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2005

VENTURE **TARANAKI** ANNUAL REVIEW



TARANAKI

like no other



In addition to the New Plymouth District Council, Venture Taranaki is supported by:

South Taranaki District Council, Stratford District Council, Taranaki Electricity Trust, TSB Community Trust, New Zealand Trade and Enterprise, Ministry of Economic Development, Ministry of Education, Ministry of Social Development, Department of Labour, Foundation of Research, Science and Technology, Business in the Community, ASB Bank, Shell (Petroleum Mining) Company Ltd and numerous other private sector organisations.

Venture Taranaki is an initiative founded by



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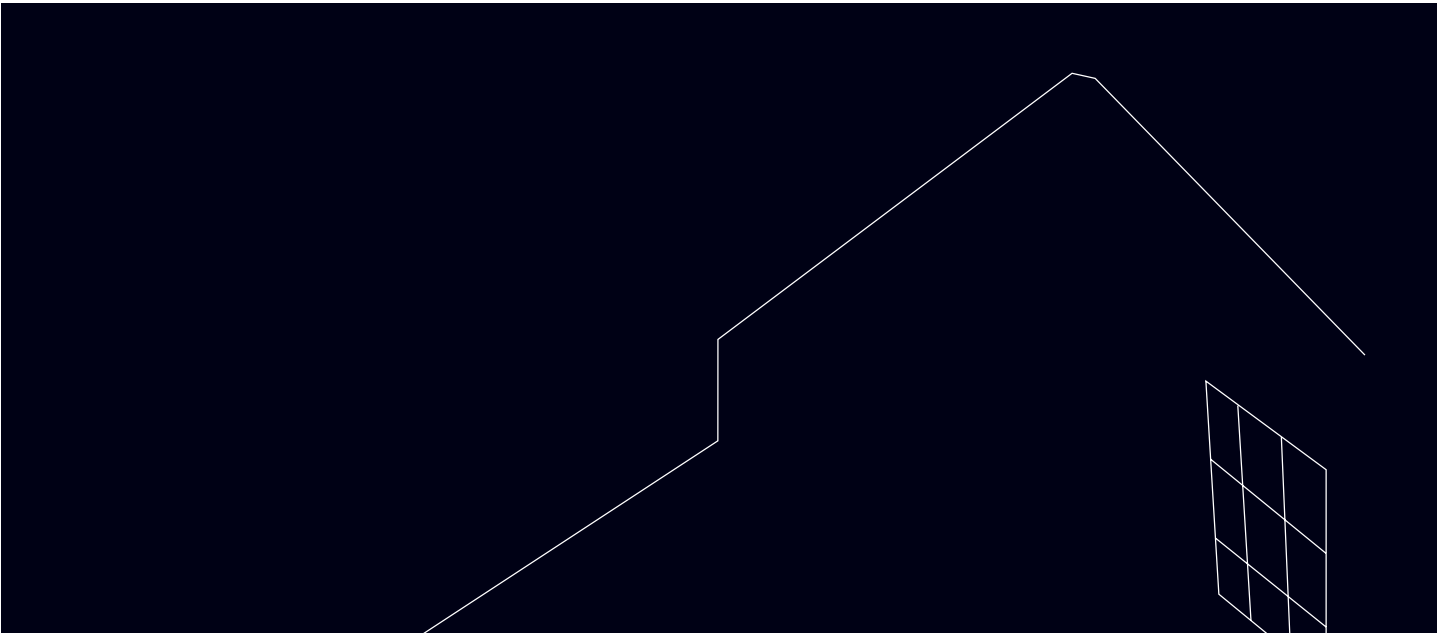
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	Ex-Chief Executive:	New Zealand Tourism Board



The Board (from left) - Neil Mackay, Paul Winter, Roy Weaver, Janine Smith, John Young and Rhys Greensill.

Venture Taranaki Trust & Group Trust Directory

	For the year ended 30 June 2005
Nature of Business	Facilitating economic development in Taranaki
Business Office	41 Molesworth Street New Plymouth
Trustees	John Young (Chairman) Paul Winter Roy Weaver Janine Smith Neil MacKay Rhys Greensill
Auditors	Audit New Zealand Palmerston North On behalf of the Auditor-General
Accountants	Staples Rodway Taranaki Ltd New Plymouth
Bankers	TSB Bank New Plymouth
Solicitors	Auld, Brewer, Mazengarb & McEwen New Plymouth



Venture Taranaki Trust is the region's development agency in both economic development and tourism. Incorporated as a charitable trust, Venture Taranaki is a dynamic organisation which has facilitated business success from enterprise inception through to sustainable growth based on international competitiveness.

On July 1 2004, Venture Taranaki evolved into a dynamic SuperTrust, which will continue to drive the creation of wealth through regional business development and regional tourism promotion.



Picture credits:
Pip Guthrie
Taranaki Daily News
Frances Oliver
Triathlon New Zealand
Chris Prudden

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CHAIRMAN'S REPORT



As we reflect on the end of Venture Taranaki's first year as a SuperTrust, it is timely to celebrate the success of the region's amalgamation of economic development and tourism into a dynamic and inspirational agency that has firmly placed Taranaki on the national and international map.

Some in our community may have questioned the ability of a purpose-designed regional

development agency to grasp the fundamentals of a diverse and complicated tourism industry.

Just how triumphant could an agency – albeit one that has provided a strategic and focused approach to developing the local economy over the past six years - possibly be in its first year of operation in an industry that has traditionally taken a regional 'backburner' position behind farming, oil and gas?

But those charged with regional strategy knew that tourism and events were increasingly viewed as an extension of economic growth, interwoven with business development, and that Venture Taranaki could offer a single brand and marketing approach as a logical, effective and efficient extension of agency functions.

This was a time when Taranaki - keen to achieve regional growth - sensed its potential was hindered by its own provincial conservatism, narrow economic base and lack of united leadership. Despite investing in economic development, delivery was undertaken at that time by a multitude of agencies focusing primarily on small business development in a generalised manner.

The task was daunting, yet exciting and visionary at the same time. As an organisation, we knew all eyes would be upon us, watching and judging every move we made. Venture Taranaki was presenting itself as a leading change agent committed to best practice in regional development delivery...and the risks were high.

So work began...reducing economic development delivery fragmentation from eight agencies to one; co-operative planning and implementation; dismantling systems known and familiar; working closely with local government. Community consultation and feedback with regional businesspeople and tourism operators was sought, and a partnership group was established.

A new board was created, along with a new organisational structure, the engagement of new skills, expertise and staff, and the development of a new brand and style to reflect the 'change'.

Venture Taranaki's SuperTrust model was launched on July 1, 2004. The change process was accomplished in six months and, in addition to achieving this within a tight timeframe, Venture Taranaki also maintained existing client services throughout the period.

It would be wrong to present a picture of smooth sailing during the planning and implementation period. A co-operative and co-ordinated process was embraced but, as with any new venture involving changes to structure and strategy, processes were delicate, complex and often subject to challenge.

Thus whilst the process reflects a testimony to best practice models of change and co-operation, equally it was not without its moments of frustration and lack of co-ordination. This is reflective of any venture which dares to step bravely into an unknown and unprecedented world of progress.

Taking all that into consideration, it is a testament to our management and staff that just 12 months later, a comprehensive Tourism Strategy tracking the region to 2010 has been implemented, several motivational publications have been produced and enterprise development is thriving in the expert hands of our talented team. The past financial year has seen:

- Taranaki with the top economic growth in New Zealand, clocking up a 5% increase in the year to June and being declared as the fastest growing regional economy for 2004/05 by the National Bank;
- Healthy tourism growth, with a 14.6% increase in 2004 and visitor numbers signifying the highest percentage growth for any region in New Zealand;
- Taranaki's branding process kick off, with a new regional brand due to be launched in September 2005;
- Venture Taranaki receive the inaugural Vero Excellence in Business Support award for local and central government initiatives;
- Taranaki's overall commercial occupancy rate exceed the national rate in June for the first time since The Last Samurai was filmed three years ago;
- 'Mad March' events (WOMAD/Knopfler/R.E.M.) net the region nearly \$6.5 million in visitor expenditure and attract more than 16,000 out-of-towners.

All these achievements mean that Venture Taranaki has successfully restructured and strategised to evolve from an economic development agency to a SuperTrust – a decisive move recognising that functions such as economic development, tourism, marketing, branding and events are not separate silos but inextricably interwoven and, most importantly, more effectively and efficiently driven as a 'one-stop-shop'.

With its 100% private sector board, innovative matrix-styled organisation structure and longterm stakeholder funding contracts in place, Venture Taranaki truly represents the new face of 'sustainable' regional development delivery.

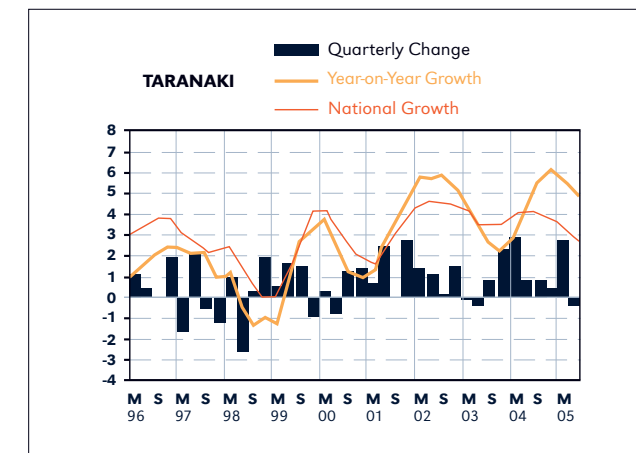
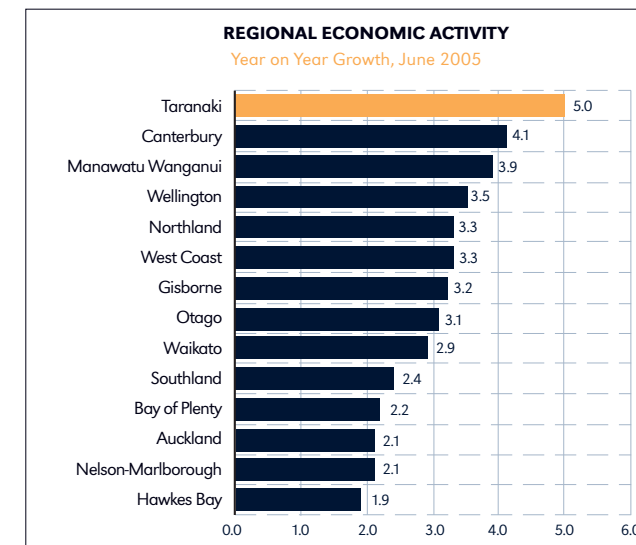
The SuperTrust concept has met with mixed reactions from other tourism and economic development agencies. Much debate has focused on whether the two components should be driven by the same organisation. But the results speak for themselves:

- Venture Taranaki has achieved, and in many cases exceeded, all KPIs requested by its customers and community.
- Outcomes have been achieved with no change in regional ratepayer funding.
- Venture Taranaki has been actively supported by the Taranaki business community.

