

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 (formerly Industry New Zealand and Trade New Zealand), 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, Powerco, Shell (Petroleum Mining) Company Ltd and numerous other private sector organisations.

ANNUAL REPORT

2003

Venture Taranaki is an initiative founded by



NEW PLYMOUTH
DISTRICT COUNCIL

Venture Taranaki Trust

As Taranaki’s Regional Development Agency, Venture Taranaki provides a strategic and focused approach to developing the local economy. From 1 July 1998 the Trust became the sole body responsible for the delivery of the New Plymouth District Council’s economic policy through the integration of all the district’s economic development initiatives.

Incorporated as a charitable trust, Venture Taranaki is an apolitical and independent body reflecting Taranaki’s ability to innovate and create partnerships. A dynamic organisation, Venture Taranaki “signposts, informs and advises”, facilitating business success from enterprise inception through to sustainable business growth based on international competitiveness.

Our Vision

To provide leadership in promoting a dynamic and innovative economy for regional development and sustainable wealth creation in Taranaki.

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Looking back on last year it was exciting to observe the confidence present in the area and see how this resulted in Taranaki being hailed as a region transformed.

The economy was buoyant and the province literally hummed with the filming of *The Last Samurai* and the dramatic increase in container trade through Westgate. There was also an enhancement of innovation, research and technology in the region's leading businesses illustrated by the substantial growth of the super yacht construction industry.

With so many positive events occurring, it certainly seems as though Taranaki has finally 'come of age' as a dynamic, exciting and growing region. The Trust has certainly played its part in this transformation and is continuing to grow solidly in many new and exciting directions.

The Trust's success can be fully attributed to one factor - the people who work for it. Venture Taranaki is not a group of individuals but a cohesive and professional team of internationally experienced economic development advisers. I cannot speak highly enough of the skills our staff bring to the Trust or their absolute commitment to the region.

Complementing these skills are two philosophies which continue to be the cornerstones of Venture Taranaki's operations and have significantly underpinned the strong position the Trust enjoys today. The philosophies are based on partnership and performance.

Venture Taranaki has worked hard to develop strategic alliances and solid partnerships since its inception. These alliances have taken time to build and are a tribute to the Trust's commitment to delivering quality outcomes to its many stakeholders including Local Government, Central Government and the private sector.

Confidence in Venture Taranaki has been built and strengthened through the Trust's continuing ability to meet and exceed all Key Performance Indicators as defined in the Trust's service contracts. Nowhere is this confidence more clearly demonstrated than through New Zealand Trade and Enterprise's decision to name Venture Taranaki as its regional provider of choice. This position not only expedites funding assistance and services into the region (Venture Taranaki has piloted many Central Government initiatives) it also allows the Trust to have input into the shape of new Government programmes.

The Trust's partnership philosophy of the last five years, together with the significant regional development funding that has been attracted, has resulted in strong year-on-year growth.

In terms of revenue, staff capacity and capability Venture Taranaki is now one of the top three Economic Development Agencies in the country boasting 22 staff in three offices throughout the region - New Plymouth, Hawera and recently opened Stratford.

Venture Stratford is a further example of regional cooperation where local solutions are delivered within a regional strategy framework. The newly formed Stratford District Economic Development Trust contracted Venture Taranaki to deliver specific economic development deliverables within the Stratford District. Venture Stratford is the result and the Trust is domiciled in the Stratford Information Centre premises.

The benefits of partnership are again demonstrated through two other significant regional developments.

The Pouakai circuit was launched in April this year as a result of the combined efforts of Venture Taranaki, the Department of Conservation, the TSB Community Trust and Work and Income New Zealand. All came together under the leadership of Venture Taranaki to ensure the construction of this key asset in the tourism portfolio could come to fruition.

The success of the Major Regional Initiative (MRI) to develop and promote Taranaki as a Centre of Applied Engineering is of major significance to the region. The MRI is a result of a long process evolving from community consultation throughout Taranaki. Building on the region's existing industrial strengths the initiative provides a fantastic opportunity to assist in stabilising the regional economy and reduce the cyclical ups and downs caused by the region's heavy reliance on the dairy industry. Under the project leadership of Venture Taranaki, the Western Institute of Technology at Taranaki and Engineering Taranaki Consortium will work together to reduce skill gaps, seek out new initiatives and brand Taranaki as New Zealand's premier engineering centre.

The MRI is a very real demonstration of the benefits Venture Taranaki brings to the region through working alongside industry to gain significant Government assistance.

Of course, this year's report would not be complete without mentioning the main factor contributing to the buoyancy of the region - *The Last Samurai*. Securing the filming of this major Warner Bros picture in Taranaki was a major coup and all credit must go to those involved in attracting the production to our region. Having the movie industry in Taranaki was a positive for everyone and many will remember the experience for the rest of their lives.

The demands of an international movie placed huge pressures on the Trust. However the experience was extremely valuable as the film office went through a steep learning curve assisting Warner Bros, in a myriad of ways, to achieve their objectives. Film Venture Taranaki (FVT) now has experience and ability far beyond many other film offices throughout the

country and is in an excellent position to further develop the industry. FVT is one of six recognised film offices within New Zealand and as such has received a nationally acknowledged certificate of Film Friendliness recognising FVT's high standards of work and its contribution to developing best practice guidelines for Local Government nationally.

The Board continues to drive toward higher education levels for the region with two new major projects. The Innovation Hub, an initiative under the Enterprise Culture and Skills Activity Fund, was launched by the Trust in April after an intensive period of development. The Hub is a pilot scheme aimed at delivering virtual enterprise education to senior high school students. Although the pilot initially concentrated on three regional schools it has already attracted national interest.

'Taranet' is a network of six rural secondary schools who have formed a group to collectively integrate digital technology more effectively into learning programmes. Venture Taranaki acts as Project Director for the group who have already held a national conference with leading international experts on future learning pathways.

Many of the projects Venture Taranaki undertakes are reliant on digital infrastructure. While being a catalyst for the initial regional broadband rollout, the Trust has continued to work closely with Telecom to ensure high speed internet access is made available to upwards of 95 % of the regional population, a criteria that has called for both wired and wireless solutions.

The Board has welcomed two new members this year. Roy Weaver, Chief Executive of Westgate Transport Ltd and Peter White-Robinson, Chairman of Fitzroy Yachts Ltd, both became Trustees in late 2002. The skills they bring to the Board are numerous and their involvement in two key regional industries provide market knowledge and depth to existing competencies. The Board is now able to act as a market intelligence source in its own right and this enables the Trust to stay closely aligned to new developments in some of Taranaki's major industrial sectors. This pool of knowledge also contributes to Venture Taranaki's publications on the regional economy such as 'Taranaki Trends'.

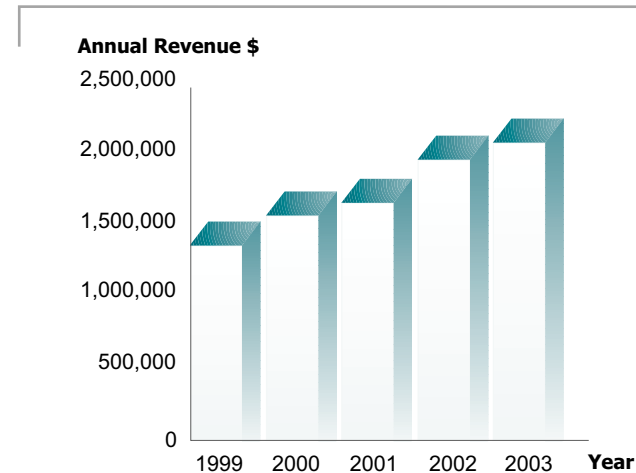
The Board's networks and interests extend from power transmission through to the dairy industry, port infrastructure, oil & gas, super yacht construction, Maori development, engineering, professional services and the public sector.

Looking ahead to the future it is important the Trust continues to attract significant Central Government and private sector funds into the region for the development of business and industry. Strategic alliances must be continued and confidence maintained in the Trust as a quality provider. Public acknowledgement of the Trust's commitment to quality has been made through its NZQA registration as a quality assured agency.

Revenue growth will continue to be pursued through leveraging off the New Plymouth District Council's base funding. It is significant that this funding will contribute only 30% of the Trust's total revenue during 2004 indicating the amount of additional benefit the Trust has brought to the area.

Venture Taranaki seeks to maintain and grow this inward investment for further enhancement of the regional economy.

Growth in Funding



John Young,
Chairman.



When the Venture Taranaki Trust was established in 1998 one of its key objectives was to improve the effectiveness of the delivery of Economic Development Services. The founding Trustees set a vision that the organisation would become a leader of economic development initiatives in New Zealand. As part of our Executive Review we need to challenge ourselves whether the Trust has been an effective organisation and made a difference to the performance of our regional businesses. As a business in our own right, the Trust has enjoyed a period of solid organic growth. We have continued to build on our activity levels, which is reflected in our revenue of \$2,106k for the financial year. This represents a growth in support of the Trust of 5.6%. The outlook is even more encouraging.

As we are entering into the final year of our three year funding contract with our key stakeholder, the New Plymouth District Council,

the Board of Trustees has retained a prudent reserve to meet all operational liabilities of the Trust. Therefore the Trust shows an operating surplus in the financial period of \$78k. The total equity has now grown to \$463k which gives the Trust a solid balance sheet and cash flow. Our financial strength reflects the growth of our business and the increasing support from regional stakeholders.

It also allows the Trust to be proactive in exploiting new commercial opportunities that benefit the region. Our effectiveness and ability to add value to industry and commerce is best reviewed by our clients. It is their commentary on our partnership which is the real testament to the initial investment of the New Plymouth District Council. This year's annual report highlights our clients' perceptions of the Trust's performance.

As the Trust embarks on its sixth year of operation there is a sense of expectation from a number of exciting projects underway or planned for Taranaki, including the development of the Pohokura offshore oil & gas field, the world premier of the Warner Bros' production of "The Last Samurai" and the Taranaki joint venture bid for defence building contracts. In addition to these public opportunities, there are a number of innovative industries that seldom dominate the headlines, but which also contribute dramatically to the rich and diverse economic landscape that is Taranaki.

Assisting companies to take advantage of commercial opportunities is one of the main objectives of Venture Taranaki staff. This requires a high level of skill and expertise. The Trust has always seen the need to continue its investment in its people and its own infrastructure. We have a long term commitment to investing in advanced management information systems to monitor our performance and ensure our ongoing competitiveness. We also passionately believe in developing our own staff with training programmes linked into internationally recognised academic qualifications. It is our ability to attract and retain world class staff which has ultimately enhanced our ability to deliver against all our corporate objectives. The support of the staff and our key stakeholders, during the year, has been exceptional and I would like to record the executive team's deep appreciation of the work of the Board of Trustees under the leadership of our Chairman, John Young.

Our performance as a team is constantly monitored by outside agencies that benchmark the organisation against internationally recognised Key Performance Indicators. This year we have been audited by both the New Zealand Qualifications Authority and Industry New Zealand's Risk Management Team, as well as our own external auditors to ensure the cost effective investment of public sector funds. All the audits have highlighted the professionalism of the systems, processes and outputs achieved by the Trust. Our focus on excellence has underpinned all of our activities in our operations and I would like to thank the New Plymouth, Stratford and South Taranaki District Councils as well as the TSB Community Trust, the Taranaki Electricity Trust, Powerco and Shell (Petroleum Mining) Company Ltd for their continuing support of our endeavours. For every dollar of regional public sector commitment to Venture Taranaki, the organisation has been able to leverage in an additional dollar from other sources.

As we reflect on the future outlook for the region, our investment in educational systems and infrastructures will ultimately influence our ability to compete in the global market. The economic growth of our region is firmly linked into creating a regional world class educational system and a community committed to life long learning. The work of our educational Taranaki cluster with participants from the tertiary and secondary educational sector, private training establishments and Central Government can help shape the future strategy for education within our region. Our TaraNet and Innovation Hub projects as well as our investment into creating tomorrows business leaders through the Young Enterprise Scheme are further examples of our dedication to education and the youth of our region.

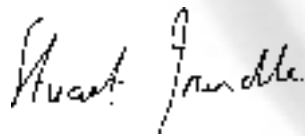
During the year ahead, the major challenge facing our region and the New Zealand economy is the need to find significant energy reserves to mitigate the demise of the Maui offshore oil and gas fields. The proposed Pohokura development in North Taranaki offers the strongest immediate potential but it is critical that major investment continues to be directed to finding additional supplies of gas and oil. The uncertainty about future energy supply has affected the region's ability to attract foreign investment opportunities. The demise of Maui will also have a particularly negative impact on the production capacity of Methanex. Issues such

as the strength of the New Zealand currency and the declining return for many New Zealand agricultural commodities continues to point to the fragility of the national economy. However the emergence of a number of sunrise industries within our region clearly underscores the wisdom of sustained investment in a strategic and focused approach to developing the economy of Taranaki.

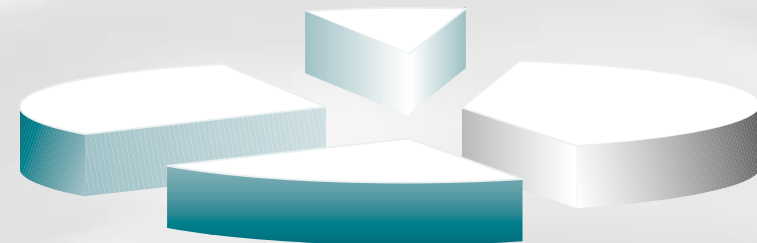
One of the key sunrise industries is the growing influence and confidence of Māori businesses within the region. Venture Taranaki continues to seek opportunities to work closely with Māori organisations. The appointment of a Policy Manager - Māori Development indicates the importance we place on developing appropriate strategies to assist the economic development of tangata whenua.

Venture Taranaki continually monitors the health of the local economy, including emerging issues and opportunities, providing an important intelligence gathering function for businesses within the region as well as national and international investors. Our staff who produce 'Taranaki Trends', a detailed quarterly report, along with a range of comprehensive business surveys have won international respect for the quality and depth of their research. This information, along with all our project studies, is freely available to our community and can be accessed on our website www.taranaki.info. This willingness to make our intellectual property widely available distinguishes Venture Taranaki from many other Regional Development Agencies.

It has been my privilege to lead a world class executive team since the creation of the Trust. Despite the continued uncertainty over the political support for the Trust, the executive team has continued to keep faith in the vision of Venture Taranaki. The next twelve months will be a period of intense change as the territorial local authorities reflect on their funding and policies regarding external investments into economic growth and development. Their initial investment in people and infrastructure within Venture Taranaki is now returning significant dividends for the entire region. The challenge is to continue building momentum and invest in initiatives that deliver future wealth creation for all our communities.



Stuart Trundle,
Chief Executive.



Source of Funding (July 2002 - June 2003)

Central Government	31%
New Plymouth District Council	43%
Private Sector	22%
Other	4%

Total Funds: \$2,105,698

Film Venture Taranaki (FVT)

In the past year the film office has concentrated on establishing itself by mapping infrastructure and support services and establishing protocols and procedures.

With the arrival of *The Last Samurai* many of these procedures were put to the test and the office has been able to benchmark itself alongside other established and well resourced film offices from around the world. The film also had the effect of fast-tracking many of the tasks under implementation such as familiarisation with potential Taranaki film locations, development of a photographic library and establishment of a film support services database.

Iwi liaison during the film was undertaken by a specifically appointed officer - Wharehoka Wano. Meetings were held with as many elders and Iwi as possible to promote the joint advantages filming presents to the region. As a result a Māori protocol for handling incoming productions across Taranaki has been established.

Another benefit of *The Last Samurai* was to highlight the work of FVT in the media, raising awareness and helping to establish our region's credibility as a viable and attractive shooting location. In the last 12 months FVT has handled film enquiries from New Zealand, Japan, Australia, England and the United States.

On a national level FVT has been active in assisting the reshaping of Film New Zealand's structure so that it can move forward and capitalise upon recent film successes. Our participation in this process and our continuing commitment to Film New Zealand have resulted in the office achieving a nationally recognised certificate of Film Friendliness.

The Last Samurai

So what exactly happens when a studio decides to film a major production in the region?

After exhausting location searches and research into logistics and resources by the production company assisted by Film Venture Taranaki and the local community, the decision was finally made to film the major Warner Bros movie "The Last Samurai" in Taranaki.

From the time of the official announcement the public response and enquiries were enormous. For the first six weeks FVT acted as the contact point fielding interest from the media, public and charity organisations.

The office then went on to fulfill a variety of functions during the shoot from:

- assisting in scouting locations
- advocacy
- liaison and arbitration between the film and various parties
- finding accommodation for key personnel
- expediting council permits and consents

- liaison with Iwi, the community and media
- promotion of local individuals and businesses to the production company
- running film workshops for businesses
- roading issues
- deal broking
- hosting on-site tours.

There is no doubt *The Last Samurai* is one of the most exciting events to have occurred in Taranaki. The film's star Tom Cruise caused a massive interest from the media resulting in a large amount of worldwide publicity for the region while the film crew and their families all took away positive experiences from their stay in New Plymouth. Some of the stars took the opportunity to travel within New Zealand, and they all returned saying that they thought Taranaki was the best place to be.

The size of the movie meant a huge impact was created on the local and national economy. This impact is currently being measured through a rigorous impact study but to give an indication of the scale of this production:

- The amount of accommodation used for the total period of production was equivalent to 150,000 room nights. At its peak the movie housed 1100 people in a mix of hotel, motel and private accommodation depending upon preferences.
- The film had a shooting crew of 320 people, 70 of whom came from overseas locations including the US, Japan, England, Australia, Spain and Czechoslovakia.
- 220 Toyota passenger vehicles were leased including 50 top of the line 4wds.
- 14 kilometres of roads were enlarged or created plus 3 hardstand areas each the size of 2 football fields.
- 45 security guards were employed.
- More than 40 marquees were hired.

It is unrealistic to expect all films who locate in Taranaki will be of this size. However, the intangible benefits of even a small but successful film are myriad. The benefits attained from "The Last Samurai" has placed Film Venture Taranaki in an excellent position to attract a variety of productions into the Taranaki area.



one of the few places in NZ that has great rural locations and hotel rooms... a big draw back to places like Australia and the south island, that's a big plus that New Plymouth has... our movie stars toured all over the country and when they came back, they said they like it best here!

I don't know how much more the New Plymouth people could do than they did. We had a lot of cooperation from VTT and the District Council who were working together on this.

It helped a lot to be scouting with a filmmaker like Venture Taranaki's Film Project Manager. I rate FVT with the best film commissions in the States and Canada.

We got total cooperation, we got help with the Government, we got help in the early stages when we were scouting, all the things we expect from a great film commission – we got here... so I can't think of anything else you could do!

Charlie Harrington, Location Manager, The Last Samurai.

I had always wanted to get to work within the film industry and I knew that with my skills as a joiner and in tree surgery that I would be able to adapt to the demands of filmmaking.

Upon hearing about the Last Samurai I approached Film Venture Taranaki to see if I could get an introduction. I didn't have to wait long before I received a call from Construction manager Nick Novus after Peter had been to see him.

I thoroughly enjoyed my time on the crew and now know that it is what I want to do more of and after forming really good relationships with key members of the crew, I can now expect to get a call again really soon.

Simon Barkley, Hawera, Set Carpenter.



The Pouakai Circuit

Taranaki's national parks and walkways have long been identified as one of the region's key competitive advantages. When the Department of Conservation indicated they were having difficulty obtaining support for a Northern walkway concept, Venture Taranaki pulled together a partnership group consisting of the TSB Community Trust, the Department of Conservation, Work and Income New Zealand and the New Plymouth District Council to ensure the development eventuated.

The Pouakai Circuit, as the walkway was subsequently called, was officially opened on April 17 and becomes another key infrastructural asset in the region's tourism portfolio.

"The development of the Pouakai Circuit in Egmont National Park was a true community partnership project. Venture Taranaki facilitated the funding, TSB Community Trust financially supported the project, Work and Income New Zealand provided labour, and the Department of Conservation built the structures and supervised the site work. The benefits of this Circuit will be far reaching - from personal recreation opportunities for Taranaki residents, to a higher profile for tourism internationally and the many employment opportunities that may arise. The Pouakai Circuit wanders through the 'heart' of the Park providing access to incredible natural biodiversity and magnificent views. It has been a fantastic project, with a great result."

Rex Hendry, Area Manager Stratford, Department of Conservation.



"TSB Community Trust is happy and pleased to have been part of the group associated with the Pouakai Circuit walkway development project. Venture Taranaki is to be commended for the manner in which they coordinated the activities of the various parties, highlighting what can be achieved when groups work together toward a common goal. The development of the facilities, amenities and natural features of our province allow us greater access to and appreciation of what we have, while providing added attractions for visitors. This fits well with the objectives of the TSB Community Trust."

Paul Butterworth, Chairman, TSB Community Trust.

Major Regional Initiative - Taranaki as a Centre of Applied Engineering

Over three years of consultation and development have gone into creating the proposal to turn Taranaki into New Zealand's premier engineering sector through building on the region's well known and historic expertise.

Venture Taranaki, Engineering Taranaki and the Western Institute of Technology at Taranaki (WITT) have worked together to maximise one of Taranaki's key industrial strengths. This has resulted in the region receiving up to \$2million during 2004-2006 from New Zealand Trade and Enterprise's Regional Partnership Programme to further enhance the region's engineering capabilities.

The primary strategies which will be pursued by the Centre are:

- Filling the skill gaps in the engineering industry
- Growing sales revenue by pursuing new opportunities
- Enhancing industry competitiveness and efficiency
- New product development
- Creating a regional brand that identifies Taranaki as a Centre of Applied Engineering

The support from Central Government will allow Taranaki to become internationally recognised for its engineering expertise and help to stabilise a regional economy which historically has tended to be cyclical.

"Engineering Taranaki Consortium is very pleased to be part of this Major Regional Initiative. The funding will provide a much needed injection of resources to help the industry leverage off our existing experience and our expertise on the world stage.

VTT have been instrumental in securing the MRI funding. Thank you Stuart and the team at VTT for the continued support of the industry and, particularly on this occasion, for preparing the submission and guiding the events that resulted in this magnificent outcome for the region.

You're doing a great job – keep it up."

Warren Batchelar, Chairman, Engineering Taranaki Consortium.



"The Western Institute of Technology at Taranaki (WITT) is a key player in the MRI partnership charged with addressing the identified skill shortages that currently exist in Taranaki's engineering industry. We will be recruiting a world class educational team to enhance the sectoral capability and capacity in the region through developing vocational skills at the apprentice level through to professional engineers. This is an exciting opportunity for WITT and the region as a whole and a lot of the thanks must go to Venture Taranaki for the sustained effort they put in over the last two years to make the project happen. It is these types of projects that have the potential to positively and significantly alter the regional economy."

Paul Sutcliffe, Chief Executive, WITT.

Research and Information on Key Issues

Venture Taranaki continues to undertake research on potential industry sector opportunities as well as key issues affecting the region.

Aerial Cableway Feasibility Study

Considerable progress has been made into establishing the economic, social and environmental viability of establishing an aerial cableway within the Mount Egmont National Park. Last year modeling and market research on two cableway concepts i.e. the Forest Canopy concept and the Alpine concept was undertaken while this year the studies completed or nearing completion are:

- An engineering study to establish the probable cost of constructing the cableway.
- A building cost estimate study to establish the cost of buildings that would house the plant and machinery and provide shelter and amenities for the public.
- A Maori Perspective study.
- A meteorological study by the National Institute of Water and Atmospheric Research (NIWA) into conditions on the mountain at high altitude.
- An environmental assessment study in which the probable environmental impacts of constructing and operating a cableway within the National Park are documented.

Sectoral Investigations

Dairy Sector

Venture Taranaki has actively sought value adding opportunities for this fundamentally important sector. Industry specialists have been commissioned to develop commercial concepts which will be pursued during 2003/4. These could potentially result in substantial private sector investment into Taranaki's dairy industry.

Forestry

Whilst recognising that Taranaki is not the major forestry player in New Zealand, there will be meaningful tree harvests occurring over the coming years and decades. Financial returns to all participants along the supply chain could be enhanced with collaboration and cooperation amongst participants. Further effort will be invested in identifying a growth strategy over the coming year.



"Over the past 30 years there has been various proposals to build a cable car/gondola on Mount Taranaki. All of these proposals have come to nought as none of the organisations involved had the resources to carry out the required studies needed to investigate if such a proposal was feasible. That is until now.

Thanks to Venture Taranaki, with the financial assistance of the Taranaki Electricity Trust, a working party consisting of mountain users, tourism interests, tangata whenua, and community representatives, has over the past eighteen months commissioned a number of in-depth studies investigating the feasibility of an aerial cableway for two route options."

Elaine Gill, Chair, Aerial Cableway Feasibility Study Group.

Business Confidence and Annual Growth

The past two years have seen Taranaki enjoy positive levels of economic activity and business confidence at rates higher than the national average. In fact Taranaki has featured prominently as the most confident region in the country, as measured by the National Bank regional trends survey.

Recent months however, have seen a contraction in the rate of growth due to the tightening of the rural economy, concerns in the energy industry and other factors such as SARS. This has not only affected the region – but the wider country.

Despite such developments, Taranaki continues to move ahead through taking advantage of new opportunities and initiatives that have the potential to bring growth to the regional economy.



“Taranaki’s export performance will be critical to the long term sustainability of economic development. Many businesses are export ready but they need the services of a professional facilitation service to translate export potential into foreign exchange earnings.

Westgate views its strategic partnership with Venture Taranaki as fundamental to the growth of export tonnages through the port.”

*Roy Weaver, Chief Executive,
Westgate Transport Ltd.*

Engineering Taranaki Consortium (ET)

The Consortium has been active on a variety of fronts including training, recruitment and marketing the region’s engineering expertise internationally.

Potential engineering students have been targeted through presentations to public forums and secondary schools in the region while ET’s continuing coordination of the Modern Apprenticeship Scheme has resulted in the number of engineering apprentices increasing steadily. The number currently participating stands at 40. A training package aimed at up-skilling engineering middle management has also been developed in conjunction with the Western Institute of Technology at Taranaki (WITT). Where there is insufficient time to adequately train local staff to fill immediate and projected skill gaps, recruitment campaigns in the United Kingdom have been undertaken.

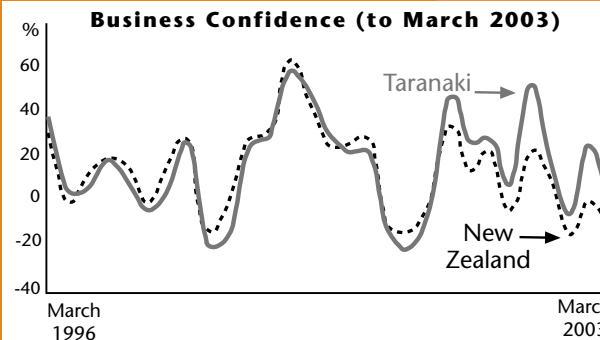
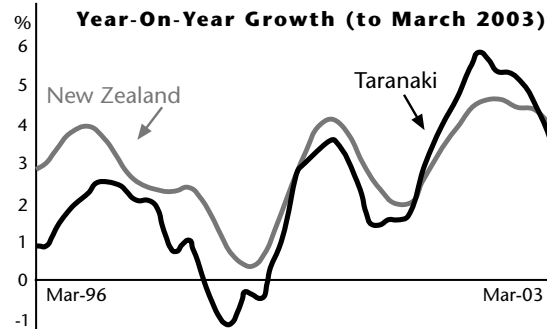
ET’s main activity has been the marketing of Taranaki’s engineering expertise internationally to secure offshore work. A variety of business development trips have been undertaken primarily to Australia. As a result of these activities Consortium members have had various new opportunities to price export work.

ET has also supported Venture Taranaki in the successful submission to New Zealand Trade and Enterprise for the Major Regional Initiative to have Taranaki recognised as New Zealand’s Centre of Applied Engineering.

“The Engineering Taranaki Consortium of which my company, Pace Engineering Ltd is a member, has benefited greatly from the help, encouragement and advice received from VTT to build and grow on our strong engineering reputation as a province. We owe our formation to the vision of VTT.

Taranaki as a region is extremely fortunate to have VTT assisting new and existing industries to develop, irrespective of size or the nature of the business. The benefits of VTT can be seen and felt across our province.

*It is a pleasure to be involved with such a positive organisation.”
Steve Day, Managing Director, Pace Engineering Ltd.*



Moving Forward Faster

Having progressed from pilot programme to national roll-out, the Fast Forward programme continues to encourage faster growth rates amongst Taranaki's leading innovative companies through providing focused support in the form of advice, guidance, referrals and financial assistance. Encapsulating a "whole of government approach", support is derived from both Venture Taranaki's and New Zealand Trade & Enterprise's business development advisers and services.

Fast Forward provides support to 19 Taranaki companies including Amtec Engineering, BTW, Burmark Industries, Carac Couplings, Digital Insight, Dynea NZ, Fineline Services, Fitzroy Engineering Group, Fitzroy Yachts, Fresha Fisheries, Howard Wright, Independent Technologies, Seaworks (formerly Magellan Technologies), NZMP, Pacific Natural Gut String, Pacific International Hotel Management School, Wells Instrument & Electrical and Yarrows.



"Fast Forward has provided significant assistance in the ongoing development and implementation of our business strategies. The support provided by both Venture Taranaki and New Zealand Trade and Enterprise has been of immense help.

I have also been impressed with the way VTT has encompassed our culture as a 100% Iwi owned organisation. I am actively promoting VTT at all Iwi events and huis that I attend as a vital part of any organisation's business development strategy."

Verban Elkington, Regional Manager, Fresha Fisheries.

"The partnership with Government has worked well. In order to better deliver assistance through the Government's economic growth programmes, to both the Taranaki region and to individual businesses, NZTE staff have developed close working relationships with Venture Taranaki.

We have been impressed with the calibre of people in Venture Taranaki, and with the level of support they enjoy from the business community. Through them we have been able to meet and work with many of the leading businesses and organisations in the region.

The variety of these enterprises, their outward focus and the passion of their management are inspiring. We look forward to continuing to develop our relationships in the area, and helping to generate sustainable economic benefits for Taranaki."

Howard Moore, New Zealand Trade & Enterprise.

Attracting Grants for Growth

It has been another significant year for Taranaki businesses in terms of securing grants for research, development and growth projects.

The Trust acts as an agent to assist Government with many of the grants schemes by coordinating and helping with the processing of applications from Taranaki businesses. Grants valued in excess of \$713,000 were approved last year with another \$181,000 in applications currently in front of decision makers in Wellington.

The successful Taranaki recipients come from a broad range of industry types and sizes, however most of them are involved in innovative projects with export potential. Many are small companies working on leading edge developments in their niche field of expertise as exemplified by Quality Performers - a manufacturer of high tech sport's clothing equipment for the global market.



"We are developing a new product with a complicated manufacturing process and the assistance from Venture Taranaki and the funding grant has been a big boost to fast tracking this process. Overseas interest in the product is already staggering so no doubt our exports will increase further as a result "

Max Rutherford, Managing Director, Quality Performers.

Virtual Innovation

In March the Hon Jim Anderton, Minister for Economic Development, launched Venture Taranaki's Innovation Hub - an interactive website designed to foster innovation and develop business skills in senior high school students.

The Hub which is funded by New Zealand Trade and Enterprise under its Enterprise Culture and Skills Activities Fund, offers a range of resources and innovative learning techniques for enterprise studies and related topics such as accounting, economics and the Young Enterprise Scheme. Through the Hub students gain valuable exposure to the concepts and practices of the business world from the experiences of mentors and enterprise champions in the broader community.

Although initially launched as a pilot involving three Taranaki schools, the Hub is receiving national attention. The challenge now is to continue developing the site while investigating ways of rolling the Hub out to other parts of the country.

"The Innovation Hub could be the answer we have all been searching for. Created by Venture Taranaki this new web resource sharing tool has been successfully implemented in the Taranaki region and is extending its reach into other regions in New Zealand. Venture Taranaki has developed an outstanding model that we will look to transfer to the rest of the country. It is extensively used by the students and includes open and closed forums, newsletters, and the part I like the best, where to get specialist help from the mentors.

In my role as the Branch Secretary for Wellington Commerce Teachers Association, we are looking to use the innovation hub for our members to submit and share resources, particularly for NCEA.

I would like to thank Venture Taranaki for being able to create, trial and implement the Hub. I know many people who have tried to start the web sharing idea and have not been successful in the implementation. I look forward to contributing to the hub in the future and spreading the word."

*Mark Wilson, National Director, Lion Foundation Young Enterprise Scheme.
Branch Secretary, Wellington CETA.
Author 'Accounting Alive' Text.*

TaraNet Information Communications Technology (ICT) Professional Development Project

Six rural secondary schools consisting of Waitara High School, Inglewood High School, Stratford High School, Opunake High School, Waverley High School and Okato College have banded together as 'TaraNet' to specifically target the more effective integration of information technology into regular school teaching programmes.

Managed by Venture Taranaki and funded by the Ministry of Education the three year project has already made great strides since it began in 2002.

Initial efforts have focused on engaging a core group of lead teachers to drive the digital integration process. In February this core group attended a national "Learning@School Conference" in Wellington and TaraNet has recently held its own high powered conference with leading educational experts at Stratford High School.

School networks, infrastructure and base staff competencies are all currently under audit in order to assess progress as the project unfolds. Even more critically each school, with assistance from Andrew Bone the lead facilitator from Okato College, is undertaking a major reassessment and revision of its ICT Strategy Plan.



"The TaraNet project is two-fold in its approach for developing education within Taranaki. First there is the development of education delivery in the electronic age - via web-based resources and also video-conferencing of lessons amongst the rural schools in our region. Eventually our schools will receive and deliver education within our region, nationally and internationally.

Venture Taranaki's role is pivotal in providing administrative and fund-raising expertise for the cluster. The Trust's Project Manager, acting as our Project Director, contributes considerable experience and passion in developing ICT in the secondary school environment and in addition provides the important element of networking with significant

ICT leaders both nationally and in the Navigator Schools Project from Melbourne.

The second approach is in developing the cluster's teaching force so that the students in our rural schools will have skills that prepare them for what lies ahead. With the technology available and the expertise developed to utilise it TaraNet will ensure our students, and hence our future workforce, are equipped with the thinking and problem-solving skills required in the modern digital/information age.

The project is progressing very well with some major technical challenges now behind it.

The conference held in early July was an enormous success and has developed an excellent platform of interest and enthusiasm on which to proceed."

Andrew Bone, Principal, Okato College.



Encouraging the Entrepreneurs of the future

Venture Taranaki places a great deal of importance on encouraging entrepreneurial skills among youth through its coordination and development of the Young Enterprise Scheme (YES) for Taranaki.

The scheme continues to grow strongly with 14 teams participating from 10 Taranaki Secondary Schools, the highest proportion of Secondary Schools involved in the scheme in New Zealand. Particular developments this year have been: introduction of the Innovation Hub, which enabled YES students to gain access to virtual, secure forums and resources specifically targeted to small business and the introduction of regional award categories, to align with the National Awards, including Maori Culture, Finance and Company Report Awards.

At a national level, the scheme has also taken a significant step forward achieving NCEA accreditation. Students can now gain 24 credits at Level 3 for achievement in the programme.

The Trust wishes to recognise the valuable support from key sponsor Shell (Petroleum Mining) Company Ltd which provides the basis for the professionalism of the regional competition.

"I have been involved as a teacher mentor of Young Enterprise Companies for the best part of 22 years. During this time I have seen many styles of organisation. The Venture Taranaki team have built the profile of Young Enterprise in such a way that it is truly demonstrating business excellence at its best. Communications with VTT are always very professional and the best interests of every student take precedent. I believe that the Taranaki Young Enterprise organisation is one of the best in New Zealand. The rewards for the students are many and varied and are there because of the hard work of the VTT team. The development this year of the stunningly professional Innovation Hub takes Young Enterprise to another level. Well Done VTT. Awesome work."

Carolyn Miles, Head of Department, Text & Information Management, Spotswood College.

Management Upskilling through Biz Training

During the past two years, Venture Taranaki has continued to coordinate Taranaki's BIZ training programme, an initiative funded by New Zealand Trade and Enterprise.

Through this partnership Venture Taranaki has provided over 70 workshops and 1200 hours of specialist time to assist business owners and managers enhance their capabilities. Topics covered ranged from basic business skills such as marketing and finance, to sector specific issues including understanding the film industry, the future of the energy industry and farm survival in the face of drought. Growth issues, such as intellectual property protection and managing expansion, were also included.

In total, 495 Taranaki businesses, comprising 577 business people utilised the 1682 positions offered on the programme. 50% of attendees were women and 12% attending the workshops were of Māori descent. 71% of attendees were from businesses in the New Plymouth District, 22% from South Taranaki and 7% were Stratford businesses.

BIZ training is a valuable but complex contract where penalties will be incurred if targets on course delivery and attendance are not met. Venture Taranaki has received positive audit reviews from the Government and met all contract targets.

"Venture Taranaki have been very effective in their delivery of the Enterprise Training programme over the last two years. Quality trainers were engaged and every workshop or seminar they conducted achieved the required number of attendees. They have made a major contribution to raising the standard of management capability in small and medium businesses in the Taranaki region."

Euan Purdie, New Zealand Trade and Enterprise.

Export Initiative Recognised

The Pacific International Hotel Management School (PIHMS) was one of only 31 companies to receive an award at this year's prestigious Trade New Zealand Export Awards. The Awards recognise outstanding achievement and growth by NZ exporters in international markets.

Venture Taranaki has supported PIHMS, through the Trust's Fast Forward programme, in the development of their growth strategy. The privately owned school has undergone outstanding year-on-year growth since 1997, with student numbers now in excess of 600 per annum – half of whom attend the school while the other half undertake industry training.

"Our strong growth in recent years is in essence coming from the performance of our students. This Export Award is the result of the commitment and passion of all our directors and staff who are ensuring our students have the skills, knowledge and attitudes to excel in hospitality industry management."

A major contributor to the Taranaki economy, PIHMS is a member of the Fast Forward programme and has received support via this from both Venture Taranaki and its Central Government partners to assist with the ongoing development of the school."

Bill McCallum, Chief Executive, PIHMS.

Be Your Own Boss (BYOB) - Business Start-ups

The buoyant local economy in the last year has resulted in a positive general attitude towards developing self employment opportunities. Retail in particular has seen strong growth with virtually all shops in New Plymouth's CBD tenanted. The BYOB programme tends to follow this trend as a business geared toward the service sector is a more realistic option when capital is limited.

This year the BYOB programme resulted in 338 clients visiting Venture Taranaki business advisers for startup advice and business planning feedback. Of these clients 293 were new to Venture Taranaki services.

The amount of women looking at self employment continues to grow with Māori involvement in the programme standing at 14% which is reflective of the regional demographic.

It is interesting to note that 37% of this years clients came from rural areas such as Waitara, Urenui, Egmont Village, Eltham, Rahotu and Opunake.

"Venture Taranaki was extremely helpful. They made our job a lot easier through their knowledge of business planning, cash flows and all the topics associated with running a business. We were very comfortable working with them and they were very positive - anything we needed to know, our business adviser was right there helping us. We highly recommend Venture Taranaki and have referred them to any other people we know who need help with their business."

Amanda and Scott Breman, Mode Hair Design.



"Diane and I were interested in starting up the Totalspan Distributor operation in Taranaki and I rang Venture Taranaki for some advice and direction. They organised a meeting with one of the business advisers to discuss our plans. The business adviser was very helpful with practical advice and positive encouragement to help us realise this opportunity and we thank her and Venture Taranaki for that. We are now busy selling and constructing Totalspan steel framed buildings for clients in Taranaki."

Greg and Diane Barley, Totalspan Taranaki.

Business Development Opportunities

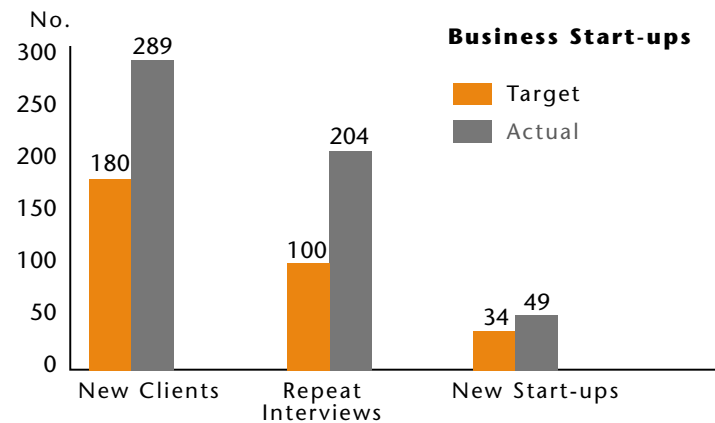
The Trust has been active in its support of a number of initiatives to develop new international markets for companies with significant growth potential.

One niche has been identified within the defence sector with Fitzroy Engineering Group Ltd's bid, as part of a joint venture with Vosper Thornycroft in England, to become the main contractor for the New Zealand Government's procurement of patrol vessels for the Royal New Zealand Navy. This contract would provide both technology transfer and foreign direct investment into the regional economy and secure the region's position as the pre-eminent centre of Applied Engineering for New Zealand. The project has the potential to benefit many local companies as sub-contractors to the successful consortium which will be announced in 2004.

The business development strategy has also identified new sectors, products and markets for local companies resulting from practical initiatives such as trade missions, feasibility studies and research into new technologies.

"Venture Taranaki has worked with us on a number of initiatives resulting from our business development strategies. Their guidance, knowledge and expertise has been invaluable in terms of supporting our new product development and the company's forays into new markets and international trade opportunities. Their ability to facilitate the right funding assistance at the right time from Central Government has also been extremely useful particularly in the area of research and development."

Graham Wells, Managing Director, Wells Instrument & Electrical.



Entrepreneurship Alive and Well

Venture Taranaki was one of the key strategic partners sponsoring the international research for the Bartercard Global Entrepreneurship Monitor (GEM) 2002 undertaken by Professor Howard Frederick at Unitec's New Zealand Centre for Innovation and Entrepreneurship. The partnership demonstrates one of the ways in which Venture Taranaki works with academic institutions and the private sector to identify trends and develop regional economic intelligence. In this case the Trust sought to identify opportunities and barriers to entrepreneurship at both national and international level.

The research compared Taranaki with regions in 36 other participating countries and concluded that Taranaki was home to the highest number of opportunity entrepreneurs in the world. Although this is encouraging and Taranaki appears to be a seedbed of innovation, the challenge lies in taking those ideas through to commercialisation, the next step necessary to creating wealth in the region rather than exporting ideas offshore.

"It's clear from my vantage point that Venture Taranaki has developed innovative strategies to encourage entrepreneurship within the region. It was no surprise when we published the Bartercard GEM Report 2002 that the Taranaki province had entrepreneurship rates higher than many of the world's most successful countries. That's because regional factors can affect the entrepreneurship rate and VTT plays an important role in encouraging enterprise. But I was thoroughly surprised to find that the Taranaki province had distinction amongst the 37 GEM countries of having the world's highest percentage of opportunity entrepreneurs (people who identify available opportunities and exploit them). That's truly a distinction!"

*Dr. Howard H. Frederick, Professor of Innovation & Entrepreneurship,
Director, New Zealand Centre for Innovation & Entrepreneurship.*

Education Taranaki

Education Taranaki has made positive steps throughout the year towards positioning the region as a destination for quality education. This effort resulted in three inbound tours of educational agents from Korea, China and Japan visiting the province which highlights the international interest Taranaki is now attracting.

The group has continued to consolidate its own reputation through a variety of marketing initiatives including branding, either collectively or by individual institutions, group purchasing of promotional collateral, continuing development of the Education Taranaki website, and dedicated brochure space at the Western Institute of Technology at Taranaki's Beijing, China office.

Membership has expanded to encompass 18 institutes who now operate under a defined code of ethics. Associate membership in related industries such as transport and cultural organisations continues to grow.

"Education Taranaki is a group of educational institutions that have clustered together to work cooperatively to market the region to international students.

The operating principles have been based on shared visions, a network of collaboration and services and an emphasis on prioritising markets.

Under the umbrella of Venture Taranaki, Education Taranaki has made significant steps in achieving its objectives.

The group appreciates the resourcing from Venture Taranaki, in particular the services and support of VTT's Education Project Manager, and the provision of Venture Taranaki as a point of reception and meeting facility.

We look forward to this positive relationship continuing."

Brett Sloan, Chairman, Education Taranaki.

Emigrate 2003

A contingent from Taranaki once again attended the highly successful annual emigrate expo in Sandown, London. Representatives from Venture Taranaki, the New Plymouth District Council, the Taranaki Chamber of Commerce and Arrus Knoble Human Resource Consultants dealt with a huge amount of enquiries regarding Taranaki from the 30,000 people that attended the expo.

Although the expo is highly effective in raising awareness of the province, the recent change in immigration criteria highlights the importance of working closely with employers in the public and private sectors to ensure written job offers can be forthcoming in a timely manner to facilitate the immigration process.

" Venture Taranaki has featured in the New Zealand area at the last two EMIGRATE exhibitions.

At these events tens of thousands of prospective migrants are on a mission to gather information to help them leave the U.K. Despite all Kiwis knowing New Zealand is the best country on the planet to live in, this message isn't necessarily understood widely beyond our shores. There is also increasingly fierce competition on the international stage for highly skilled migrants between countries seeking to add to their economic base.

There is no question that the professionalism of the Venture Taranaki presence at the EMIGRATE shows has set the best practice standard for other New Zealand exhibitors. Your representatives have been able to energise prospective migrants with their genuine enthusiasm for their product. Peter Tennent, Mayor of New Plymouth, resplendent in his mayoral chain, was probably the most identifiable character at the whole event. I can quite confidently say there will be skilled people living in Taranaki right now who would never have considered it an option but for the efforts of the Venture Taranaki team at the UK events. Being able to access information directly from key regional people gives Taranaki an enormous advantage, being able to access employment information and, in some cases, jobs is an extremely powerful selling tool."

Bruce Burrows, New Zealand Immigration Service.

NZ Oil and Gas Technologies Cluster

Venture Taranaki, in conjunction with Engineering Taranaki, has initiated development of an industry cluster group focusing on the oil and gas technologies sector. In its infancy, the cluster has a nation-wide perspective, and is focused on the economic and market development of the companies competing in this industry.

The cluster evolved from a series of approaches from the private sector to the Trust indicating that a collaborative approach would be beneficial to the development of the sector, both in the domestic and international marketplace.

"We believe the cluster could have very real benefits for those involved, and appreciate the facilitation provided by Venture Taranaki and Engineering Taranaki in driving this initiative forward."

Stewart Kidd, Seaworks.

Australasian Oil & Gas Expo – Perth 2003

March 2003 saw Venture Taranaki assist a group of eight specialist oil and gas companies to jointly attend the Australasian Oil & Gas Expo in Perth.

The collaborative approach taken by the companies proved very successful – allowing each to profile their respective services under a group umbrella utilising a high profile marketing opportunity they would otherwise have been unable to take advantage of.

The market exposure and ongoing outcomes for the group have proven to be extremely worthwhile.

Companies attending or represented by the group at the expo were BTW Associates Ltd, Deepwater Corrosion Services (NZ) Ltd, Digital Insight Ltd, Engineering Control Ltd, GPR Geophysical Services, Magellan Technologies Ltd, P&A Energy Services Ltd and Seaworks.



"Being able to be there has enabled us to start setting up a branch in Perth with significant contracts being settled subsequent to the expo.

The support provided by Venture Taranaki, both preparing for the event and during, was invaluable. Without their support the success levels achieved would not have been obtainable. Venture Taranaki facilitated much of the group's preparation for the event, including the development of marketing material for the exhibition."

Ash Peters, Digital Insight Ltd.

Retail Excellence through "Top Shop"

The ASB Bank Top Shop 2003 awards enjoyed unprecedented success. Over 795 nominations were received from the public with a total of 277 retail outlets being nominated for the top Taranaki retailer position, an 80% increase on last year.

The competition aims to encourage retail excellence by lifting service and presentation levels in this important industry sector. Award winners in six categories plus the overall Top Shop were announced at a heavily subscribed gala awards dinner featuring the 1998 world champion speaker and highly entertaining Brett Rutledge.

Overall ASB Bank Top Shop 2003

Flowers &, Inglewood

Category Winners

Large Format Stores sponsored by Stratagem

Winner - Harvey Norman, New Plymouth

Highly commended - Woolworths (NZ) Ltd, New Plymouth City

Lifestyle Food & Beverage sponsored by Tegel Foods Ltd

Winner - Sandwich Extreme, New Plymouth

Highly commended - Urban Attitude, Stratford

Commended - Brumby's, New Plymouth

Specialty sponsored by Aon Insurance Brokers

Winner - Flowers &, Inglewood

Highly commended - Goodyear Auto Service Centre, New Plymouth

Commended - The Mobile Fone Shop, New Plymouth

Homeware sponsored by Billings

Winner - Selectrix, Stratford

Highly commended - Intrigue Kitchen Design Ltd, New Plymouth

Fashion & Footwear sponsored by Telecom New Zealand

Winner - Guize Mens & Womens Clothing, New Plymouth

Highly commended - Karam's Clothes on the Coast, Opunake

Health & Beauty sponsored by Boon Goldsmith Bhaskar

Winner - Body Indulgence, New Plymouth

Highly Commended - Bliss, Hawera

Commended - OPSM Limited, New Plymouth



"I believe the Top Shop competition gives retailers a benchmark on which to set their standards. Winning Top Shop was for me the pinnacle of my career. Its been wonderful. Weve picked up some new accounts and its been like a real shot in the arm! We're thrilled."
Marie Pearce, Flowers &.



Top Shop was fantastic which is due to the way Venture Taranaki organised and ran it. The newspaper supplement and other publicity was superb. There was a buzz around Taranaki throughout the duration of it and the following days.

I enjoyed being involved and was delighted with the standard of retail I experienced whilst judging. The standard of retail is as good as it can get in New Zealand.

*Dave Wreaks, Regional Manager,
New Zealand Retailers Association.*



Regional Intelligence Unit

The Regional Intelligence Unit continues to produce both Taranaki Trends, the highly popular quarterly statistical publication and the Venture Taranaki Business Survey. The ability to undertake bi-annual surveys cannot be underestimated. The results become a highly powerful planning tool allowing the Trust to identify regional business issues and devise solutions to the challenges that arise. Each survey deals with a particular "Hot Topic" of relevance to the region at the time. This years topics have included the impact of the Iraqi war and how the drought affected the rural community.

"The Bank relies on the Taranaki Trends publication and statistical data from Venture Taranaki for market intelligence - it provides us with important information on regional trends and issues. Venture Taranaki really is a valuable source of business planning information."

Kevin Rimmington, Chief Executive, TSB Bank.

Venture Stratford

In 2002, the Stratford District Council worked with Venture Taranaki Trust to put in place a service delivery model that would best serve the interests of both the Stratford District and the Taranaki region. The result was the formation of Venture Stratford.

The partnership represents a significant milestone toward the achievement of enhancing the economic prosperity for our region, and provides local ownership and a point of reference for the business community of Stratford.

Whilst the economic development strategies of Venture Stratford take into account the broader regional issues being managed by VTT, emphasis has been placed on the key issues facing Stratford: employment, image and branding, infrastructure and technology. Significant progress has been made on these issues in terms of regional service delivery and local projects focused on both the structure and infrastructure of the local economy.



"Over the past nine months, we have seen an excellent partnership foundation being laid between the Stratford District Economic Development Trust and Venture Taranaki. At the onset, we understood that to achieve economic goals locally, we could not work in isolation. We knew we had to be progressive and innovative, take a regional view, and support this project with sound commercial acumen and a Board that was independent with freedom to act. We have achieved this and are excited by the results to date.

We look forward to the ongoing work of Venture Stratford and are totally committed to the foundation laid in partnership."

Wayne Kimber, Chief Executive, Stratford District Council.

iTaranaki

iTaranaki, the internet technology steering group facilitated by Venture Taranaki, has played a pivotal role in the identification of an acceptable solution to broadband implementation. Regionally, fifteen key exchanges have already been upgraded providing broadband access to over 80% of the population. The recently announced project Probe, a partnership between Telecom, Broadcast Communications Ltd and the Ministry of Education and led regionally by iTaranaki, signals the continued rollout of world class high speed internet access to 97% of Taranaki, opening up significant and exciting opportunities for businesses, schools, students and rural communities.

Membership of iTaranaki is continuing to grow and the cluster has formalised its structure as a charitable trust. Work is currently being undertaken on a strategic plan which will define the cluster's objectives and leadership role in the ensuing years.

"The partnership between Telecom and the local community has made Taranaki the most wired region in New Zealand.

The challenge for the region now is to engage it's business, social, cultural and educational sectors to use the technology for economic success.

Venture Taranaki can play a pivotal role in this through its relationships with the regional community."

Simon Moutter, General Manager, