

AT THE COALFACE OF COMMUNITY
SERVICE DURING COVID-19



It has been a big year for the Kaiteriteri Store in many ways. Through to February 2020, the store had an excellent year from a financial perspective with revenue at \$1.7 million which was 4% above budget and 4% up on the same period for the year previous.

In the six months leading up to summer, the Store invested in new refrigeration, a new ATM, new real fruit ice-cream machinery and a large external freezer container on lease for the season. These assets are critical to ensure that our customers are well looked after and that we meet compliance requirements. In September 2019, the team also identified specific values for the Kaiteriteri Store that resonated with the broader Reserve's vision, mission and values. The Store's focus included creativity, teamwork, agility, customer centricity, determination and respect.

Covid-19 provided a real test for the Kaiteriteri Store as the operation was a key essential service for the local community which had swelled just prior to lockdown. During lockdown, the Store was quick to implement initiatives such as the order and collect text number and buy@krr.co.nz email promotion for the local community. An emphasis was placed on purchasing specific stock items based on a change in demand and altered buying patterns. The Store was managed very professionally during this challenging period through the dedication of Rick Bensemann, Jacqui McCullough and the team, as well as operational support from Foodstuffs. Hygiene and Covid-19 operating compliance was thorough and was well received by our customers. From a broader wellbeing perspective, all staff on the Reserve were

eligible for significantly discounted groceries from the Store, excluding alcohol and cigarettes. This cost plus GST offer was much appreciated by our whole team and from March through to the end of June, total discounted sales to staff was \$10,540.

The Kaiteriteri Store was the busiest part of the Reserve during lockdown. The end of year results included revenue at \$2,259,552, gross profit at 37% and a surplus before depreciation and impairment of \$212,741.



DEPARTMENT SALES COMPARISON

Department	Sales FY 2019/2020	% of sales	Sales FY 2018/2019	% of sales
Alcoholic RTDs	\$17,214	0.7	\$10,814	0.5
Bakery	\$35,753	1.5	\$25,236	1.1
Beer	\$115,669	4.7	\$112,921	4.7
Tourist lines	\$195,912	8.0	\$200,241	8.3
Butchery	\$36,109	1.5	\$24,646	1.0
Café	\$169,423	6.9	\$161,713	6.7
Dairy	\$182,557	7.4	\$164,700	6.9
Frozen	\$244,482	10.0	\$248,265	10.3
General merchandise	\$146,597	6.0	\$179,511	7.5
Grocery	\$762,418	31.1	\$762,208	31.8
Packaging and fees	\$2,258	0.1	\$588	0.0
Produce	\$75,103	3.1	\$60,304	2.5
Product services	\$54,793	2.2	\$62,401	2.6
Seafood	\$12,198	0.5	\$9,152	0.4
Service delicatessen	\$91,959	3.7	\$96,769	4.0
Spirits	\$6,523	0.3	\$2,947	0.1
Tobacco	\$174,978	7.1	\$169,234	7.1
Wine	\$131,293	5.3	\$108,333	4.5
Customer transactions	189,486		202,476	
Average spend	\$12.95		\$11.83	
Units sold	497,902		499,936	



TEAM MEMBER PROFILE

Leanne McIntosh

TILLS SUPERVISOR



Leanne is a born and bred Motueka local. Her family lived in Lower Moutere with two sisters and two brothers, attending Lower Moutere primary school and then Motueka High school. After school, Leanne had a full-time job at Top of the Town dairy and then worked at BNZ bank in Motueka, starting out in the dispatch department, and making her way up the ladder to bulk teller. After five years there she went to help her husband Paul with his bee keeping and electrical business, doing the book-keeping.

Leanne and Paul have two wonderful boys. Christopher is now a qualified electrician and Robert is a qualified builder, both in Motueka. After the children left school, they bought Bin Inn Motueka and ran that for the next five years before selling

it to Bin Inn Nelson. Leanne then got an inwards/sales person job at CRT (now Farmlands) Motueka. She was with them for eight years before having some time at home on their 75 acre farm with weed spraying and stock control. Leanne then applied for a position at the Kaiteriteri Store and started with us in September 2019.

“I have really enjoyed the challenge and all the different aspects of the running of this business. When Covid-19 hit us, the team and management were so supportive. I personally felt scared. Not of the team, but what could happen. I really needed to be with my family and to make sure that they were safe. The four weeks at home was hard but very good to be in the one place. My eldest son and his girlfriend came to live at the farm during lockdown and we got lots done. I now have four years of firewood stored, and a big farm shed sorted and cleaned.”

FOOD AND BEVERAGE

Te Kai me te Inu

ADAPTING TO CHANGE



In the financial year 2019/2020 we ran a daily counter service model with table service on our higher-end evening offer in the dining room. With appropriate supporting assets and systems in place, this achieved better consistency and timing of service, particularly during the peak periods.

The year through to February 2020 was reasonably positive for Kai and Gone Burgers. Revenue at \$1.74 million was 11% up on budget, wages were holding to budget and net profit was \$150k which was slightly lower than the budgeted \$212k due to higher than forecast cost of goods. Planning for the year was all about consolidation and bedding in the service model, new uniforms, and emphasis on customer engagement. The final four months of the financial year were to be quite different, as Covid-19 had a bigger impact on F&B than our other operations. At the end of the year, revenue at \$2,171,786 was 3% above budget and the cash surplus before depreciation and impairment was \$141,028.

On the announcement of lockdown, the restaurant was fully cleaned and closed. Unfortunately for our team, this meant that we could not offer any hours

but we retained all our staff through payment of 80% of salary / wages for the first segment of lockdown followed by just the subsidy from 22 April until staff could return to work on normal remuneration. Kai remained closed until Alert Level Three when we implemented a contactless system for pick-up of pre-prepared food and beverages. During late April and into May, the new Gone Burgers click and collect app was successfully set up through a considerable effort by Ali Kimber and Grant Dicker. The local community enjoyed having this at their fingertips and it is still providing value through regular use on an ongoing basis. It is a great example of adaptability.

The F&B team are looking forward to a less interrupted 2021 season and the leadership of the Kaiteriteri Recreation Reserve greatly appreciates their contribution in what has been a very challenging year.



59,430
COFFEES



17,699
BURGERS



1.8T
BEEF MINCE
PATTIES



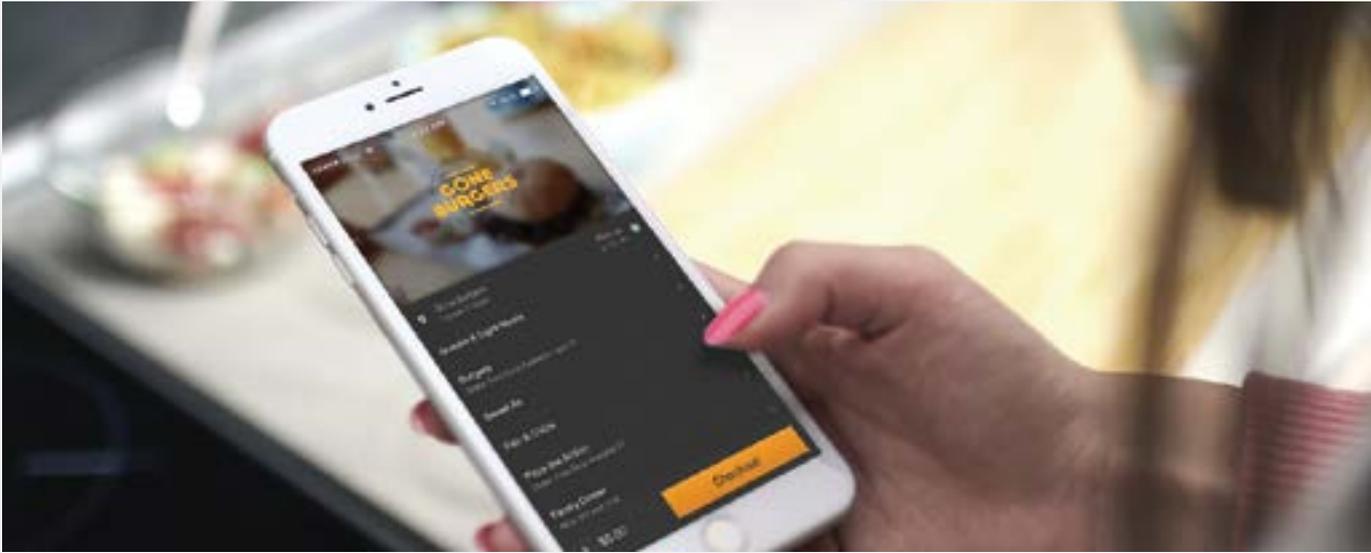
New app
CREATED FOR
GONE BURGERS



62%
FOOD
SALES



38%
BEVERAGE
SALES



TEAM MEMBER PROFILE

Lani Hopkinson

HEAD BARISTA AND GONE BURGERS SUPERVISOR



I was born and raised in Adelaide where my mother and grandmother were both very passionate about the food and wine industry. In Adelaide it is not hard to see why, with the Barossa Valley, McLaren Vale and the Adelaide central market on our doorstep. The Adelaide markets are jam packed with produce from all over the region and I spent a lot of time there as a child.

Hospitality is in my family and I have very fond early memories of my grandma's amazing roast (my only request for my 10th birthday). She also made brilliant olive tapenade which she sold, among other things, at an artisan style stall in the Adelaide markets. My mum who is a magnificent chef, opened a number of cafés and restaurants across Adelaide and Tasmania. I saw and experienced all the ins and outs of the hospitality industry from a very young age and could not wait to get started on my own path.

I completed a chef course and then got my first job in an Indian restaurant as a kitchen hand for two years and learned so much! Fast forward a decade and various front of house positions, I came over to New Zealand to attend my mother's wedding.

I landed in Nelson in what felt like the smallest and scariest plane and on the drive over to Mārahau, I was in absolute awe of the beauty of this region – the greenery, the estuaries, the snow-topped mountains and the sea. My mother talked me into helping at her strawberry farm in Motueka.

Since then I have met my partner of ten years, an amazing Kiwi guy who is a logger, which is very kiwi, and we went on to have two beautiful daughters who are now 10 and seven years old. I have held restaurant manager roles and helped my mum run the family catering business 'Milk n Honey'. Front of house has always been a passion but as I am getting closer to 40, I may not be as quick on my feet as I used to be!

I absolutely love making coffee and when I applied for the job at Kai and Gone Burgers, that's exactly what I got to do! I am now going into my third summer season at Kai and I get to do my two favourite things, great customer service and making delicious coffees.

I love coming to work here in Kaiteriteri and who wouldn't with an extraordinary 'office view' like this! Come see me and say hi, I will make you a coffee you will never forget!

KAITERITERI MOUNTAIN BIKE PARK

Te Papa Eke Pahikara
Maunga o Kaitereterē

COHABITATION -
BIODIVERSITY
AND RECREATION





The year ending 30 June 2020 has been eventful and another productive one at Kaiteriteri Mountain Bike Park with five new trails, two rebuilds and a new structure. The park was fully closed during Covid-19 lockdown which also impacted the main fundraising event, Kaiteriteri Weekender, which was postponed to 2021. The Reserve has contracted Nettie Stowe and Lis Cleland to manage this event for us to ensure we are responding to growth and compliance requirements. The winter Phat Nights were however very successful with great attendance.

PARK MAINTENANCE AND DEVELOPMENT

The Kaiteriteri Mountain Bike Park engaged Hodder Consulting Ltd to carry out a structural check on the bridges Shady 1, Shady 2, Shady 3, Trapdoor and Skullduggery. Beam, deck and handrail capacities were tested with some minor remediation completed. Tactical response planning with FENZ and St John will be completed towards the end of 2020.

Volunteers built Cheeky and Dark Weka trails that weave across each other giving the rider a choice of intermediate or expert routes down to the Ziggy hub. Fifty volunteers co-operated to build 300m of intermediate-grade trail called Tapu Cruz, creating a more challenging and very accessible trail lower in the Park. Six volunteer builders constructed the Trapdoor flyover to eliminate a dangerous high-speed intersection at our easy trail Gladerunner. This involved \$6,000 of materials in its construction.

Our digger team rebuilt Jaws and Big Airs, two of our well-used trails as part of our ongoing maintenance programme. The same two-man team hand-built the

bottom half of our new Grade 5 track Karmakaze. When fully completed at nearly 2km, this trail will enable KMBP to host national Enduro competitions and will attract advanced riders from across the country.

The Kaiteriteri Recreation Reserve would like to thank the efforts and commitment of Ross Maley, David Ryder, Sam Knowles, Rod Markham, all the volunteer members of Kaiteriteri Mountain Bike Park Inc, volunteer trail builders, trappers and trail sponsors. Without their dedication, the park would not be the great resource that it is today.



PREDATOR CONTROL

The Kaiteriteri Mountain Bike Park's trapping programme started in 2014 and we make use of the cycle track network and park users to check the traps. The intention is to offset the negative effects of human activity in the bush and enhance the experience of park users. Predator trapping is also used to provide an education opportunity for school groups working on, or using, the tracks. The trap lines enclose about 90ha of largely native bush, plus an estuary providing protected habitat for Banded Rail. The traps are checked by volunteers who contributed over 300 hours during the year. Bird life has increased with prolific tui, bellbird, fantail, quail and weka as well as robin and occasional NZ falcon and kea. There are also several giant sails (*powelliphanta*) in one area. It is very likely that much of this activity is the result of a reduced predator population.

2019/2020	Stoats	Rats
July	1	14
August	1	19
September	0	12
October	0	6
November	0	8
December	0	5
January	5	2
February	5	1
March	1	6
April	2	11
May	3	7
June	0	14
Total	18	105



98

**STOATS CAUGHT
SINCE 2014**



461

**RATS CAUGHT
SINCE 2014**



**20km
OF TRAILS
TO WALK**



**150ha
COVERED**



**154
TRAPS**



TEAM MEMBER PROFILE

Rod Markham

KAITERITERI MOUNTAIN BIKE PARK VOLUNTEER AND CONSERVATIONIST



My wife Sue and I moved to Motueka about 12 years ago to be closer to our children and grandchildren. I have been cycling since the days mountain bikes had rim brakes, no suspension and were carried more that they were ridden. My son in law Ross Maley got me involved in track building at Kaiteriteri. As I headed towards semi-retirement in 2014, I saw trapping as a way to support track building, by improving the environment for bird life, and ensuring I had an excuse to ride and walk the tracks.

The project was enthusiastically supported by the Kaiteriteri Recreation Reserve from the outset. The trap network has grown in a series of loops as we have acquired more traps. The most recent extension early this year was a line along the track linking Martin Farm Road to the back of the Reserve's camp.

The traps are checked by a number of volunteers on a two-week cycle. The monthly catch is reasonably consistent with a dip over the Christmas holiday period when the predators are well fed by holiday makers.

We often walk tracks when checking traps and particularly early morning you see aspects of the bush that you miss when riding, the birds are active and seem to be increasing. The tui seem to give a welcome and can be deafening at times, you can guarantee a piwakawaka (fantail) will follow you around giving nonstop advice and encouragement.

The Park is accessible and family-friendly, it gives a wide range of people the opportunity to get outdoors, enjoy the bush and experience mountain biking. I get a lot of satisfaction seeing the family groups, particularly mothers, who are competent riders, cruising the tracks with their children. It is satisfying to feel that the increasing bird life adds to the KMBP experience.

The cycle tracks provide a venue to get the more energetic students out of the classroom and provides the opportunity to learn about trapping and trap building. The Park Manager has had many groups working on track maintenance and during the year I have shown several schools and a Whenua Iti predator management group the work we are doing.

DIGITAL MARKETING

Te Whakatairanga Matihiko

Ensuring flexibility in our marketing plans paid dividends in 2019/2020 as we pivoted away from engaging our Reserve's international audience because of the Covid-19 global pandemic. Despite the initial uncertainty we were able to quickly identify the messaging that resonated with our local and domestic visitor, amplifying the marketing campaigns coming out of our region and strengthening the Reserve's position as New Zealand's coastal recreation destination.

The connection with our local audience improved throughout the year as a result of significant effort going into our digital channels – specifically using social media as the engagement tool and our websites as the destinations. Whilst messaging around the range of services at the Reserve, event promotion, the mountain bike park and our stunning natural environment resonated well with our local audience, it was interesting to note the increase in popularity of our messaging that positioned the Reserve and the services we provide as a key part of our local area's infrastructure. During the lockdown period many looked to the Reserve as a community hub and a vital provider of day-to-day provisions, which helped create an enduring connection that we intend to nurture.

Domestic tourism took the front seat in terms of our more traditional marketing activity – encouraging those that visit the Reserve regularly to book ahead and plan trips in the shoulder seasons to avoid disappointment. We also ensured that the Kaiteriteri Recreation Reserve featured prominently in our region's story as a must visit destination for all of those who would normally holiday overseas but will be visiting the Nelson Tasman region in 2020/21. This has been successfully measured via the increase in new visitors booking accommodation hailing from the Auckland region. Auckland has never been a primary domestic visitor to Kaiteriteri. Our website has been able to track this new trend and we are excited to see how this progresses into next year.

Mountain biking is a rapidly growing sector of the local and domestic tourism market and we ensured that our mountain bike park and its trails received the attention they deserve. The team behind the park is doing an incredible job of building a facility that really holds its own as a must ride destination for enthusiasts visiting our region. Through the use of ambassadors, influencers, social media and the cycling media we have been able to grow awareness of our offering and develop a high-quality reputation. We are looking to partner with

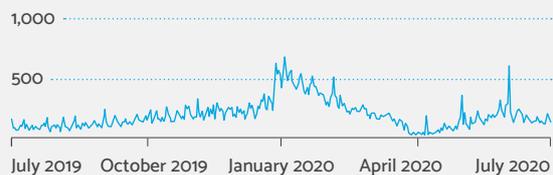
other key riding destinations in our region to develop an even more compelling reason to book an extended mountain bike focused holiday in Nelson Tasman that includes at least one day and night at Kaiteriteri.

As well as refocusing our marketing messages we have looked to ensure that our brand is presented consistently across the Reserve through updating signage, printed collateral and other non-digital media. This is important to ensure we present ourselves in a way that is consistent with our messaging and vision, improving the visitor experience.

AUDIENCE OVERVIEW

experiencekaiteriteri.co.nz

■ Sessions



72,157
SESSIONS

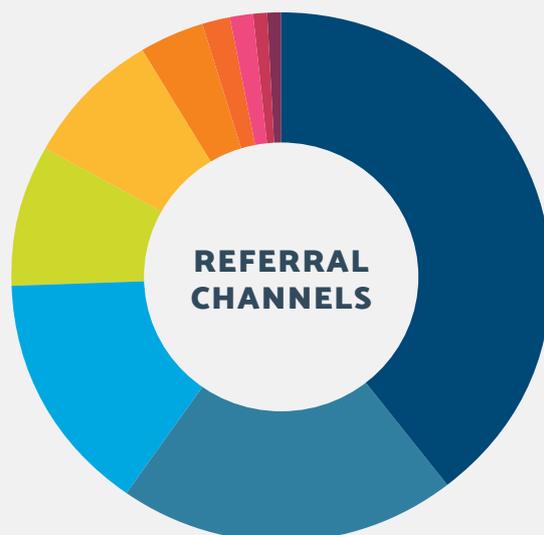
162,500
PAGE VIEWS

50,483
USERS

00:02:37
AVERAGE SESSION

30.7%
NEW VISITORS

69.3%
RETURNING VISITORS



■ m.facebook.com ■ tourism.net.nz ■ newzealand.com
 ■ l.facebook.com ■ facebook.com ■ bottraffic.host
 ■ lm.facebook.com ■ nelsonevents.co.nz ■ takeabreak.co.nz
 ■ bookingsasp.newbook.cloud

COMMUNITY, ENVIRONMENT, PARTNERS

Hapori me te Taiao

PROTECTING OUR ENVIRONMENT
AND SUPPORTING OUR COMMUNITY
THROUGH ENDURING PARTNERSHIPS





The Kaiteriteri Recreation Reserve is proud to support our local community, schools, environmental projects, biodiversity, events and local athletes. Working through much valued partnerships, we invest significant time, money and resources.

TASMAN BAY GUARDIANS

With the support of the Kaiteriteri Recreation Reserve, Tasman Bay Guardians (TBG) were able to deliver a full Whitebait Connection Programme to Brooklyn School and hold the now annual Mana Whaitake event. The Whitebait Connection Programme gets students out into their local streams and rivers testing water quality, hunting for macro-invertebrates and our special freshwater fish species. Brooklyn year seven and eight students visited the Bethany Park Stream and the Brooklyn Stream, gathering data and comparing the habitat, catchment inputs, the life within and the water quality of the stream. The programme incorporates scientific learning with building awareness, caring and connection to the environment.

Brooklyn School students were then involved in the Mana Whaitake event, helping to run the event as part of the 'action' component of the programme. Mana Whaitake is held at the Kaiteriteri Recreation Reserve during Seaweek and ten schools from around the district attended. Students rotated around different activities including snorkelling with TBG's Experiencing Marine Reserve coordinators, Sustainable Coastlines, Coastguard Nelson, sea creatures with Richard de Hamel of the University of Otago and activities run by students from Motueka High, Brooklyn and Lower Moutere schools. Tasman Bay Guardians would not

be able to run this event without the support of the Kaiteriteri Recreation Reserve.

While Covid-19 did not affect TBG's delivery of the programme and event, it has resulted in a drop of support from local businesses. Previously many schools' programmes were directly funded by tourism, but the predicted drop in tourism has consequently meant a withdrawal of continued support from many in this sector. However, TBG continues to grow and develop, collaborating with many other organisations.

Tasman Bay Guardians are committed to environmental education and ensuring all students get a chance to experience our programmes. For the continued success of the great work currently being completed by restoration groups in the area the community needs to also connect to these restoration goals. Children are amazing advocates and can reach groups within the community where others cannot.





LITTLE BLUE PENGUIN CONSERVATION

Our local coastline from Mārahau to Tapu Bay is an important habitat for little blue penguins, New Zealand's smallest penguin. Their official DOC conservation status is "At Risk – Declining", making their presence here very special indeed. The Kaiteriteri Recreation Reserve actively supports and collaborates with local community, Tasman District Council and DOC to provide essential protection to promote their wellbeing and safety. A strategic plan which includes predator trapping of stoats and rats, informative signage, increased community awareness through media, beach clean ups and provisioning of nesting boxes all focus on providing a safer habitat for little blues.

Thanks to Linda Jenkins and Larry Lumsden, the trapping programme now extends from Tapu Bay to the northern boundary of the Kaiteriteri Recreation Reserve and involves regular clearing and resetting of traps by Reserve staff and local community volunteers. Plans are afoot to extend this line to include Kaka Pah Point, Breaker Bay and bays further north.

Penguin signage installed in strategic locations along the Kaiteriteri beachfront is being replicated at other beaches in collaboration with DOC, including Breaker Bay, Little Kaiteriteri, Dummy Bay, Stephens Bay and Tapu Bay. This provides consistency of messaging to the community, visitors and guests, and encourages dog owners to have their dogs under effective control at all times to ensure the safety of little blues. This is especially important during the

breeding season (July – December) and moulting season (December – March) when the penguins are particularly vulnerable on shore.

Later this year, the inaugural survey of the local penguin population and distribution will commence from Tapu Bay to Towers Bay / Split Apple by penguin expert Alastair Judkins from the Kaikōura Ocean Research Institute (KORI) and his penguin detection dog, Mena. In October, Alastair and Mena will spend five days seeking out active penguin burrows along the coastline with the purpose of establishing baseline population data. Further surveys every two to three years will, over time, provide valuable information which will help to qualify and quantify our other conservation efforts and assist us in focusing the best support in the right locations for the most effective outcomes.





EVENTS

The Kaiteriteri Recreation Reserve supports, hosts and manages many significant events as they are an important component of the Reserve's unique offer and they attract more visitors to the Reserve during shoulder and winter periods.

ABEL TASMAN COASTAL CLASSIC, OCTOBER 2019

The Abel Tasman Coastal Classic is a trail running and walking event, owned and managed by Nelson Events, that runs from Awaroa to Mārahau on the Abel Tasman Coast Track. The event was sold out with 350 competitors and a waitlist in operation from early May. International athletes attended from Australia, England, Switzerland and Germany. From New Zealand we had athletes from Ashburton, Auckland, Buller, Christchurch, Dunedin, Golden Bay, Invercargill, Marlborough, Nelson, Northland, Canterbury, Southland, Tasman, Waikato, Wellington, West Coast and Westland. This was the second year being hosted by the Kaiteriteri Recreation Reserve. We took onboard our learnings of the previous year which resulted in a streamlined and efficient service of an outstanding meal for which we received many positive comments. The vibe during registration and the prizegiving banquet in the marquee in the Reserve's grounds was so positive and welcoming to all.

WAKA TE TASMAN, NOVEMBER 2019

We have a long and proud history of supporting and hosting Kaiteriteri's annual waka ama event run by the Motueka Waka Ama Club in November. This is a spectacular weekend of outrigger action with strong culture, heritage and values.

SUMMER EVENTS SERIES, JANUARY 2020

Managed on behalf of the Reserve by Sport Tasman, this series is held every January during the peak summer period and is designed to provide our guests with complimentary activities and entertainment. The series includes Kaiteriteri's Got Talent, a sandcastle competition, orienteering, beach games and a movie night. In addition, there are separate summer events managed by third parties including beach volleyball, one-shot golf (Motueka Rotary) and the Beach Family Fun Day.

KAITERITERI GOLD, MARCH 2020

2020 saw the celebration of Nelson Events' 30th Kaiteriteri Gold. They had planned and promoted a 14km run (rather than the 10km road run) utilising our mountain bike park and forestry roads and had a great response regarding this. Unfortunately, the fire risk and preventative measures that were in place meant that they had to revert back to the road course.



Participants whilst disappointed, understood and acknowledged that this was due to environmental conditions outside of our control and safety was the priority underpinning all decisions. This was also the beginning of Covid-19, so we were very lucky to be able to hold this event. Nelson Events had already put safety measures in place to lessen the risk of exposure and spread. The numbers participating in the 2020 Kaiteriteri Gold were affected by the beginnings of the pandemic and we know that in future events, participants might not be prepared to enter as early as they have in the past. This will make finalising details a little tougher but in the current climate and moving forward we all appreciate the thinking and Nelson Events, with the Kaiteriteri Recreation Reserve, are looking at ideas to help participants.

KAITERITERI WEEKENDER, APRIL 2020

The Kaiteriteri Weekender is owned and managed by the Reserve and Kaiteriteri Mountain Bike Park Inc. It is the annual fundraiser and an important part of the regional mountain biking event calendar. Held in April over two days, it involves a six-hour relay event followed by an Enduro and Whip-off. This year we secured the event management experience of Nettie Stowe and Lis Cleland as it has grown beyond pure voluntary efforts. Although we could not hold the event due to Covid-19, the detailed planning will be rolled out in 2021. Separate to the Weekender, we managed to still run the weekly winter Phat Night races which are very popular with the local riding community and included evening burgers and beers at Gone Burgers.

K2M, MAY 2020

The second running of the K2M was cancelled due to Covid-19 and postponed to June 2021. The Reserve is hosting the kayaking component and the start of the longer biking and running legs between the Kaiteriteri Mountain Bike Park through to Māpua via the Great Taste Trail. John McIntyre, the event owner, provided competitors with options of transferring entry to next year's event, transferring entry to another person or receive a 50% refund. We look forward to supporting and hosting this great event in June 2021.

MID-WINTER SWIM AND DUCK RACE, 2020

The Reserve is proud to support and host Riwaka School's annual main fundraising event but unfortunately due to Covid-19 the event was cancelled. We look forward to the event in 2021.



SPONSORED ATHLETE PROFILE

Raewyn Morrison

PROFESSIONAL MOUNTAIN BIKER



Raewyn Morrison is a professional mountain biker from Nelson and is currently ranked eighth in the world. Rae is sponsored by a number of companies including the Kaiteriteri Mountain Bike Park where she loves riding and promoting. Rae travels the globe for six months every year competing in the Enduro World Series and rides for Liv Racing.

2019/2020 was a standout season for me, packed full of travel and numerous races, finishing with a global ranking of eighth in the world. I was consistently inside the top 10 at the 2019 Enduro World Series, racing a variety of venues including Canazei (Italy), Les Orres (France), Madeira (Portugal) and Northstar (USA) with my two best results at the end of the season (August / September) in Whistler (Canada) and Zermatt (Switzerland).

One of my other races that was not part of the World Series was the Megavalanche in Alpe d'Huez. A mass start race starting at 3,000m on the top of a glacier and descending 25km through snow, rock, bike park, single track and road all the way to the valley floor. It was the wildest and craziest race I've ever done, at one point reaching 80km/hour on the snow. I won the qualifications and was second in the main race despite a mechanical issue.

2020 was an interesting year for everyone with the global pandemic and so much uncertainty and disruption. I was in good form heading into the

season after a great training block over the summer and started the racing with a convincing win at the first international race of the year, Crankworx Enduro in Rotorua. One week before I was about to head overseas the racing was postponed and we went into lockdown. I was lucky I was in a good flat and was still able to train in a home gym and ride my road bike. It also gave me a good opportunity and time towards creating content for my sponsors, such as the Kaiteriteri Recreation Reserve, with YouTube videos and social media. I continued to train very hard although there was a lot of uncertainty with what was going to happen.

When the world started to open up again I was able to head overseas for a short sharp season in Europe and secure contracts for 2021. I'm looking forward to more racing in New Zealand this summer and we will see what 2021 brings.





SPONSORED ATHLETE PROFILE

Cameron Jones

MOUNTAIN BIKE AND MULTI SPORT ATHLETE



Having pursued many sports over the years, I have found my passion with outdoor endurance sports, especially mountain biking. I do it for the exploration, the thrill of going fast and the rewarding process of training and competing at the top level.

I grew up in Ruby Bay and now reside in Christchurch where I am halfway through an engineering degree. I have been the top of my age group on the national cross country circuit since I started as an U15. In my U19 years I gained international experience, competing in world champs in Cairns and Lenzerheide. Alongside cross country, I race some multisport where I have been the youngest winner of the Coast to Coast, 3D Rotorua and Crazyman events. Last year I did a team multisport stage race in China. This year I had my most successful season yet, winning the U23 Oceania title and third Elite at nationals.

2019 Cyclocross National Champs

Second place in my age group and first in team relay with Cyclocross Nelson Tasman team (CXNT).

Wulong Mountain Quest, China (pre-covid!)

Four day team multisport stage race. We put together a Nelson team which was one of the favourites. Insanely tough course and temperatures up to 40 degrees gave some of us heatstroke so we missed a stage and finished unranked. Awesome experience and something I would love to go back for.

Back home to Nelson to train for the national mountain biking season

Heaps of riding at Kaiteriteri MTB Park, an ideal training location. Always taking photos to share on social media.

2020 South Island Champs

First big event of the season. Controlled the race and sprinted for second behind Commonwealth games rider. First in my age group.

2020 Oceania Champs

First place under 23. Biggest win of my career. Beat all the top Aussies including the former junior world champ. Won the opportunity to wear the Oceania Champs jersey this coming season.

2020 National Champs

Second place under 23 and third Elite. Amazing to stand on the podium next to Anton Cooper, one of the world's best. These last three events gave me an unofficial ranking of top five in the country.

Home lockdown challenge

I intended to be racing bikes in Europe but plenty of time in the future for that. Kept busy and put extra effort into my study instead with no racing over lockdown. Created a challenge to inspire people at home, which you can find here: www.facebook.com/cameronjonescdj/videos/2596752213936586



SPONSORED ATHLETE PROFILE

Team Motueka

ADVENTURE RACING



Although 2019 was the start of an official relationship between the Kaiteriteri Recreation Reserve and Team Motueka, unofficially it has been going for years.

It was Kaiteriteri beach where the team started its first Godzone and where many hours of training have been completed. Team Motueka is fast becoming a well-known name in NZ Adventure Racing, having excitingly transferred to the World Stage in the 2018/19 season. A win in Portugal and a top five spot in Ecuador, followed by returning to NZ to claim seventh place in the notorious Godzone meant the team had massive aspirations for the 2019/20 season.

This season 'would be like no other' as Godzone rescheduled its normal dates from March until November. Leaving the team without our pinnacle event, we decided to have a summer apart to focus on pursuing more individual competitions. Before separating, the team completed two epic races. First was to China to compete in the Primal Quest Invitational. Despite enduring a few unusual calls from the local umpires, the team still managed to pull off a great result, coming in second place and just 15 minutes behind the winners. Back on home ground we travelled south to Cromwell and the spectacular 24 hour Southern Lakes Adventure Race. Overcoming our fair share of mechanical troubles, the team were very happy to finish in a close third place.

After the summer break the team got back to racing, and without a Godzone to fill up the season we opted for another World Series race - this time

in Patagonia, Argentina. The team performed amazingly, dominating the lead for the early stages of the race. Unfortunately it wasn't smooth sailing and we received a harsh reminder of the challenges of racing in foreign countries, however a strong finish scored a well-earned fifth place.

Despite Covid-19 spoiling most of 2020 with many races cancelled or postponed, this has allowed more time and energy to focus on some specific strengthening and training techniques. It has also built up even more enthusiasm and excitement, and Team Motueka has high hopes for 2021, with the return of Godzone in March followed by Colombia in June.

Without the Kaiteriteri Recreation Reserve's support, none of this would have been possible. Kaiteriteri has become the main driving force behind the Team and every chance we get, we are spreading the word that Kaiteriteri is the best all-encompassing adventure hub in New Zealand. In fact, recently we have run adventure training clinics on the Reserve to show the local community and people from around the district the amazing facility we have here.

Current team members include Brent Steinmetz, Nick Hann, Rachel Baker, Tom Spencer, Will Jones, Caleb Hill, Melody Andrews, Dylan Andrews, Theo Wordsworth and Meg Bichard.

Summer 2020 individual results

- First place, National Orienteering Champs
- Fifth place, Coast 2 Coast (longest day)
- Third place, Motu Challenge
- Third place, St James



GOVERNANCE

Mana Whakahaere



CHRIS HAWKES - Chair

Being on the Board of the Kaiteriteri Recreation Reserve is a unique and truly satisfying experience. I particularly value contributing to an organisation that is considerably different and not readily emulated elsewhere. People, health and safety, well-being, sustainability, financial stability, environmental restoration, cultural and historical factors are key elements we consider on an ongoing basis. Working with the Board and senior executive staff members who have skills, passion, initiative and a best practice business mind set is very rewarding and stimulating. I am committed to our vision of being the premiere coastal outdoor recreation destination in New Zealand.



TIM KING - Deputy Chair

As a lifetime resident of the Nelson region Kaiteriteri has always been part of my life, visits to the beach and school camps both as a child and as a parent. Great place to take visitors to show off our fantastic area and start to many adventures in Abel Tasman. More recently a great weekend destination for mountain biking. It's a privilege to be involved in the running of such an iconic location where all the proceeds are reinvested to improve the experience and meet the challenges of increasing numbers of visitors and residents.



MARIA FILLARY

I feel privileged to be serving on the Kaiteriteri Recreation Reserve Board whose mission is to provide affordable family recreation opportunities. I love that that the reserve offers something for everyone. I know this to be true with my own family, we love biking in the mountain bike park, playing at the playground and exploring the beach. I'm looking forward to being a part of the next phase of planning to connect all parts of the reserve and to ensure the values of the reserve are forefront so future generations can continue to enjoy all that the Kaiteriteri offers.



MARK TOWNSEND

Kaiteriteri resonates for me as an active family destination. I have fond memories water skiing around the bay as a child and later recreating with my own family swimming at the beach, jumping off the bridge at high tide, competing against each other at mini golf, zooming down the flying fox, or riding mountain bikes down JAWS! Lots of fun equals lots of energy to burn at this stunning location. As the local Department of Conservation representative on the Board, I'm keen to ensure the local Kaiteriteri coastal and estuarine environment is managed in a sustainable way with natural aesthetic appeal. Stage 1 and 2 of the recent re-development project is complete and I am now looking forward to contributing to Stage 3 – the landscaping of the beach frontage, car parking and estuary to enhance this iconic location.



RENEE THOMAS

Growing up in Te Tauihu, visits to Kaiteretera were always special. Learning about my identity and whakapapa in the rohe has enhanced my connection to these places. With its rich history, the preservation and enhancement of this area is a priority so that generations to come may also experience the special qualities of Kaiteretera. With the challenges that Covid-19 presented, the Board has been proactive and courageous with decision making, only possible with the backing of a strong and professional suite of staff. I look forward to progressing relationships between the Reserve and Manawhenua, while working with the team to progress the development of the Reserve to enhance the experience for current and future visitors to Kaiteretera.



LEE-ANNE JAGO

Nō Waikato ahau heoi kei konei kei Kaiteretera ahau e noho ana. Kaiteretera is my home and a part of my everyday life. My husband and I live, work, play and bring up our children here. For these reasons I am committed to the vision of Kaiteretera being the best coastal outdoor recreation experience in Aotearoa, I believe it is! I have a strong interest in preserving our natural environment for the generations to come and understand how fortunate we are to have such an iconic location that is reserved for all people to enjoy. I am committed to a sustainable and cultural focus, providing facilities while managing the natural unique character of Kaiteretera.



ANEIKA YOUNG

My connection to Kaiteretera is through my whakapapa relationship with the land and the local iwi Ngāti Rārua and Te Ātiawa. I spent my childhood with my whānau swimming, jumping off the bridge, boating, waka and baching. Later, I worked in the Abel Tasman as a walk and kayak guide. Kaiteretera was where we started our trips and is known as the 'gateway to the Abel Tasman'. Kaiteretera is a significant place for our iwi where our ancestors welcomed and first met the New Zealand Company in an agreement to support the arrival of settlers to the Tasman region. Not only does it have a rich history, but is a valuable taonga for our community and wider society providing recreational experiences and opportunities to engage with the natural world. My interest is to enhance and sustain the ecological and cultural integrity of Kaiteretera, while ensuring we, as a board, are running a smooth, efficient and viable operation that supports connection of visitors to this amazing place.

FINANCIAL REPORT

Pūrongo Pūtea

FOR THE YEAR ENDED 30 JUNE 2020



STATEMENT OF RESPONSIBILITY

FOR THE YEAR ENDED 30 JUNE 2020

The Reserve Board is responsible for the preparation of these financial statements and the judgements used in them.

The Board is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board, these financial statements for the year ended 30 June 2020 fairly reflect the financial position and operations of the Kaiteriteri Recreation Reserve Board.



Chris Hawkes
Chairman



Tim King
Deputy Chair

13 April 2021

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2020

REPORTING ENTITY

The Kaiteriteri Recreation Reserve Board as defined in Section 2 of the Reserves Act 1977, is appointed to manage the Kaiteriteri Reserve, Motueka and is a Crown entity in terms of the Public Finance Act 1989.

These Financial Statements encompass the following activities of the Kaiteriteri Recreation Reserve Board:-

- Camping Ground Operations
- General Store Operations
- Kai Café Operations
- Harbour and Beach Administration
- Mountain Bike Park

The Recreation Reserve consists of 243 hectares of Crown Land of which the camp occupies approximately 13 hectares. The balance of the area is tidal estuary and bush covered hills.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with The External Reporting Board (XRB) Public Benefit Entity (PBE) Accounting Standards Reduced Disclosure Regime (RDR) – Tier 2. The Reserve Board has applied these standards as it is considered a Public Sector public benefit entity with a reporting period starting on 1 July 2015 and total expenses are greater than \$2 million and less than \$30 million and is not publically accountable.

MEASUREMENT BASE

These Financial Statements have been prepared on the basis of historical cost. These Financial Statements have been prepared in terms of Section 88 of the Reserves Act 1977.

These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and section 41 of the Public Finance Act 1989. For this purpose the board has designated itself as a public benefit entity.

The information is presented in New Zealand dollars.

SPECIFIC ACCOUNTING POLICIES

a. Plant, Property and Equipment

All plant, property and equipment assets other than land, which is not depreciated, are stated at cost less accumulated depreciation and impairment.

Depreciation of assets is calculated on a straight line basis so as to allocate the cost of the assets, over their estimated useful lives as follows:

- Land improvements: 12 – 67 years
- Buildings and fittings: 8 – 50 years
- Shop complex: 3 – 50 years
- Vehicles and motorised plant: 5 – 15 years
- Plant and equipment: 4 – 25 years
- Office equipment: 2 – 12 years
- Café / bar: 3 – 50 years.

b. Goods and Services Tax

The financial Statements have been prepared on a GST exclusive basis of accounting, except for debtors and creditors which are prepared on a GST inclusive basis.

c. Financial Instruments

The Board is party to financial instrument arrangements as part of its everyday operations. Financial instruments are classified into the following categories:

Loans and receivables

Loans and receivables are initially recognised at fair value and subsequently measured at amortised cost using effective interest method.

Loans and receivables include:

- Cash and cash equivalents
- Bank deposits
- Foodstuff deposits
- Trade receivables – short term receivables are recorded at the amount due, less any provision for uncollectability.

Available for sale assets

Shares in Foodstuffs (South Island) Ltd are recorded at the value at which they were issued as rebates by Foodstuffs. The fair value of the shares is not known. They are not publicly traded and the Board does not have access to the information necessary to reliably estimate fair value.

Financial liabilities measured at amortised cost

Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost using effective interest method. Financial liabilities include trade payables, they are recoded at their face value.

d. Inventories

Inventories are stated at Cost, FIFO method.

e. Taxation

Kaiteriteri Recreation Reserve Board is a public authority in terms of the Income Tax Act 2007 and is therefore exempt from paying income tax.

f. Budget Figures

The budget figures are those approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by the Board for the preparation of the financial statements.

g. Employee Entitlements

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

h. Revenue

1. Goods Sold

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of good can be estimated reliably, and there is no continuing management involvement of with the goods.

2. Services

Revenue from services is recognised to the extent that the service has been performed.

3. Government Grant – Covid-19 Wage Subsidy

Revenue from the Covid-19 Subsidy is full recognised in these statements as the eligibility criteria was met and corresponding subsidised wages paid prior to 30 June 2020.

i. Cash and Cash Equivalents

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

CHANGES IN ACCOUNTING POLICIES

All policies have been applied on bases consistent with those used in previous years.



STATEMENT OF COMPREHENSIVE INCOME AND EXPENSE

FOR THE YEAR ENDED 30 JUNE 2020

2019 (\$)		Notes	2020 (\$)	2020 Budget (\$)
Revenue				
2,143,355	Store		2,259,552	2,142,340
2,450,149	Camp		2,473,469	2,364,390
113,310	Reserve		272,182	312,502
2,158,483	Café		2,171,786	2,117,725
6,865,295	Total revenue		7,176,989	6,936,957
6,476,706	Total operating expenditure	1	6,695,951	6,719,994
55,115	Total finance expenses		27,539	34,060
-	Total PPE impairment assessment	6	810,473	-
333,474	Net surplus/(loss) for year		(356,974)	182,903
-	Other comprehensive income		-	-
333,474	Total comprehensive income/(loss)		(356,974)	182,903



STATEMENT OF MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

2019 (\$)		2020 (\$)	2020 Budget (\$)
9,442,122	Equity at 1 July	9,775,596	9,775,595
Total comprehensive income for the year			
71,671	Store	88,626	88,112
672,656	Camp	711,296	460,957
(483,056)	Reserve	(422,181)	(514,047)
72,203	Café	(734,715)	147,881
333,474	Total comprehensive income/(loss)	(356,974)	182,903
9,775,596	Equity at 30 June	9,418,622	9,958,498

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

2019 (\$)		Notes	2020 (\$)	2020 Budget (\$)
Current assets				
10,913	Goods and services tax		-	6,173
334,841	Cash and cash equivalents		868,317	628,500
8,855	Accounts receivable		11,605	40,000
44,636	Foodstuff - deposits	2	47,027	35,000
239,429	Stock on hand	3	257,544	260,000
638,674			1,184,493	969,673
Non-current assets				
60,260	Foodstuff pref shares	4	67,237	67,237
9,623,556	Plant, property and equipment	6	9,459,756	9,511,588
-	Less impairment assessment		(810,473)	-
9,683,816			8,716,520	9,578,825
10,322,490	Total assets		9,901,013	10,548,498
Current liabilities				
181,622	Accounts payable - employee		220,217	190,000
85,916	Accounts payable - supplier		92,196	100,000
279,355	Deposits in advance		133,516	300,000
-	Goods and services tax		36,462	-
546,894			482,391	590,000
546,894	Total liabilities		482,391	590,000
9,775,596	Equity - accumulated comprehensive revenue and expense		9,418,622	9,958,498
10,322,490	Liabilities and equity		9,901,013	10,548,498

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

2019 (\$)		2020 (\$)	2020 Budget (\$)
Cash flows from operating activities			
<i>Cash was provided from:</i>			
6,811,703	Receipts from customers	6,985,709	6,876,719
362	Interest received	53	200
2,158	Dividends received	2,359	2,000
8,826	GST (net)	10,693	2,514
6,823,049		6,998,814	6,881,433
<i>Cash was applied to:</i>			
3,792,223	Payments to suppliers	3,888,877	3,977,986
2,220,680	Payments to employees	2,360,957	2,329,753
55,115	Bank finance expenses	27,539	34,060
6,068,017		6,277,373	6,341,799
755,032	Net cash inflow from operating activities	721,441	539,634
Cash flows from investing activities			
<i>Cash was provided from:</i>			
64,134	Reducing Foodstuffs investment	67,707	54,259
64,134		67,707	54,259
<i>Cash was applied to:</i>			
90,536	Purchase of plant, property and equipment	255,672	300,234
90,536		255,672	300,234
(26,402)	Net cash outflow from investing activities	(187,965)	(245,975)
Cash flows from financing activities			
-	Net cash flow from financing activities	-	-
728,630	Net increase / (decrease) in cash held	533,476	293,659
(393,788)	Add cash at start of year	334,842	334,841
334,842	Balance at end of year	868,317	628,500
<i>Comprising:</i>			
334,842	Cash and cash equivalents	868,317	628,500
334,842		868,317	628,500



STATEMENT OF COMMITMENTS AND CONTINGENCIES

FOR THE YEAR ENDED 30 JUNE 2020

STATEMENT OF COMMITMENTS

No commitments exist for the year ended 30 June 2020 or the previous year.

STATEMENT OF CONTINGENT LIABILITIES AND ASSETS

No contingent liabilities or assets existed for the year ended 30 June 2020 or the previous year.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2020

1. EXPENDITURE BREAKDOWN

2019 (\$)		2020 (\$)	2020 Budget (\$)
Operating expenditure			
2,158,425	Direct purchases	2,249,433	2,119,499
2,261,097	Wages	2,399,552	2,338,131
334,160	Management and board fees	347,302	377,971
177,988	Repairs and maintenance	181,844	200,511
140,133	Marketing and sponsorship	151,360	166,508
946,770	Other expenses	954,884	1,117,866
453,744	Depreciation	406,896	399,468
4,445	Loss on asset disposal	4,680	-
6,476,706		6,695,951	6,719,994

2. FOODSTUFFS DEPOSITS

Deposits are non-transferable with variable interest rates ranging between 0% and 1.50%.

(2019 0% – 2.70%) These relate to purchase rebates.

3. INVENTORY

No stock has been pledged as security for liabilities, or are subject to retention of title clauses.

4. FOODSTUFF SHARES

Shares are non-transferable redeemable preference shares with a face value of \$1.00 each. These relate to purchase rebates.

5. COVID-19 PANDEMIC EFFECT

25 March 2020 Alert Level Four immediate impact

Food and beverage business – complete closure.

Campground – closed to general public, support provided to Civil Defence and occupied by staff.

Retail grocery store – remained open as essential service providing grocery items to locals.

All areas managed as per Government health directives and continued to do so under the differing Alert Levels to 30 June 2020.

Covid-19 Wage Subsidy received totalling \$292,325 supporting 44 staff for the full 12 week period.

Estimated Reserve wide revenue effect over April / May / June 2020

- Actual revenue \$653,500
- Previous year comparison \$844,800
- Budgeted revenue \$1,054,700

Covid-19 pandemic triggered also impairment assessment of property, plant and equipment. In the result an impairment of \$810,473 was recognised. Further details are included in Note 7.

6. PROPERTY, PLANT AND EQUIPMENT

Movements for each class of property, plant and equipment are as follows:

	Land	Land improvements	Buildings and fittings
Cost			
Balance 1 July 2019	383,184	1,577,430	5,479,762
Additions	-	2,731	54,921
Disposals	-	-	-
Balance at 30 June 2020	383,184	1,580,161	5,534,683
Balance 1 July 2018	383,184	1,577,430	5,476,520
Additions	-	-	18,373
Disposals	-	-	(15,131)
Balance at 30 June 2019	383,184	1,577,430	5,479,762
Accumulated depreciation and impairment losses			
Balance at 1 July 2019	-	675,776	1,258,490
Depreciation expense	-	52,645	131,609
Loss on disposal	-	-	-
Impairment loss	-	-	-
Balance at 30 June 2020	-	728,421	1,390,099
Balance at 1 July 2018	-	622,072	1,141,604
Depreciation expense	-	53,704	125,536
Loss on disposal	-	-	(8,650)
Balance at 30 June 2019	-	675,776	1,258,490
Carrying amounts			
At 1 July 2019	383,184	901,654	4,221,272
At 30 June 2020	383,184	851,740	4,144,584
At 1 July 2018	383,184	955,358	4,334,916
At 30 June 2019	383,184	901,654	4,221,272

	Retail complex	Vehicles and motorised plant	Plant and equipment	Office equipment	Café / bar	Total
	2,595,364	181,600	884,018	155,483	2,544,420	13,801,261
	92,334	21,879	8,184	13,961	53,765	247,775
	(13,195)	(667)	(12,306)	(41,639)	(32,281)	(100,088)
	2,674,503	202,812	879,896	127,805	2,565,904	13,948,948
	2,565,446	192,653	879,061	142,804	2,505,454	13,722,552
	29,918	1,391	10,322	12,679	38,966	111,649
	-	(12,444)	(5,365)	-	-	(32,940)
	2,595,364	181,600	884,018	155,483	2,544,420	13,801,261
	432,020	155,271	847,575	93,101	715,472	4,177,705
	68,976	10,110	9,790	17,171	116,595	406,896
	(13,195)	(667)	(11,440)	(41,639)	(28,467)	(95,408)
	55,139	-	-	-	755,334	810,473
	542,940	164,714	845,925	68,633	1,558,934	5,299,666
	322,090	160,099	819,312	80,219	604,237	3,749,633
	109,930	7,616	30,337	15,386	111,235	453,744
	-	(12,444)	(2,074)	(2,504)	-	(25,672)
	432,020	155,271	847,575	93,101	715,472	4,177,705
	2,163,344	26,329	38,947	59,878	1,828,948	9,623,556
	2,131,563	38,098	36,601	56,542	1,006,970	8,649,282
	2,243,356	32,554	59,749	62,585	1,901,217	9,972,919
	2,163,344	26,329	38,947	59,878	1,828,948	9,623,556

7. FIXED ASSETS AND PPE IMPAIRMENT ASSESSMENT

The land on which the café is situated, on the beach front, along with land on Martin Farm Road has been gazetted to form part of the Recreation Reserve and is owned by the Crown. Although this land, is not owned by the Reserve Board, it is included as an asset as the Board financed both purchases and has the use and control of them. The Crown land (including the above two properties and the additional 181.28 hectares), managed by the Reserve Board has a current Rateable Valuation of \$12,500,000. (2019 \$12,500,000).

Portions of the Reserve were included in the recent Te Tau Ihu (Top of the South Island) Treaty of Waitangi Settlement. The return of this land – 12 hectares – to iwi occurred in August 2014. Kaka Point was returned to iwi who then gifted it back to the crown. There will be no financial implication of this settlement shown in the Reserve's accounts, as the value of Crown land managed by the Board is not recognised in the accounts, with the exception as above already noted.

Impairment Assessment

The worldwide pandemic caused by Covid-19 has led to unprecedented disruption and uncertainty in so many areas of operations and business across the World. Additional reviews have been necessary on value of assets held against future earnings ability. This is a technical accounting issue of some complexity and subjective assessment of future trading parameters. The estimated cashflow for the next five years of each business unit has been calculated in today's value and compared to the asset values recorded.

The recoverable amount of cash generating units was determined by calculating value in use. An impairment was recognised for those cash generating units when the value in use was lower than the carrying value. It is possible that if more favourable results are achieved in the coming year that an assessment completed at year ended 30 June 2021, could result in this impairment in part or in total being reversed.

Assumptions used:

- WACC – weighted average cost of capital 7.5%
- Terminal value growth 2%
- Growth of revenue 6%
- Growth of expenditure 4%

CGU*	Camp	Retail	Café
Calculated value in use	7,917,675	2,131,563	1,006,970
Asset carrying value	4,272,825	2,186,702	1,762,304
Impairment	-	55,139	755,334

Total impairment recognised for year ended 30 June 2020 \$810,473.

The calculation of the value in use is most sensitive to the discount rate, revenue growth and expenditure growth assumptions.

The table below illustrates the sensitivity on the asset impairment assessment as movements from the baseline using 7.5% discount rate, 6% revenue growth and 4% expenditure growth, where all other inputs remain constant:

Impact on the impairment in \$:

	Increase by 0.5%	Decrease by 0.5%
Discount rate	311,188	(185,303)
Revenue growth	(732,209)	1,391,637
Expenditure growth	1,374,374	(705,317)

Revenue forecasting for the 2021 year was conservative, removing all international visitor revenue with a reduced replacement increase from national visitors. This resulted with forecast revenue in the first year being 8% – 13% lower than actual revenue in 2020.

8. FINANCIAL INSTRUMENTS CATEGORIES

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	2019 (\$)	2020 (\$)
Loans and receivables		
Cash and cash equivalents	334,841	868,317
Foodstuff deposits	44,636	47,027
Receivables	8,855	11,605
Available for sale assets		
Foodstuffs deposits	60,260	67,237
Financial liabilities		
Trade payables	85,916	86,796

*Cash generating unit

9. RELATED PARTIES

Board member T King is Mayor of Tasman District Council.

During the year, the Board was involved in various transactions with Tasman District Council, these included the payment for water, rubbish, sewerage services and annual operating licenses. These were at rates no more favourable than other similar entities.

10. KEY MANAGEMENT PERSONNEL COMPENSATION

Remuneration paid during the year:

	2019 (\$)	2020 (\$)
Six paid Board members	47,797	51,217

The Board consists of seven members – one represents the Department of Conservation and is not paid by the Reserve. New Board appointments March 2020 – 10 people held seven positions over the year.

	2019 (\$)	2020 (\$)
Six full-time paid management positions	553,702	649,114

During the 2020 year, seven people in total held these six positions (2019 – six people held six positions).

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF KAITERITERI RECREATION RESERVE BOARD'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

The Auditor-General is the auditor of Kaiteriteri Recreation Reserve Board (the Reserve Board). The Auditor-General has appointed me, John Mackey, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements, of the Reserve Board on his behalf.

OPINION

We have audited the financial statements of the Reserve Board on pages 52 to 63, that comprise the statement of financial position as at 30 June 2020, the statement of comprehensive income and expense, statement of movements in equity, statement of cash flows, and statement of accounting policies for the year ended on that date and the notes to the financial statements including other explanatory information.

In our opinion, the financial statements of the Reserve Board on pages 52 to 63:

- present fairly, in all material respects:
 - » its financial position as at 30 June 2020; and
 - » its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime.

Our audit was completed on 13 April 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to the impact of Covid-19 on the Reserve Board. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

EMPHASIS OF MATTER – IMPACT OF COVID-19

Without modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the company as set out in Note 5 on page 59. We draw specific attention to the following matter due to the significant level of uncertainty caused by Covid-19:

- **Sensitivity of the valuation model used in impairment assessments of the retail complex and Café bar**

Note 7 on page 62 outlines the impairment assessment for the Reserve Board's cash-generating assets, including the impairment recognised, the assumptions used in the impairment model, and the sensitivity of the impairment model to changes in key assumptions.

BASIS FOR OUR OPINION

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

RESPONSIBILITIES OF THE BOARD FOR THE FINANCIAL STATEMENTS

The Board is responsible on behalf of the Reserve Board for preparing financial statements that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board

is responsible for such internal control as they determine is necessary to enable them to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the Reserve Board for assessing the Reserve Board's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Reserve Board, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Reserves Act 1977, Crown Entities Act 2004, and the Public Finance Act 1989.

RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the Board approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reserve Board's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reserve Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reserve Board to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

OTHER INFORMATION

The Board are responsible for the other information. The other information comprises the information included on pages 1 to 51 and 66, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENCE

We are independent of the Reserve Board in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Reserve Board.



John Mackey
Audit New Zealand

On behalf of the Auditor-General
Christchurch, New Zealand



DIRECTORY

BOARD OF DIRECTORS

Chris Hawkes (Chair)
Tim King (Deputy Chair)
Maria Fillary
Renee Thomas
Aneika Young
Lee-Anne Jago
Mark Townsend

SECRETARY

Nicola Bensemann

SENIOR MANAGEMENT

David Ross (Chief Executive Officer)
Nicola Bensemann (Commercial Finance Manager)
Rachelle Parkins (Guest Services Manager)
Karen Bellew (Guest Services Manager, Maternity Cover)
Dennis Petch (Operations Manager)
Rick Bensemann (Kaiteriteri Store Manager)
Grant Dicker (Restaurant Manager)
Ali Kimber (Marketing Coordinator)
Ross Maley (Kaiteriteri Mountain Bike Park Manager)

SOLICITORS

McFadden McMeeken Phillips
187 Bridge Street, Nelson 7010

BANKERS

Bank of New Zealand
181 High Street, Motueka

AUDIT & RISK COMMITTEE CHAIR

Terry Kreft

AUDITOR

Audit New Zealand (on behalf of the Auditor-General)

REGISTERED OFFICE

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Te Rāhui Rēhia o Kaitereterē

Kaiteriteri

Recreation Reserve

Reserve Apartments
Reserve Camp
Kaiteriteri Store



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