And with our 'newness' comes even more change. Venture Taranaki has adopted a deliberately planned strategy of perpetual change and agency reinvention. By doing so, the organisation seeks to regularly redefine its position on the 'lifecycle' it has created for itself, in order to remain continually evolving, progressing, fresh and thus retaining ongoing community and stakeholder support.

Thank you to our world-class team and Board of Trustees for your indispensable contribution to Venture Taranaki Trust's prolific achievements over the past year.

I look forward with relish to what we can achieve in the next 12 months, and once again direct that New Zealand (and beyond) watch this space for more innovative and dynamic momentum from a world-class regional development organisation.



CHIEF EXECUTIVE'S REPORT



The executive management team are from left: Enterprise Development Leader Campbell Woskett, Board Secretary Rob Trusler, Marketing Manager Vicki Fairley and Chief Executive Stuart Trundle.

I am privileged to have led a team of professionals in economic development, tourism promotion and marketing who have turned the vision of a SuperTrust into an efficient and effective integrated Regional Development Agency. Our initial investment in people, infrastructure and equipment is now returning significant dividends for our region.

The aim of the SuperTrust is to create an integrated one-stop-shop for the business community to assist wealth creation. The integration of all these initiatives into one Trust has created positive results for stakeholders, and set the platform for significant competitive advantage for the region and communities of Taranaki.

Venture Taranaki has achieved all its milestones for the period, with our total revenue of \$3,413,946 a direct result of not only prudent investment decisions and carefully controlled expenditure into high growth projects, but also targeted interventions into a product development strategy. The Trust's expenditure of \$3,387,946 has resulted in a total surplus of \$26,000, which gives the Trust balance sheet approximately one month's trading reserve. Our Trust Equity now stands at \$318,534.

The Trust continues to lead in providing innovative market solutions to track the performance of the regional economy. It undertakes regular economic surveys of groups of companies throughout the region to monitor trends, and identify opportunities and challenges. This ensures our products and services are tailored to meet the needs of our key clients. The Trust also undertakes regular economic briefings with Local Government and national agencies to assist with planning and investment decisions.

The Trust has achieved a significant enhancement in the survival rates of businesses that have utilised our services to facilitate their business planning prior to commencing operational activity. During the year Taranaki has led the nation with an annual growth rate of 5%, with enhanced levels of business and investor confidence.

We have also assisted small and medium-sized enterprises obtain more than \$0.75 million of grant support from Central Government for their own research and development during the year. This reflects the depth of the innovation within regional businesses and the ability of the Venture Taranaki team to add value to the private sector. In total, the Trust helped facilitate 96.3% of all grants into the region.

As part of our retention and growth strategies for existing businesses, the Trust has focused on promoting clusters within the region. The most mature cluster remains the Engineering Taranaki Consortium, which has made significant progress into new models of co-operation and collaboration to win engineering projects for the region.

The engineering sector has highlighted the need to focus on long-term planning to ensure appropriate sectoral capacities and capabilities are available. The Consortium has been a passionate advocate for the Modern Apprenticeships Initiative, and is at the forefront of innovation and technology advances for New Zealand's medium and heavy engineering capabilities.

The strength of the New Zealand dollar, coupled with continued skill shortages, will challenge this sector's growth potential.

On a day-to-day basis, Venture Taranaki continues to supply a wide range of services to many sectors of our industrial and commercial community. Our team is continually seeking innovative solutions and programmes to attract additional funding for our regional growth initiatives.

For nearly every dollar of our owners' commitment to Venture Taranaki, the organisation has been able to leverage an additional dollar from other sources, including our regional partnerships with the TSB Community Trust and the Taranaki Electricity Trust. This return on the ratepayers' investment in the Trust is the envy of many other regions around the country.

The Trust's investment in developing initiatives to make the maximum impact within the tourism sector has perhaps attracted the most regional and national attention. In a highly competitive environment, we were successful in partnership with New Plymouth District Council in attracting both R.E.M. and Mark Knopfler to the TSB Bowl of Brooklands during 'Mad March' 2005.

In association with our major sponsorship of WOMAD (the World of Music, Art and Dance), the Trust created in 'Mad March' an economic return of approximately \$6.5 million. We also successfully bid to host the Oceania leg of the ITU World Cup Triathlon. Our ability to attract these global events to our region is only limited by imagination and the ability to unlock a significant underwriting fund which would need the support of the territorial authorities, as well as philanthropic and private sector support.

In some cases, the main financial beneficiaries of these events have failed to commercially support them and instead, have been reliant on public sector funding for private sector marketing initiatives. This paradigm must change if we are to compete with major urban conurbations like Auckland and Wellington, which boast new venues capable of seating large audiences with low risk profiles for the promoters.

During the year the executive team may have not been able to meet the expectations of every single member of the Taranaki community. Increasingly the Trust is being seen as a "lender of last resort" that should issue financial investment without accountability or liability to the broader community. This is not the role of a Regional Development Agency, and financially weak businesses and projects will struggle to gain traction.

The ultimate judge of the Trust's success must be our stakeholders and clients. It is therefore pleasing to note that during the year the Trust was identified in the inaugural Vero Awards as the ultimate in the Local Government Award category. This major award has differentiated the Trust from any other Economic Development Agency or Regional Tourism Organisation, particularly as it was adjudicated independently by the Auckland Business School, Auckland University of Technology, and national professional bodies.

In addition, the Trust has recently won the EDANZ New Zealand Regional Development Practitioner Award sponsored by the Institute of Public Policy and AERU.

Our strategic plan required the Trust during the first 12 month period to move from a facilitating and enabling agency to an organisation targeting high growth interventions. This required a significant change in structures, systems and personnel, as the Trust migrated its products and services to align with this new strategy.

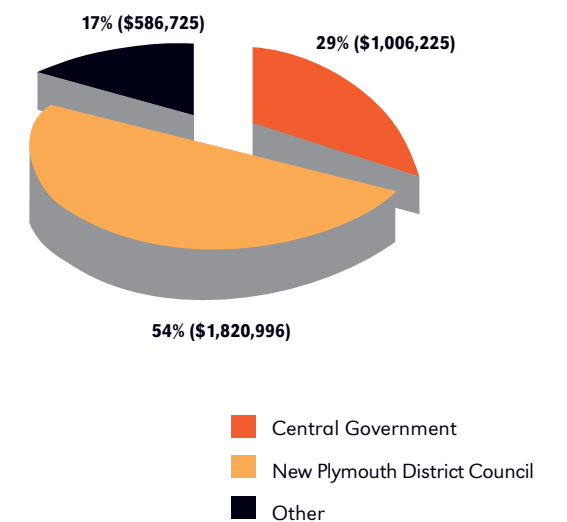
In the next 12 months the Trust will be challenged to launch more exciting initiatives which will challenge and confront the region's industry and commerce. Our region's growth is reliant on a sophisticated transport infrastructure and a well educated workforce. This growth will be inhibited if we fail to attract and retain a world-class workforce - the first impact of skill shortages are now affecting employers around the region. The continued investment in our road, rail, sea and air links is critical to our work.

The ultimate long-term economic growth of our region also remains linked into creating a regional world-class education system and a community committed to life-long learning. We support the Education Taranaki Cluster, with participants from the secondary education sector, private training establishments, and the tertiary polytechnic, WITT, to confront this issue. Our team is committed to working collaboratively to examine the benefits of closer ties into the international education market whilst also promoting entrepreneurship to students within the region.

The Trust has demonstrated that by working in a collaborative team environment with smart strategies, the region can compete both nationally and internationally, and punch far above its weight.

If our new regional brand defines the region of Taranaki as 'like no other', then Venture Taranaki Trust has demonstrated its ability as a development agency 'better than any other'.

Source of Funding (July 2004 - June 2005)



Total Funding \$3,413,946

ENTERPRISE DEVELOPMENT

GRANTS AND FUNDING

Venture Taranaki has been instrumental in securing more than \$766,971 in funding and grants for Taranaki businesses this financial year. For projects focused on business development and/or research and development, funding has been secured across a wide spectrum of sectors including engineering, food processing, sports and medicine.

BITC

As the regional co-ordinator for the BITC Mentoring Scheme in the Taranaki region, Venture Taranaki has made 72 mentor matches for small and medium-sized businesses this year. Co-ordination of the scheme extended to cover the Wanganui region from July 1 2005, at which time the programme was rebranded to become Business Mentors NZ.

FOOD PROCESSING

In May 2005, Venture Taranaki successfully signed a regional partnership contract with New Zealand Trade and Enterprise aimed at building capacity within the food processing sector and covering food and beverage production in a range of categories – including consumer items, boutique and specialty foods, and derivatives. Managed by the Enterprise Development team, the programme will run for 12 months and incorporate a Leadership Advisory Group, research and development work, and promotion of the region's products. Other activities will include skill development, technology and off-shore marketing analysis.

LEARNING AND DEVELOPMENT WEBSITE

A new website has been launched as a service to local employers and their employees. The website [www.develop.org.nz] works as a central capture point and efficient way of presenting short courses available in the region, and is free to both course providers and website visitors. The new site allows anyone wanting to develop their skillsets to quickly ascertain what is available by browsing areas of interest or course providers. The service has been promoted to local course providers and through Venture Taranaki marketing tools.

OIL AND GAS SPECIALIST TECHNOLOGIES CLUSTER

A collective of specialist technical and service-oriented companies operating in the oil and gas sector, the Oil and Gas Specialist Technologies Cluster, continues to develop and grow in response to the needs of its members. The cluster exhibited at the highly regarded AustralAsian Oil and Gas Expo in Perth in February, achieving a good response to its combined capability and capacity. Venture Taranaki continues to provide cluster support in terms of facilitation and administration.



Enterprise Development Team

(from left) David Banham, Cheryl Ross, Eliana Garrett, Clare Rose, Carrie Thorne, Michelle Jordan, Campbell Woskett and Nick Fleming

ECONOMIC GROWTH:

Taranaki has topped economic growth in New Zealand, clocking up a 5% increase in the year to June and being declared as the fastest growing regional economy for 2004/2005 by the National Bank.

In a final quarter marked by 11 out of 14 regions recording a drop in economic activity, Taranaki enjoyed the largest rise in employment (6.5%) during the three-month period to June 2005, and saw a 12% lift in new car registrations.

Whilst the achievement is tempered by a small drop in business and consumer confidence, and a smaller-than-average 0.9% increase in retail sales in the June quarter, the label of New Zealand's fastest growing regional economy sets the benchmark for other regions.

ENTERPRISE TRAINING PROGRAMME:

With a record number of courses over the 2004-05 year, the ETP programme is going from strength to strength in the region.

A total of 463 individuals from 379 companies took part in 60 workshops and eight Catalyst sessions over the year, with hospitality courses such as 'How to increase profits' and 'How to market your restaurant bar or cafe' proving the most popular.

Participants took part in an average of three courses each.

FOOD AND BEVERAGE PROJECT:

Venture Taranaki's new food and beverage specialist cluster hit the ground running at Auckland's food show this year, with eight regional companies not only enjoying top networking opportunities but the chance to showcase products to more than 30,000 'foodies'.

Facilitated by Venture Taranaki's business advisors, the Taranaki team took the best of the region to New Zealand's largest food market, with a special trade show offering 2500 food industry representatives the chance to view some of our specialty products.

With an overall theme of pure taste and quality, the Taranaki stand was the first time the region has exhibited, following a concerted effort over several years to combine gourmet cuisine producers in the region. Taranaki companies represented in Auckland were Sid's Sauce, Cottage Wines, Sentry Hill Winery, Low Carb Pacific, Zestlife, Whitecliff's Brewery, Paradise Abalone and Cheswood Estate.



Business Advisory Service – Foundation

Clients Assisted 04/05

Target: 1000

Actual: 1007

Business advisory 'help service' through efficient use of direct contact, call centre and web-enabled 'information hubs' has been achieved. Business toolkits developed and maintained.

Niche Manufacturing/Food Processing

Target: Review of niche manufacturing to identify key areas of barriers and opportunities. Preliminary work undertaken in Q4 as a foundation for regional partnership programme next year. Review of the food processing sector identified, with project commenced in May 2005 as a 12-month project to build capability in the sector. A total of 45 companies identified.

"The Catalyst tourism programme is a great example of Venture Taranaki developing and providing targeted, quality training under the New Zealand Trade and Enterprise training programme. The purpose of Catalyst is to strengthen the management capability and business skills in some of Taranaki's high potential tourism Small/Medium-Sized Enterprises. It has assisted the participants to gain a greater understanding of the skills involved in managing a successful business, and will put them in good stead should they seek the highly sought-after Qualmark accreditation for their businesses."

Jack Stephens
Group General Manager Business and Regional Capability, New Zealand Trade and Enterprise



ACHIEVEMENTS 2004-05

CATALYST:



Environmental Products NZ director and Catalyst participant Pennie Sands (left, Mahoe) discusses her possum fur and leather products with Venture Taranaki's models Hazel Garlick and Michelle Jordan.

Venture Taranaki's custom-designed and highly-successful tourism industry training programme Catalyst looks likely to be replicated by other training providers around the country.

As 11 Taranaki tourism businesses officially graduated from the first eight-module Catalyst programme in July, other regional development agencies such as Venture Southland are looking at utilising the unique concept in training their own tourist operators.

Catalyst co-ordinator Eliana Garrett says the programme – which includes modules on topics such as marketing, customer service, asset and resource management, financial systems and business success drivers – has been an overwhelming success, and another is planned to begin in September with 10 specially-selected participants.

Developing Distinctive Products (Qualmark Accreditation)

Clients Assisted 04/05

Target 5 Actual 16

The 16 operators represent a mix from throughout the Taranaki region, and include a range of tourism sectors including accommodation, transportation, activities, souvenirs, Maori operators and gardens of national significance.

Business Start-Ups

Clients Assisted 04/05

Target 100 Actual 286

Business Start-Ups

Target 35 Actual 46

New Jobs

Target 50 Actual 67

Client lists are rising due to increased entrepreneurial activity. The WINZ contract is considerably down on completion numbers because of low referrals resulting from a low unemployment rate. As a result, the projected external revenue budget is significantly down.

WEBSITE:

An innovative Taranaki-designed website linking short courses and seminars with businesspeople and the public has proved to be hugely popular since it went live in April.

The Venture Taranaki initiative – offering a comprehensive and up-to-date list of short courses and seminars offered by providers throughout the region – has become a one-stop-shop able to be surfed at leisure by anyone wanting free, 24-hour commercial, industrial or vocational training information. It is believed to be a New Zealand-first.

Enterprise development leader Campbell Waskett, who facilitated the website, says the unique facility combines course and seminar information from a range of providers, such as WITT, Tasha, specialist consulting firms and other industry educators.

Regional Intelligence and Communications

The following targets have been achieved:

Two six-monthly Taranaki Trends, two six-monthly Business Surveys, one annual Tourism Trends, three Economic Impact Analyses, 12 monthly e-Newsletters, 24 two-weekly VTT Website updates and 52 weekly Jobs Website reviews.

Newly re-designed e-Newsletter sent to database of 750 business contacts in late May.

BUSINESS START-UPS EXAMPLE:

New Plymouth businesswoman Karen Keene was sick of baggy stockings that laddered all the time...so she put her sewing fingers to the test and made her own. Thirteen years later – and with the help of Venture Taranaki – Karen is producing gusset-free suspender-less stockings that are impossible to ladder and stay up with the help of spandex lace trimming.

And Karen is an ideal example of the type of business start-ups that Venture Taranaki helps with on a weekly basis. A total of 280 clients were assisted this year with 46 business start-ups and 67 new jobs created.

Venture Taranaki has helped make Karen's foray into business much easier. As well as completing a Venture Taranaki skills of enterprise course, she was granted a \$5000 enterprise grant from Work and Income. "Venture Taranaki has been absolutely fantastic, and has given positive feedback," she says.

GROWING BUSINESS EXAMPLES:

- Taranaki company Zestlife is heralding the latest development in dairy products as an all-round health booster in the convenient form of a delicious-tasting drink. Zestlife, based in South Taranaki, is part of Venture Taranaki's specialist food cluster, and joined a handful of other gourmet food producers at the Auckland Food Show this year.
- You might think the jump from Central Taranaki to one of the world's most watched movie production sites would be an astronomical void to overcome successfully, but local entrepreneur Vaughan Hutchin has made it look like child's play. Earlier this year Vaughan launched his locally-designed and made product STOA (a coiling system for cables etc) onto the New Zealand market through Placemakers and other major hardware outlets. With Venture Taranaki's help, the STOA found its way onto Peter Jackson's Wellington-based King Kong film set, where the gaffers seem to love them. Now there's talk of penetrating the British and Australian markets.
- New Plymouth's E-merge Data Solutions has developed an innovative meter-reading system that is attracting overseas interest for its ability to send and receive data faster and more efficiently than existing technology.

MENTORING EXAMPLE:

Ask Orm Greensill what's satisfying about his business mentoring work, and there's no hesitation. "The satisfaction is in creating a silk purse out of a sow's ear," he says. "It's taking an opportunity or concept or wish, and turning it into reality. It's very enjoyable."



Orm Greensill (left) loves his mentoring role.

The director of local companies Masterprint and Chainmakers NZ Ltd - who has lived in Taranaki nearly all his life - entered the world of mentoring 18 months ago and has helped several Venture Taranaki clients since. From a nursery business needing to separate into two, to a rural-based pot-maker with a unique idea needing to be developed into an export reality, Orm has enjoyed the diversity of the mentoring work he has done.

"It's an extension of my activity as a chartered accountant," he says, "and I enjoy helping other people in a constructive way. My work just about always involves helping people be better organised, rather than too much of the financial side. It's a delight to give people a little hand-up, and watch them step out on their own."

High Growth Business Support

Target 30 Actual 30

Oil/Gas Technologies Cluster

Target: At least 20 active cluster members
Actual: 27 members

Target: Participation in one off-shore mission/event
Actual: 1

Target: Three market intelligence workshops
Actual: 3

Business Mentoring

Clients Assisted 04/05

Target 80 Actual 72

The more buoyant economy has decreased the demand for mentors regionally. This is a direct barometer of economic wellbeing. Additional marketing has been undertaken by Business Mentors New Zealand.

Business Grants Service

Target \$750,000 Actual \$765,749

A total of 97% of all NZTE grants for the region were facilitated through Venture Taranaki.



"What has been most remarkable about the recent strong performance of the New Zealand economy is that it has been the regions leading the way. The Taranaki economy has been amongst the stronger regional performers over the past couple of years. Economic development agencies have a significant role to play in contributing to economic growth, be it through raising the capability of local firms, lifting workforce capability, or just forming the necessary local partnerships and collaborations that can contribute to higher sustainable growth. Venture Taranaki remains a leading light in the EDA network."

Bevan Graham
Chief Executive, Economic Development Agencies of New Zealand

TOURISM

TOURISM STRATEGY

Taranaki's tourism strategy 2005-2010 was completed during November 2004, with a Taranaki Tourism Business Plan 2005-2010 subsequently devised and submitted in November for dissemination to respective district councils. Ratification of the strategy was gained in February.

MOTIVATIONAL BROCHURE

A motivational brochure was written, designed and produced for pre-Christmas distribution.

LIONS RUGBY TOUR

Hundreds of British and Irish rugby supporters flooded into New Plymouth for the June 8 clash between the visiting Brits and Taranaki. As well as a fireworks display, Veature Taranaki, the New Plymouth District Council and several businesses and organisations put on a colourful itinerary of activities to welcome visitors and locals.

TOURISM GROWTH

Tourism growth has been healthy during the 2004/05 year, with a 16.8% increase in guest nights in the year to October 2004.

NEWSLETTER

Tourism newsletter Taranaki Talk has been a regular e-communication between the tourism team and several hundred local tourism operators and associated people around the country. Undergoing a facelift for a more contemporary feel, the Taranaki Talk has included information on upcoming courses, media famils, TRENZ updates, the tourism strategy, operator workshops, Tourism NZ workshops, the visitor guide and motivational brochure, new businesses and opportunities.

VISITOR GUIDE

The re-writing of the new Taranaki Visitor Guide has been completed, with updated maps, more information and fresh photographs showcasing the region in a bright and colourful way. This publication will be the first produced with the new Taranaki branding.

TARANAKI TOURISM STRATEGY:

Taranaki's long-awaited tourism strategy for the next six years is full steam ahead and designed to plough the region ahead to 2010 and beyond.

Authored by renowned tourism specialist Geoff Burns (Tourism Industry Association Chair) in the first five months of Venture Taranaki's tourism contract from July 1st 2004, the strategy outlines the region's key objectives, priorities and distinctive themes, along with 72 recommendations scheduled for inclusion in the 2005-2007 business plan, including:

- Achieving 769,000 international visitor nights (up 49%) by 2010;
- Upping domestic visitor nights by 7.9% to 1.539 million by 2010;
- Increasing total tourism expenditure to \$399 million (a 60% increase);
- Obtaining help in story development/branding;
- Establishment of a new tourism advisory group;
- Completion of key strategies for touring routes such as Surf Highway 45 through Oakura and the Forgotten World Highway in East Taranaki;
- Developing Maori tourism;
- Establishing a dedicated convention bureau ;
- Identifying the right products for the right market;
- Ensuring Taranaki's tourist groups are profiled.

TOURISM RENDEVOUS NEW ZEALAND:

Taranaki should start reaping the benefits of June's huge Christchurch based TRENZ tourism trade show over the coming year, with overwhelming interest in the region shown by New Zealand and overseas tourism buyers.

More than 50 influential domestic and international tourism buyers took the opportunity to learn more about the region from Venture Taranaki representatives. This event was attended by more than 1700 people and 60 media delegates from around the globe.

Proactive Leadership and Communications

Key national tourism organisations identified

Target 10	Actual 13
Ministry of Tourism, Ministry of the Environment, Department of Conservation, Tourism New Zealand, Tourism Industry Association, RTONZ, Origin Pacific, Air New Zealand, ITOC, New Zealand Trade and Enterprise, Te Puni Kokiri, New Zealand Bus and Coach Ass, Motel Association of New Zealand.	

Relevant National Industry Association Membership

Venture Taranaki has continued memberships with RTONZ, TIANZ, ITOC, New Zealand Conventions Bureau and CINZ.

Develop and Maintain Relationships with key Tourism New Zealand managers

Target: At least five meetings per annum
Actual: At least five meetings held by Dr Dominic Moran with key TNZ managers.

Local Tourism Stakeholder Meetings

Target 2	Actual 4
As well as a stakeholder presentation on April 11, three further workshop sessions have been held involving key tourism stakeholders on the Taranaki brand development.	

Tourism Advisory Group Establishment

Taranaki community & industry stakeholders identified	
Target 12	Actual 12
First meeting of TAG group to be held on July 13, 2005.	



"The scope for the further development of tourism in Taranaki has been well advanced in recent times by the completion of the regional tourism strategy. The key to success lies less in the completion of the recommendations than in the leadership across the region. Taranaki has strong leadership at district and regional government level, and is well placed through Venture Taranaki to work effectively with the private sector and key central government agencies to fulfil the promise of the Taranaki experiences.

Geoff Burns, Director Fernmade Ltd
Chair, New Zealand Tourism Industry Association



Tourism team: – (from left) Andrew Thomson, Katherine Apps, Brad Monaghan, Dominic Moran

ACHIEVEMENTS 2004-05

PUBLICATIONS:

Visit any information centre in the North Island, and chances are you'll see one of the publications produced by the tourism and communications team this year. These contemporary, colour-filled brochures have been written, designed and produced to showcase Taranaki to the world.

The region's new motivational brochure – a 16-page pictorial depiction of Taranaki's beauty from its seascapes and mountain ranges to its deserted beaches and bustling café-lined urban scenes – was produced and distributed to i-sites around the country prior to Christmas, whilst two events calendars listing top happenings in the region have helped to attract record-breaking numbers of tourists over the past year.

VT's tourism and events team also collated a Lions Tour guide to activities in Taranaki, along with several editorial inserts into major tourism publications such as AA Guide, Jasons, ANZCRO, and Conferences and Incentives NZ.

Upgrade Official Website of Taranaki

Target: Develop new website.

Actual: Taranaki's tourism website has been under development for several months, with tasks including a benchmarking exercise with other regional tourism websites and the consideration of several on-line booking systems. The new regional branding will be incorporated into the website development, and the website is scheduled to go live in mid-September.

OUR PERFECT TOURIST:

He's middle-aged, speaks English as a first language, prefers rental cars to buses, takes visiting friends and family seriously, and enjoys 'authentic experiences' unique to the region.

She's Australian or British with a marked Taranaki connection, considered to be a 'free and independent traveller' who prefers to stay privately with friends or family, spending an average of three days in the region visiting gardens, historical sites, arts and crafts, beaches and mountain tracks.

Together they're Taranaki's typical overseas tourists, but their tentative hold on the top spot is under threat as the region's tourism boom hikes up another notch in the wake of this year's unprecedented events calendar, changing the face of Taranaki tourism forever.

According to Tourism New Zealand's latest statistics, Taranaki's typical overseas visitor is usually Australian or British, aged between 35 and 64, who drives him or herself around the country. He or she likes staying with friends or relatives, visits Taranaki mainly for a holiday or to visit local residents, and stays an average of three nights.

Attracting the Ideal Visitor

Target: Two annual surveys (one visitor satisfaction/one resident attitudes).

Actual: Two major economic impact reports completed for R.E.M. and Knopfler events in March.



"Catalyst is a tourism innovation from Taranaki that has struck a cord nationally – the one catch is that visitors can't buy it! Venture Taranaki and Quality Tourism Development have put together a new high-impact training and mentoring programme for tourism operators wanting to grow their businesses. The results speak for themselves...operators have implemented money making initiatives, they have gained a valuable network of contacts within the region, and other regions are interested in running the programme – but not before we run a second programme in Taranaki."

Craig Wilson, Director, Quality Tourism Development Limited



Regional Major Events Calendar

Events calendar

Two events calendars have been produced and distributed to iSites throughout the North Island.

British/Irish Lions Tour

Special events itinerary brochure produced in association with NPDC, and distributed throughout the region and in Rotorua.

Taranaki Visitor Guide

Produced and in final stages of proof-reading. Launch timed to coincide with new regional branding. A total of 110,000 guides printed.

Motivational Brochure

Glossy pictorial brochure introduced Christmas 2004, with stocks of 20,000 quickly exhausted by popular demand and second smaller print run of 5000 ordered.

Michael Stipe, (R.E.M.), in concert at TSB Bowl of Brooklands in March 2005

HIGHLIGHTS 2004/05...

MARKETING/EVENTS/COMMUNICATIONS



Marketing/Events/Communications team – (from left) Kathryn Calvert, Vicki Fairley and Rochelle Turnbull

PUBLICATIONS

The last 12 months has seen a range of publications and brochures produced by Venture Taranaki's marketing/comms/events team, including a pictorial motivational brochure, two events calendars, a Lions' tour itinerary and a Top Shop newspaper supplement.

LIFESTYLE DVD

A lifestyle DVD depicting Taranaki's superb lifestyle was filmed over several days in June, showing a range of regional icons and highlights. Directed by Peter Avery of Film Venture Taranaki, the DVD includes aerial shots, beach activities, surfing, mountain tramping, nightlife and restaurants.

MEDIA COVERAGE

Taranaki has featured in several media articles throughout the year, culminating in the Air New Zealand magazine article in its June edition. The Taranaki Daily News and North Taranaki Midweek continued to publish press releases, as did Newstalk ZB radio, and other regional articles were included in the New Zealand Herald, Dominion Post, Sunday Star-Times, Hawke's Bay Today, The Daily Post, Wanganui Chronicle, Timaru Herald, Nelson Mail, Greymouth Evening Star, Ashburton Guardian, Horowhenua Kapiti Chronicle, Bay of Plenty Times, Manawatu Standard and Northern Advocate. The region has also featured in Heritage Magazine, Arrival Magazine, Globe Trotter -XploreNZ, Eye Magazine, CityLife, TV3 (series celebrating the anniversary of Queen Elizabeth's 1954 New Zealand tour).

ADVERTISING

Advertising features – including editorials – were inserted into publications such as the Waitako Times holiday liftout and the Sunday Star-Times' regional guide. Television advertising has been brisk, with commercials aired over the October/November/December/January period on TVNZ advertising the TSB Festival of Lights at Pukekura Park and the Rhododendron Festival, plus a regional holiday promoter. Other advertising was directed at the Farmers Games airing on Sky Sport 1, 2 and 3, Round-the-Mountain Cycle Race in January and the 2004 Taranaki Pro-Am Golf tournament.

VISITING MEDIA

Visiting media hosted by Venture Taranaki during the year included journalists from Granada Television (UK), German film company Die Letzten Paradiese, Discovery Channel, TV Asahi, SianGlobal TV, Great Drives of New Zealand, the Air New Zealand magazine, MICE (conventions website) and No Frontiers (Irish travel show). Individual journalists included Swiss journalist Christa Arnet and Irish journalist Pol O'Conghaille. Tourism famil tours have included groups from Japan, Australia and the United States.

MAJOR EVENTS SUPPORTED BY VENTURE TARANAKI IN 04/05

- TSB Bank Top Shop
- Taranaki Rhododendron and Garden Festival
- Targa Rally
- World Longtrack Speedway Grand Prix 2004
- TSB Bank Festival of Lights, Pukekura Park
- Mountain to Surf Marathon
- WOMAD (World of Music, Art and Dance)
- Mark Knopfler Concert
- R.E.M. Concert
- Rugby – British/Irish Lions Tour v Taranaki
- Olex Golf Open
- Taranaki Tarmac Rally

Seasonality and Events

Target: Produce an events strategy and regional events database

Actual: Regional events database collated and incorporated into events calendar; weighted attributes model now used for assessing new and existing events in terms of potential economic contribution and likely impact on region; two event strategy companies have submitted initial draft for Regional Event Strategy for Taranaki; feasibility study into conventions kicked off.

District Marketing

Target: Two summer marketing campaigns developed; research into marketing positioning and brand; review of signage.

Actual: All targets achieved. Brand review completed and due to be finalised by end of September. Signage overview complete, with forward recommendations made once brand is finalised.



"At a time of increasing competition between the regions of New Zealand for visitors, commercial enterprises and investors, it is very noticeable the increasing number of feature articles on Taranaki in the media telling the story of the diversity and strengths of the region. It is also positive that the articles are reflecting Taranaki's chosen positioning, reflected in the new positioning 'Like No Other'.

Janine Smith
Venture Taranaki Trust Board Member

"Including tourism and the creation of sustainable events as part of the core Venture Taranaki mandate for economic development makes good sense, so long as everyone understands why the contributions from these new sectors differ. Traditionally a community focuses on goods and services to meet the needs of its own people, then export markets and import barriers. Where tourism and events are different is that rather than taking the products to the markets, we are bringing the markets to Taranaki. Comparative competitiveness is still the key success driver. The further a visitor needs to come, the more compelling has to be our product offerings."

Paul Winter, CEO, Employers & Manufacturers Assn Central, VTT Board Member



MAD MARCH:

Taranaki's three main 'Mad March' events netted the region nearly \$6.5 million in visitor expenditure and attracted more than 16,000 out-of-towners, according to an economic survey conducted by Venture Taranaki.

The statistical analysis, taken from three surveys conducted during the events, estimated 29,550 people from Taranaki and other parts of New Zealand attended the WOMAD (World of Music, Arts and Dance) Festival, and the Mark Knopfler and R.E.M. concerts at the TSB Bowl of Brooklands in March.

Spending on average an estimated \$281 each over the duration of their respective stays, visitors collectively contributed approximately \$4.41 million to the local economy. Taking into account flow-on expenditure of \$2.05 million, it is believed that approximately \$6.46 million in regional expenditure was generated.

More than 98% of 'Mad March' visitors recorded a positive experience in Taranaki, reflecting the international quality of artists and the successful implementation of three musical events. Approximately half of the 29,550 'Mad March' audience-goers attracted to the three main musical events were visitors to the region, the report says. Of the \$4.41 million spent by visitors, half was used on food, drink and accommodation, according to the surveys conducted with the help of the Taranaki Arts Festivals Trust.

Venture Taranaki's investment of more than \$150,000 of direct community funding, with a similar value of 'in-kind' marketing support, was justified by the economic return, chief executive Stuart Trundle says.

MARCH FIGURES:

- Visitors stayed in the region on average for 2.38 nights, with WOMAD visitors staying the longest at 3.16 nights (reflecting the length of the festival);
- More than one-third of 'Mad March' visitors stayed privately with families or friends, while 27% stayed in motels and hotels;
- Visitor numbers to the region in 'Mad March' accounted for an increase of 31.7% over the March 2004 figures, according to Statistics New Zealand figures;
- Guest night and length of stay statistics also showed significant increases during the month – up 43.5% and 9% respectively on March 2004 figures.

BRANDING:

Taranaki's new branding is now within reach - following several months of tendering, key stakeholder consultation, message identification and design work – and Venture Taranaki is urging regional businesses and organisations to support their new trademark.

The process began when Auckland design company DNA Design – headed by former New Plymouth man Nick Sampson – won the tender to identify Taranaki's 'essence' and encapsulate it into a successful brand, as required by the Tourism Strategy.

A wide range of industry representatives – including district mayors and council chief executives, business leaders and key stakeholder groups – have been involved in the branding process and understand its critical success factors.

Taranaki's branding will be unveiled in late September by special celebrations around the region.

NATIONWIDE COVERAGE:



New Plymouth mayor Peter Tennent (left) celebrates Taranaki's inclusion in the June edition of the Air New Zealand Magazine just as Lions rugby supporters hit the skies for a Downunder tour.

Just on 65,000 copies of the magazine - with a front page featuring Tana Umaga, Doug Howlett and Justin Marshall – were printed for the month, and were distributed on domestic flights from June 1.

The magazine was also available on international flights around the world, including Australia, North America, Europe and Asia, and boasted an estimated readership of 235,000. Taranaki's nine-page article included images of Mt Taranaki, Cape Egmont Lighthouse, the coastal walkway and wind wand, the Three Sisters at Tongaporutu, Puke Ariki and Pukekura Park.

The glossy inflight magazine was invited to Taranaki and hosted by Venture Taranaki in March. As well as getting a taste of WOMAD and Pukekura Park's TSB Festival of Lights, the magazine's journalist also visited many attractions in South Taranaki, North Taranaki and Stratford District, took a surf lesson, travelled by helicopter to Taranaki back-country, dined at several restaurants and cafés, and enjoyed tours of Puke Ariki and the Govett-Brewster Art Gallery plus a mountain tour and tramp.



Taranaki's Distinctive Stories – Obtain Professional Guidance in selecting key themes for new Taranaki regional identity

Achieved

One clearly agreed strategy amongst stakeholders.

Broad stakeholder acceptance

Professional story/theme development is almost complete, with the process beginning on May 13 and the chosen branding agency DNA Design presenting to key stakeholders. A number of stakeholder sessions have run smoothly, with striking visuals and strapline created.

One Region – At Least Two Local or National Articles per Month Celebrating Taranaki Tourism

Target 2 per month

Actual 5 per month

Host Media Famils and Facilitate Features and Articles

Target 4 per year

Actual 6+

Journalists were hosted from the Air New Zealand magazine, Sunday Star-Times, the Irish Independent, the Discovery Channel and Good Morning Show (Granada TV). Several freelance journalists were also hosted via Tourism New Zealand.



"While the memories of that euphoric Thursday morning a year ago watching Hamish Carter and Bevan Docherty achieve their historic 1-2 result have dimmed to a warm patriotic glow, the thing that I remember was the interview with Bevan afterwards, where he exhorted the public to get behind the opportunity for New Zealand to host a leg of the ITU World Cup. With Venture Taranaki's stunning success in competing for and winning the rights for the next three years to host this event, the anticipation is now building. A huge amount of work has been undertaken by VTT's team and we are now set to showcase the physical beauty of Taranaki to more than a billion people worldwide."

Rhys Greensill, Board Member Venture Taranaki and Taranaki Chamber of Commerce



"At TRENZ 2005 Venture Taranaki and the Maori Tourism Taranaki Trust worked side by side to promote our surprising region. Taranaki is now recognised as a fresh and emerging destination able to provide outstanding examples of Maori tourism products incorporating a stunning landscape for international travellers who demand authentic, good quality experiences. The Venture Taranaki team has led the way on a national tourism business development scale by initiating the highly acclaimed Catalyst programme to 12 local tourism operators."

Tom Parsons, Taranaki Tours, Maori Tourism Taranaki Trust Chairman, New Zealand Maori Tourism Councillor.



ITU WORLD CUP TRIATHLON:

"Smooth-flowing" and "relatively flat" may sound easy in triathlon terms, but don't be misled by Terry Sheldrake's words. The triathlon stalwart who has directed both national and international races in a long career says New Plymouth's ITU World Cup Triathlon course needs to be safe, enjoyable and exciting...and that's exactly what's on offer to scores of New Zealand and overseas-based athletes.

The course for November 13's big event will - whilst taking into account safety and technical issues - make the most of the region's natural assets and be challenging to triathletes without being overly difficult, Mr Sheldrake says. Sea and mountain views will be paramount.

Venture Taranaki secured the World Cup event for 2005, 2006 and 2007 from other short-listed regions such as Wellington and North Harbour in December 2004. Complete with 1500m swim, 40km cycle ride and 10km run, the course will include Ngamotu Beach, the wind wand and coastal walkway.

At least 50 elite men and 40 top women triathletes are expected to take part in the event, along with 30 national and international journalists, a team of ITU officials, hundreds of community triathletes for the November 12 community event, and millions of world-wide television viewers.

Events

Target:

- Attract two significant events
- Increase bed nights by 2000 from external visitors
- Identify opportunities for niche conferences
- Undertake feasibility study into conventions

Actual:

R.E.M. and Knopfler concerts attracted to the region, with both surveyed for economic impact. Early indicators show close to 60% of tickets sold to visitors, supporting the view that room night targets have been easily met. Feasibility study on convention centre completed. ITU World Cup Triathlon attracted in December 2004.

TOP SHOP:

In the largest field ever entered into Taranaki's TSB Bank Top Shop competition history, New Plymouth-based Boise Office Solutions (now OfficeMax NZ) clinched the 2005 title in June.

The central city company outshone its competitors for the title, after impressing judges with its presentation, knowledge of products, customer service and business layout. A total of 325 businesses were nominated over the seven categories from more than 670 nominators.

Boise also won the large format store category, with judges awarding it 119 out of a possible 130 - including 10-out-of-10 for seven of the 13 different judging elements - and the comment "Excellent...the store was very well presented. (Staff) tried to close the sale and had a great knowledge."

More than 400 of Taranaki's top retailers attended the awards dinner at the Quality Hotel Plymouth International, including New Plymouth mayor Peter Tennent, category sponsor representatives and media sponsors Taranaki Newspapers Ltd and RadioNetwork. The entertainment was provided by the Beat Girls of Wellington.

Celebrating Business and Service Excellence

Target:

Develop and implement business customer service award initiative; Attain support of 50 local businesses.

Actual:

Another hugely successful Top Shop competition held, with nominations at record levels (324 individual retailers nominated and the awards dinner a sell-out).



"Retail can be a thankless industry, so being nominated for Top Shop is an achievement for any retailer. We were rapt with our nomination, and then ecstatic when we won! We've gained new customers and our sales have been exceptional. Top Shop is the ultimate in customer feedback - it makes it all worthwhile. Our team has taken real pride in the result and the atmosphere is 'buzzing'. Winning the overall Top Shop has been a truly awesome experience!"

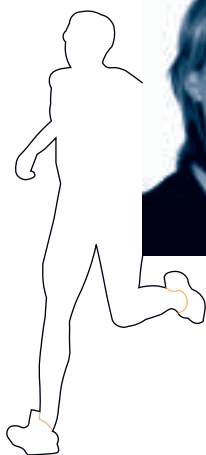
Karla Gichard, Territory Manager - Taranaki, OfficeMax New Zealand Limited



"Champions aren't made in gyms. Champions are made from something they have deep inside them - a desire, a dream, a vision. They have to have last minute stamina, they have to be a little faster, they have to have the skill and the will. But the will must be stronger than the skill."

Muhammad Ali

Sam Warriner, the face of ITU World Cup Triathlon New Plymouth



Education Taranaki



Education Taranaki: Zara Ryan

OUT ON ITS OWN

Education Taranaki has grown into a leadership entity in its own right, gaining the support of all three district councils and establishing a brand identity which fosters a strong, independent and united regional voice for the education sector.

INTERNATIONAL STUDENTS

In conjunction with Venture Taranaki, the Education Taranaki International Consortium investigated the economic impact of international students in Taranaki. This research revealed that the cluster's projects in the area of international students bring a total of \$29.53 million into the Taranaki economy.

SCHOOL LEAVER RESEARCH

Education Taranaki has continued to investigate the possible movements of Taranaki's recent school leavers, aiming to identify areas of concern and possible solutions to overcome the high number of unqualified students leaving the Taranaki school system. Education Taranaki participated in two inbound agent visits from Japan and Thailand.

EDUCATIONAL DIRECTORY

A directory providing schools and students with concise, consistent and up-to-date information on all educational pathways within Taranaki has been published. This directory has allowed school leavers to make more informed decisions, and effectively communicates the different career pathways offered within the region.

SKILL SHORTAGES

Skill shortages are currently a major issue affecting our local economic well-being. Therefore, the Consortium researched what Taranaki's top 20 careers would be, based on local skill and labour shortages. Moving forward, Education Taranaki will be promoting these industries through its Taranaki Careers Website.

YOUNG ENTERPRISE SCHEME:

Venture Taranaki will hand over facilitation of the Young Enterprise Scheme to Education Taranaki from July 1, 2005 as part of a devolution strategy for highly successful events. Venture Taranaki chief executive Stuart Trundle says the competition has now been firmly established within Taranaki schools, and the time is right to transfer the organisational responsibility to a more appropriate administering body.

YES ACHIEVEMENTS 2004/05:



YES teammates from Spotswood

- In 2004 Taranaki's regional winner, Nature's Hand from Hawera High School, was placed 3rd out of 512 teams at the nationals. This was the first time that Taranaki has been placed at the national competition.
- Taranaki continues to, proportionately, have the highest number of secondary schools involved in Young Enterprise compared with any other New Zealand region.
- Education Taranaki, in conjunction with the Enterprise New Zealand Trust, has lobbied to NZQA and Government to allow for the NCEA YES credits to be used as entrance to university. This campaign has been successful, with recent negotiations looking promising for 2006.
- In conjunction with Te Puni Kokiri, cultural learning and positive promotion of Maori culture has been fostered through the development of a He Tohu Rangatahi Kaipakihī Maori award, specifically for Maori Young Enterprise students.

Young Enterprise Scheme

Target: More than 20 teams participating
Actual: 27 teams

Target: Run programme to standards determined by Enterprise NZTrust

Students delivered their business plans in June. Products and services have been launched. YES is held in October of each year. Taranaki's 2004 entry gained third place in the October 2004 national finals. Twenty-seven Taranaki teams participated.

International Education

The following targets have been achieved by Education Taranaki:

Establish profile-raising forum

Produce research on unqualified school leavers

Develop pathways website

Monitor literacy programmes.

The following targets have been achieved by Education Taranaki International:

Measure economic impact and value study

Host at least one inbound agent

Make one offshore trip.



'NZTE is keen to partner with VTT to help grow the export opportunities emanating from the food processing industry in Taranaki. We are also aware the industry must address its skills needs, research and development, and the development of new products wanted by the rest of the world – all issues that can be progressed by the industry working together with VTT and NZTE.

Liz Tennet, Regional Economic Development Advisor, New Zealand Trade and Enterprise.

FILM VENTURE TARANAKI



Film Venture Taranaki created and produced a Lifestyle DVD to show the unique lifestyle enjoyed by those lucky enough to live in Taranaki. Mixing spectacular helicopter images of the region with people enjoying recreational activities, the DVD will be available for the public to buy and send to friends and family overseas. Local talent agent Reach for the Stars pulled out all stops to supply people for the shoot, which is set to music by Wellington composer Rhian Sheehan.

FLAGS OF OUR FATHERS

Location enquiries this year included one for *Flags of our Fathers*, a Clint Eastwood WWII movie based in the Pacific Ocean which required a specifically-shaped black sand beach and desolate beach head. Location demands required a heavy munitions battle-front and huge pyrotechnics setting with a 'bomb-proof' re-instatement plan. After an exhaustive global search, two Taranaki and five Icelandic beaches were shortlisted. Whilst the producers were impressed with Taranaki's possibilities, the Icelandic locations won out.

TARANAKI FILM COMMISSION FUND

The fund was launched with support from the Taranaki Electricity Trust and the TSB Community Trust. This investment Fund is the first regional commissioning investment body for the production of cinema film to be launched in New Zealand. During this first year, one submission has been made to the Fund by a production which had already received support from the New Zealand Film Commission.

TO THE RESCUE:

A pictorial advertisement, made earlier this year blending breathtaking shots from natural landscapes across the country, not only includes clips of several special Taranaki locations but also boasts a dramatic background involving a desperate producer, an East Coast gale and Film Venture Taranaki's Peter Avery.

The saga started when a frantic producer shooting the major advertisement on the east coast rang Avery to report that the operation was being sabotaged by terrible weather. "What's the weather like over there?" he asked Avery. "Can you get us what we need?" A film stalwart with decades of experience behind him, Avery rallied his industry contacts into gear. "He needed caves, beaches, hillsides, rivers, rolling countryside and Nikau palms - all depicting New Zealand at its best," Avery says. "We said 'No problem'."

Whilst the crew frantically flew and drove across the country from the east coast to the west, Avery researched several locations in and around Mt Taranaki, and organised support on the ground. Locations needed to accommodate filming with a special miniature remote-controlled helicopter camera - imported from the United States and accompanied by two operators - and cover a range of topography. Final locations included Tongaporutu, inland Urenui, Burgess Park, the Waiwhakaiho River and aerials from a helicopter piloted by Newton. The filming took place early in February.

Film

Launch Taranaki Film Commission Fund Achieved

Film Location Opportunities

Target 2 Actual 2

Expressions of Interest in Film Commission Fund

Target 2 Actual 1

A total of 200 filming days facilitated in the region during this fiscal year - based around TVCs and documentaries.



"People do not decide to become extraordinary. They decide to accomplish extraordinary things."
Sir Edmund Hillary

ENGINEERING



Engineering Taranaki:
(left) Ambrose Blowfeld, Ian Major, Bev Batchelar, Jim McCafferty, Brian Souness.



HSE CENTRE

The development of New Zealand's first Health, Safety and Environment orientation centre with industry buy-in to work together for significant improvements in training delivery was completed.

SYMPOSIUM

CAPENZ hosted the country's first engineering innovation and design symposia, attracting international attention. The event involved more than 100 delegates and a dozen speakers, including guests from Dubai and the United Kingdom.

CAREER ADVICE

Careers advisory roadshows and training skills expos promoting engineering as a career path, in conjunction with South Taranaki District Council and the A&P Show, showcased the collaboration between industry, WITT, schools, international training organisations and private tertiary enterprises.

APPRENTICESHIPS

Apprenticeship numbers are showing significant growth, particularly through the Modern Apprenticeship Programme. The number of apprentices currently within the engineering sector in Taranaki is 170, compared with 127 in 2003 – representing a 30% increase – and the 2005 estimate is 190. This clearly indicates that CAPENZ's activity of attracting new blood into the industry is working.

PRODUCT DEVELOPMENT

A large number of new product development concepts have been or still are under review. A total of 65 companies have pitched new product development with CAPENZ, with eight representing large corporates with existing research and development capability. Thirty have signed up to non-disclosure agreements, and 10 of the 50 concepts are still under review, with at least five expected to advance to commercialisation.

ROADSHOWS

Engineering Roadshows resulted in more than 150 Taranaki companies registering with CAPENZ.

FTEs

Engineering FTEs showing continued growth.

INNOVATION FESTIVAL

Recognition at the Innovation Festival at the Beehive on June 30 2005 as a very successful model of an innovative and unified approach between industry and education.



"The highlight of Engineering Taranaki's past 12 months has, without doubt, been the success of our MRI as a collaboration between VTT and WITT. CAPENZ has achieved all its milestones, and is now held up as a highly successful regional initiative that is desired by other regional development organisations around the country. Venture Taranaki's overall pinnacle this past financial year has been its successful transition from single trust to triple trust status. This was always going to be a time of great challenge, and there were some waiting to see us fail which, of course, hasn't happened. But world market conditions facing us into the future will be more difficult, and I believe that is where the true value of VTT will shine through for all to see."

Roy Weaver, Chairman, Engineering Taranaki, Venture Taranaki Trust Board Member

HEALTH AND SAFETY:

A health safety and environment protection 'one-stop-shop' centre heralded as a New Zealand-first was officially opened in New Plymouth in March by Prime Minister Helen Clark.

The Taranaki Health Safety and Environment (HSE) Centre – a major initiative between the Centre of Applied Engineering NZ (CApENZ), the Accident Compensation Corporation and local industry – offers wide-ranging safety training across the community, taking pressure off individual businesses needing to adequately train their staff and ensuring a uniform high standard of training.

Originally planned as a resource to change the way in which safety awareness training and induction is delivered to staff within the engineering industry, the centre's focus has been expanded to include all facets of the community after strong support from interest groups.

At the completion of training, participants will boast an NZQA-accredited one-day basic safety awareness qualification. The courses have been developed with industry, and can be tailor-made on request.

ENGINEERING EDUCATION:



New Plymouth Boys' High School engineering students (above) discuss equipment with University of Canterbury's engineering faculty staff and Engineering Taranaki Consortium chief Brian Souness (second from right).

Better relations between Canterbury University, schools and the engineering industry was the main reason behind a visit from university academics to Taranaki secondary schools and industry players, hosted by Engineering Taranaki Consortium in June.

Members of the faculty took a look at facilities within several high schools and spoke to engineering companies about the dire shortage of engineers across the country. The visit also highlighted efforts being made to guide more youngsters in the industry.

Engineering

Target: Increase effective full-time trade engineering students from 36 to 54 over two years.

Actual: 136 to December 04

Target: Enhance sales in region by \$39 million from 2002 base

Actual: \$34 million to September 30, 04

Target: Increase engineering export sales by \$5 million from 2002 base

Actual: \$2 million to September 30, 04

Please Note: MRI contract on a September 30 reporting year. Next survey not available until September 30, 2005.

The WITT and Engineering Taranaki Consortium report that all milestones have either been achieved or exceeded.



"Taranaki's major regional initiative (MRI) – the Centre for Applied Engineering (CApENZ) – has been acclaimed by New Zealand Trade and Industry, and there are plans for it to be rolled out on a nationwide basis. In an environment where a number of regions are struggling to submit their first MRI, Taranaki is now in a position to submit a second application, and can draw from a number of high quality candidates. This speaks volumes for the region and VTT's team."

Neil Mackay, Managing Director, Greenchip, VTT Board Member.

RESEARCH

PROJECT HIGHLIGHTS 04/05:

November 2004

An alarming Taranaki School-Leavers Research project found that Taranaki has the third highest rate of school leavers with no qualifications in New Zealand, with approximately 270 students each year leaving school without gaining any qualification, more than a third of them expelled or taken off the roll. The project also found that 22% of those school leavers had an unknown destination.

December 2004

Taranaki businesses were in good heart and demonstrating increasing levels of optimism for a solid 12 months ahead, according to December's business survey. Nearly 40% predicted improving conditions both New Zealand-wide and industry-specific would create a fertile market in the future, but warned that government legislation and lack of qualified staff could tarnish positive trends.

March 2005

Taranaki's three main 'Mad March' events netted the region nearly \$6.5 million in visitor expenditure and attracted more than 16,000 out-of-towners, according to a series of surveys conducted during March. An estimated 29,550 people from Taranaki and other parts of New Zealand attended the WOMAD (World of Music, Art and Dance) festival, and the Mark Knopfler and R.E.M. concerts at the TSB Bowl of Brooklands. More than 98% of visitors who enjoyed the extravaganza of events recorded a positive experience.

March 2005

International students in Taranaki gave an enthusiastic 'thumbs-up' to the region's educational institutes, with 90% regarding their study experience as meeting or exceeding their expectations, says a VT survey. Produced in conjunction with Education Taranaki to determine the impact of international education on the region, the survey said 690 international students studied in the region in 2004, with 67% indicating they would recommend the region to friends and family. An estimated \$29.5 million was spent by students.

April 2005

VT's April edition of Taranaki Trends, a twice-yearly economic report, overflowed with good news for the region...soaring regional growth, strong business confidence, real estate buoyancy, situations vacant and tourism percentage increases, GDP rises, business growth and retail trade increases.

June 2005

Taranaki businesses are now more technologically savvy, after lagging behind in some national averages, a VT business survey has revealed. A total of 93% of surveyed businesses around the region now utilise computers in their daily operations, with more than half now enjoying a presence on the internet.

June 2005

Taranaki business confidence remains buoyant, despite concerning outside factors such as New Zealand's high dollar, interest rates and skill shortage issues, a business survey revealed. Nearly 70% of respondents predicted similar or improving conditions for the next year.

June 2005

Training requirements of Taranaki businesses are being gauged in a major regional online survey launched by VT in June. The survey - aimed at pinpointing what small, medium and large Taranaki businesses require of training providers within today's marketplace - will eventually impact on the direction of Venture Taranaki's enterprise training programme offerings in the future.



Analysis/Research - Belinda Salmon (right)

OVERCOMING BARRIERS:

Venture Taranaki research analyst Belinda Salmon (pictured above) climbs her personal 'mountain' at the ultimate Outward Bound experience.

As everyone knows, there's more to work than word processing, timekeeping and toiling hard. For Belinda, that theory became fact when she took part in a three-week classic course at Outward Bound...supported by VT through paid leave.

The classic course is the crème de la crème of personal growth courses offered by the Nelson-based organisation. Focussing on development of self-awareness and inner strength, the activities push personal limits through a series of mentally and physically challenging tasks.

"You work with a group of total strangers who you come to know, rely on and trust," Belinda says of the January course. "It was an incredible experience that I will never ever forget, and I am grateful to my employer for giving me the chance to do things I've never done before."

Maori Business Development/Relationship Building

Target: Review of Maori economic development;

Four NPDC iwi liaison sub-committee meetings attended;

Key staff scheduled to be trained in issues affecting Maori economic development.

Capability study on Venture Taranaki's ability to serve Maori business achieved. The list of Maori clients assisted is increasing in terms of coverage across the spectrum of Venture Taranaki activities. There has been some engagement via NPDC iwi sub-committee meetings. WITT Maori Studies staff contracted for staff induction initiatives.

Port Hinterland Redevelopment

Target: Commercial project progressed and briefing to be taken to stakeholders.

In partnership with Waikato University, Venture Taranaki developed a business plan for a coastal marine engineering science centre for research excellence. The plan was presented to a regional stakeholders' meeting, including NPDC and TRC. The new Vice Chancellor of Waikato University finally abandoned the project, preferring to consolidate the university's investment onto the Waikato campus.

Mountain Walkway

Target: Explore feasibility work and promotion of added-value opportunities

Actual: Pouakai circuit guide book produced.

High Impact Projects - International

Target: Undertake two international trade promotion projects in partnership with local council and businesses

Actual: Undertook an international trade delegation to the United Kingdom with NPDC. Seven Oil and Gas Cluster members attended the Perth trade show in February.

High Impact Projects - New Opportunity Response Capacity

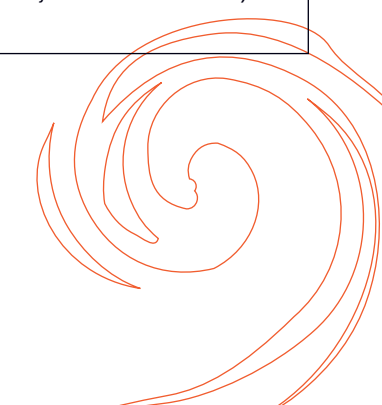
Target: Identify three new projects offering significant benefits to region. Major initiatives include:

- Partnerships for Excellence (PFX) was a joint application with the Western Institute of Technology Taranaki to Government, presenting a business plan seeking funding to build a Centre of Applied Engineering which would co-locate educators alongside engineering business leaders.
- Food and Beverage Cluster established, as well as Taranaki Pure Ltd as a legal entity along with the commencement of a strategy development.
- Under the guidance of the new Trustee Board, the Trust has transitioned from a foundation/services organisation to a McKinley model of high-impact interventions.

iTaranaki

Target: Participation in iTaranaki, plus reviewing of alignment with Trust's activities and providing guidance with the cluster's future evolution.

The councils have decided to place iTaranaki in recess, with many of the aims and objectives taken over by the Mayoral Forum.



STAFF

KEY PERFORMANCE INDICATORS 2004/05

DEDICATION TO THE CAUSE:

Venture Taranaki triathletes (from left) Bev Batchelar (CApENZ), Eliana Garrett, Belinda Salmon, Kayleen Schoeman, Lisa Garvey, Rochelle Turnbull, Vicki Fairley, Michelle Jordan and Zara Ryan are a perfect example of dedication to work.

The eight staff members put their bodies on the line for research at the Rotorua Special K Women's Triathlon in April. Keen to experience the excitement of triathlon participation, the women made up the bulk of three teams competing in the fun event around Rotorua and the Blue Lake.

Starting a 7am with a 300m swim, members biked 10km and then walked or ran 5km within the specified period of two hours and 45 minutes. And the women were ecstatic when the VT Terminators came eighth, the VT Vixens 37th and the VT Vamps 45th out of 80 teams. More than 2000 competitors tackled the event, which is held yearly in Rotorua.

"We had decided to take part in the triathlon last year, but had the added inspiration of November's ITU World Triathlon in New Plymouth to spur us on," VT marketing manager Vicki Fairley says.



A LION'S SHARE:

She may be small in stature, but when it comes to catching Lions, Venture Taranaki receptionist Kayleen Schoeman is no mouse.

Charged with the task of luring Lions rugby supporters from the tour-opening game against the Bay of Plenty to Taranaki for a June 8 clash with the 'amber-and-blacks', Kayleen and husband Jacques (New Plymouth) volunteered to drive to Rotorua and brave cold temperatures outside the city's International Stadium in order to distribute thousands of 'What's On In Taranaki' pamphlets to Barmy Army visitors contemplating making the trek south to Yarrow Stadium.

On the return journey, the couple distributed the specially-collated guide filled with events surrounding the match to information centres and tourist businesses likely to be stop-offs for Lions followers. The guide also featured a selection of unique Taranaki tourist attractions from around the region.

Kayleen says the weekend was fun but frantic. "It was crazy. There were Barmy Army people everywhere...you could hear them singing all over the place."



STAMPING YOUR MARK:

A collection of iconic Taranaki images from the lens of Film Venture Taranaki's Peter Avery has made up a stamp offering from Pete's Post Philatelic this year.

The five stamps - depicting the South Taranaki coastline, New Plymouth foreshore, Lake Rātapiko, Cape Egmont lighthouse and Mt Taranaki from its Manutahi angle - were released in a national limited edition early in 2005...and sales were brisk amongst stamp collectors.

Whilst several individual Taranaki images have appeared in the postal company's previous releases, this was the first time a scenic series from one specific region had been promoted. Peter Avery was asked to select 20 of his favourite shots for the collection, which were then reduced to five.

"The simplicity of the five chosen is probably why they appear in the series," Peter says. "I like images of Taranaki that are a little different from the usual, and I'm very pleased that five of them have been enjoyed by the general public."



TARGET KEY PERFORMANCE INDICATOR

ACTUAL ACHIEVEMENT 2004/5

4.1 FOUNDATION SERVICES

4.1.1 BUSINESS START UPS

- 100 clients assisted.
- 35 Business start ups
- 50 new jobs

286 clients assisted
46 Business start-ups
67 new jobs

4.1.2 BUSINESS ADVISORY SERVICE

- Provision of business advisory "help service" through efficient use of direct contact, call centre and web enabled "information hubs".*
- Development/maintenance of Business Tool Kits, including client self assessment/self help kit options.
- 1000 client enquiries assisted.

Achieved

Achieved

1007 client enquiries

4.1.3 BUSINESS MENTORING

- 80 mentor matches through Business In The Community (BITC)

72 mentor matches

4.1.4 MAORI BUSINESS DEVELOPMENT/RELATIONSHIP BUILDING

- Participation with NPDC in appropriate Iwi Liaison Sub-Committee meetings or Iwi forum meeting to build relationships on matters of economic development.
- Completion of a review of Maori Economic Development Initiatives.
- Key staff are trained in issues affecting economic development for Maori and agree culturally accepted approaches.
- Venture Taranaki's capacity to serve Maori business establishment, growth and upskilling is considered satisfactory by independent assessment.

Ongoing

Completed

Underway

Completed

4.1.5 REGIONAL INTELLIGENCE AND COMMUNICATIONS

- Taranaki Trends - produced 6 monthly. September and March
- Business Surveys - undertaken 6 monthly. and June 05
- Tourism Trends - Annual report with analysis.
- Economic impact analysis - at least two undertaken. completed and two being finalised
- eNewsletter - sent to VTT customers at least monthly
- Web site - maintained and updated every 2 weeks. regularly
- Jobs web site - maintenance of site and review of service by 30 June 05.

Taranaki Trends produced

Business Survey December 04

Tourism Trends release in March
Two economic impact analyses
- an international education
evaluation and a dairy pay-out impact report

Achieved
Website maintained and updated

Maintained and updated regularly

4.1.6 DISTRICT MARKETING

- Development and coordination of a Summer marketing campaign which features major attractions and events in the form of product packaging. This will include packages linked to WOMAD and other prime attractors.
- Research into market positioning and brand is undertaken.
- Strategy
- Review of signage.

Major events identified and supported through marketing expenditure

Underway in conjunction with development of the Tourism

Awaiting brand development

4.1.7 CELEBRATING BUSINESS AND SERVICE EXCELLENCE

- Development and implementation of Business/customer service award initiative eg Retail Top Shop competition

Competition held June 2005



TARGET KEY PERFORMANCE INDICATOR

4.3 ENABLING SERVICES

4.3.1 ENGINEERING

- Provide contract management of the MRI, which includes the following KPI's:
 - Increasing technical engineering trade students from 36 to 54 EFT's over 2 years.
 - Enhancing engineering sales growth by \$76m (over base year 2002)
- Increasing engineering export sales by \$11m (over base year 2002)

4.3.2 NICHE MANUFACTURING

- Review undertaken of niche manufacturing identifying:
 - Industry status research
 - Barriers to growth identification
 - Expansion opportunities
 - Collaborative/cluster opportunities
 - Recommendations/ forward actions

HIGH IMPACT – PROJECT INTERVENTIONS

4.3.3 PORT HINTERLAND REDEVELOPMENT

Product offering: To progress a potential commercial development to add-value to the Port as a strategic regional asset.

- Commercial project is progressed and a confidential briefing to key stakeholders, including NPDC is

4.3.4 MOUNTAIN WALKWAY

Product offering: To acknowledge Mount Taranaki as a strategic asset and identify opportunities to add-value to its presence

- Feasibility and promotion of added-value opportunities are explored, and implemented as agreed with key stakeholders. This includes for example, added-value initiatives linked to the Pouakai walkway.

4.3.5 HIGH IMPACT PROJECTS - INTERNATIONAL

Product Offering: To identify and collaborate on international trade projects, including Emigrate, sister city relationships and Plymouth's Of The World, to foster exchange of trade, employment and regional development, and joint marketing opportunities.

- Undertake two international trade promotion projects in partnership with local businesses and the Council, to promote the region and discuss opportunities for trade, employment and regional development.

4.3.6 HIGH IMPACT PROJECTS – NEW OPPORTUNITY RESPONSE CAPACITY

Product Offering: To maintain in-house capacity to respond to key high impact opportunities as they emerge

- To identify at least three significant projects offering significant benefits to regional development.
- Undertake feasibility analysis of the above, and respond as appropriate (in consultation with NPDC) to maximise benefits to the Region.

ACTUAL ACHIEVEMENT 2004/5

Achieved 136 to December 04

Achieved

Underway

Progress completed

Pouakai Circuit guidebook produced

Perth Trade Mission to Australia for Oil and Gas Technologies Cluster in February
Emigrate 2004 attendance

- Partnerships for Excellence
- Food and Beverage Cluster
- Mc Kinley model

Two other projects identified.
Feasibility analysis underway

TARGET KEY PERFORMANCE INDICATOR

4.3.7 YOUNG ENTERPRISE SCHEME

- Ensure over 20 Teams participate

4.3.8 iTARANAKI

Participation in iTaranaki whose focus includes:

- To further develop ICT in the region, and enhance the development of the Taranaki ICT industry.
- Review of iTaranaki's alignment with Trust's activities, and to provide guidance with the cluster's future evolution.

4.2 HIGH IMPACT INTERVENTIONS

4.2.1 HIGH GROWTH BUSINESS SUPPORT

- 30 Medium/High Growth Businesses identified and dedicated business advisors appointed to account manage needs and ensure meaningful interventions are provided to maximise growth.

4.2.2 BUSINESS GRANTS SERVICE

- The Trust actively promotes, negotiates and facilitates Government grants to local businesses to assist their establishment, research and development and growth. Grants totalling at least \$750,000 approved to Taranaki businesses to assist high growth companies.

4.2.3 FILM

- Provision of film unit to proactively seek and respond to prospective film location opportunities.
- Launch of the Taranaki Film Commission Fund as an equity investment into film attraction for the region.
- Receipt of two Expressions of Interest (EOI's) to the above fund.

4.2.4 OIL/GAS TECHNOLOGIES CLUSTER

- Provision of facilitation services to assist implementation of KPIs contained in Cluster Business Plan. These include:

Active promotion of industry capabilities through web site and cluster database.

- Participation in an off-shore trade mission or
- Three market intelligence/capability building workshops to strengthen local collaboration.

4.2.5 INTERNATIONAL EDUCATION/EDUCATION

- Venture Taranaki will provide facilitation services to administrate Education Taranaki and Education Taranaki International.

4.2.6 EVENTS

- To attract two significant events.

November 05

- To increase by 2000 bed nights of external visitors to the region.
- To identify opportunities for niche conferences, conventions and events and to undertake a feasibility study into a regional convention centre.

ACTUAL ACHIEVEMENT 2004/5

27 teams competing from 11 schools in Taranaki area in 2004

Review completed

Ongoing

Achieved

\$766,971 distributed by the Business Grants Service

Ongoing

Completed

Achieved

Seven attendees to Australasian Oil and Gas Expo, Perth, Feb 05.
Oil/gas technologies cluster forum held with 60 participants.
Cluster membership now 27.

Achieved

Ongoing

Two large concerts confirmed for TSB Bowl of Brooklands in March 2005
World Cup Triathlon confirmed for

On track

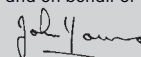
Underway



VENTURE TARANAKI TRUST & GROUP TRUSTEES' REVIEW for the year ended 30 June 2005

The Board of Trustees present their Annual Report including financial statements of the Trust for the year ended 30 June 2005. The business of the Trust is facilitating economic development in Taranaki. The nature of the Trust's business has not changed during the year under review.

For and on behalf of the Trustees

 Chairman

VENTURE TARANAKI TRUST & GROUP STATEMENT OF FINANCIAL POSITION			
As at 30 June 2005	Note	2005 \$	2004 \$
Current Assets			
Cash & bank		538,536	697,712
Accounts receivable		314,749	206,667
Other current assets		5,134	2,059
GST receivable		19,514	15,599
		877,933	922,037
Non Current Assets			
Property plant & equipment	2	108,031	41,060
		108,031	41,060
Total Assets		985,964	963,097
Current Liabilities			
Accounts payable & miscellaneous accruals		430,043	424,878
Employee entitlements	11	56,619	56,827
Deferred grant		180,768	188,858
		667,430	670,563
Equity			
Trust equity		318,534	292,534
Total Liabilities & Equity		985,964	963,097

The accompanying notes form part of these financial statements.

These financial statements have been authorised for and on behalf of the Trustees by

 Chairman

VENTURE TARANAKI TRUST & GROUP STATEMENT OF FINANCIAL PERFORMANCE			
For the year ended 30 June 2005	Note	2005 \$	2004 \$
Revenue	4	3,413,946	3,378,220
Operating surplus/(deficit)	3	26,000	(170,226)
Net surplus/(deficit)		26,000	(170,226)

STATEMENT OF MOVEMENTS IN EQUITY		
For the year ended 30 June 2005	2005 \$	2004 \$
Net surplus/(deficit) for the year	26,000	(170,226)
Total recognised revenue and expenses	26,000	(170,226)
Equity at 1 July 2004	292,534	462,760
Equity at 30 June 2005	318,534	292,534

The accompanying notes form part of these financial statements

VENTURE TARANAKI TRUST & GROUP STATEMENT OF CASH FLOWS			
For the year ended 30 June 2005	Note	2005 \$	2004 \$
Cash Flows from Operating Activities			
Cash was provided from:			
Interest		27,461	20,444
Grants and other income		3,279,245	3,607,996
		3,306,706	3,628,440
Cash was applied to:			
Operating expenses		3,350,861	3,279,660
Net GST movement		15,351	-
		3,366,212	3,279,660
Net cash inflow(outflow) from operating activities	12	(59,506)	348,780
Cash Flows from Investing Activities			
Cash was provided from:			
Asset sales		200	-
		200	-
Cash was applied to:			
Asset purchases		99,870	48,729
Net cash inflow (outflow) from investing activities		(99,670)	(48,729)
Cash Flows from Financing Activities			
Cash was provided from:			
		-	-
Cash was applied to:			
		-	-
Net cash inflow (outflow) from financing activities		-	-
Net increase (decrease) in cash held		(159,176)	300,051
Opening cash brought forward		697,712	397,661
Closing cash carried forward		538,536	697,712

The accompanying notes form part of these financial statements

VENTURE TARANAKI TRUST & GROUP NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2005

1. Statement of Accounting Policies**Reporting Entity**

Venture Taranaki Trust is a Council Controlled Organisation as defined in Part 1 Section 6 of the Local Government Act 2002, and a Charitable Trust under a Trust Deed dated 27 May 1998. The Trust commenced operations on 1 July 1998. Financial Statements for the "Group" are the economic entity comprising Venture Taranaki Trust and Taranaki Pure Limited. As Taranaki Pure Limited is a non trading subsidiary there are no parent and group accounts. The financial statements are a general purpose report which have been prepared in accordance with generally accepted accounting principles as required by clause 7.1 (4) of the Trust Deed.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Trust.

Specific Accounting Policies

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

Accounts receivable are stated at their estimated realisable value.

Property, plant and equipment are stated at cost less aggregate depreciation. Depreciation is provided on a straight line basis at rates calculated to allocate the assets cost less estimated residual value, over the estimated useful life of the asset.

Major depreciation periods are:

Furniture and fittings	1 - 3 years
Office equipment	1 - 3 years
Leasehold alterations	1 - 3 years

Statement of Cashflows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Trust invests as part of its day-to-day cash management.

Operating activities include cash received from all income and records the cash payment made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of noncurrent assets.

Financing activities comprise the change in equity and debt capital structure of the Trust.

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal installments over the lease term.

The financial statements have been prepared on a GST exclusive basis, with the exception of receivables and payables whose invoices include GST.

The Trust qualifies for differential reporting as it is not publicly accountable and it is not large as defined in the framework for differential reporting. The Trust has taken advantage of all available differential reporting exemptions except for Statement of Cashflows FRS-10.

Foreign currency transactions covered by forward exchange contracts are measured and reported at the forward rates specified in those contracts.

Changes in Accounting Policies

Cashflows have been included for the first time this year. There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in the prior year.

Property Plant and Equipment				
	Cost	Current Year Depn	Accumulated Depn	Book Value 2005
Leasehold alterations	72,201	-	72,201	-
Fixtures and fittings	85,477	94	85,293	184
Office equipment	320,290	32806	212,443	107,847
Other fixed assets	10,509	-	10,509	-
	\$488,477	\$32,900	\$380,446	\$108,031
	Cost	Current Year Depn	Accumulated Depn	Book Value 2004
Leasehold alterations	72,201	-	72,201	-
Fixtures and fittings	85,477	4,716	85,199	278
Office equipment	226,680	56,915	185,898	40,782
Other fixed assets	10,509	3,386	10,509	-
	\$394,867	\$65,017	\$353,807	\$41,060

3. Operating (Deficit)/Surplus

	2005	2004
	\$	\$
Operating (deficit)/surplus was arrived at after charging the following expenses:		
Interest	-	-
Depreciation	32,900	65,017
Rental and operating lease expenses	120,095	116,697
Trustees fees	76,083	52,373
Audit fee	10,880	2,995
Fees paid to auditors for other service	-	-

4. Operating Revenue

	2005	2004
	\$	\$
Operating revenue for the year includes:		
Interest	27,461	20,444
New Plymouth District Council Grant	1,820,996	964,700
New Zealand Trade & Enterprise Grant	862,374	967,905

5. Taxation

The Trust has been granted charitable status under KC5 and CB(1) of the Income Tax Act 1994. The Trust will be exempt from income tax on income providing that such income is applied for the charitable purposes as set out in the Trust Deed.

6. Lease Commitments

Operating lease commitments		
Lease commitments under non-cancelable operating leases for office premises and motor vehicles excluding GST are:		
	2005	2004
	\$	\$
Not later than one year	13,011	117,382
Later than one year and not later than two years	7,464	93,660
Later than two years and not later than five years	3,732	93,800
	24,207	304,842

7. Related Party Transactions

During the normal course of business the Trust has purchased goods and services from Engineering Taranaki Incorporated of which Roy Weaver is Chairman, Westgate Transport Limited of which Roy Weaver is Chief Executive and John Young is Chairman, CApENZ of which Roy Weaver is Chairman, New Plymouth District Council of which the Trust is a Council Controlled Organisation and the Taranaki Chamber of Commerce of which Rhys Greensill is a director. All transactions were carried out on normal commercial terms.

8. Statement of Intent

The Trust became a council-controlled organisation effective 1 July 2004. The Trust did not comply with section 64 of the Local Government Act 2002, which requires that the Trust prepares a statement of intent that complies with the requirements of clause 9 of Schedule 8 of that Act. The Trust is therefore not able to meet the requirements of section 68 of the Local Government Act 2002, which requires the annual report of a council-controlled organisation to compare the organisation's performance with its statement of intent and explain any material variances between the performance and the statement of intent.

The Trust has prepared a statement of intent for the three-year period commencing 1 July 2005. This requires that the Trust's performance be evaluated by measuring outcomes from the contracts for services New Plymouth District Council awards to Venture Taranaki Trust each year under a Regional Development Strategy and Tourism Business Plan.

While the Trust did not adopt a statement of intent in the form required by the Act, the Trust did adopt a Regional Development Strategy for the period 1 July 2004 - 30 June 2005 and a Tourism Business Plan, which contain some of the elements of the statement of intent required under the Act. For the year ended 30 June 2005 the Trust reported in its Statement of Performance the outcomes from the contracts for services New Plymouth District Council awarded to Venture Taranaki Trust under the 2004/5 Regional Development Strategy and Tourism Business Plan.

The Trust regularly reported against the performance measures contained in both documents during the year. The New Plymouth District Council formally adopted both documents on 14 September 2004.

9. Subsidiary

On 23 October 1998 the Trust incorporated Taranaki Pure Limited (formerly Bizlink Taranaki Limited) through the subscription of \$1 for 100 ordinary shares. This company was incorporated solely for the purpose of retaining the name and has not traded. The cost of the \$1 investment was written off in the year ended 30 June 2000.

10. Contingent Liabilities

There are no contingent liabilities at balance date (2004 : \$Nil).

11. Employee Entitlements

	2005 \$	2004 \$
Balance at beginning of year	56,827	-
Additional provision made	25,817	56,827
Amount utilised	(26,025)	-
Balance at end of year	56,619	56,827
Current	56,619	56,827
Noncurrent	-	-
	56,619	56,827

Employee entitlements relate to employee benefits such as accrued annual leave. The provision is affected by a number of estimates, including the timing of benefits taken. All employee entitlement is expected to be consumed during the year.

12. Reconciliation of Net Surplus with Net Cash Flow from Operating Activities

	2005 \$	2004 \$
Net (deficit) surplus after tax	26,000	(170,226)
Add (less) noncash items:		
Add depreciation	32,900	65,017
(Profit) loss on disposal	(200)	-
	58,700	(105,209)
Movements in working capital:		
Decrease (increase) in accounts receivable	(115,072)	250,221
Increase (decrease) in payables	(3,134)	203,768
	(59,506)	348,780

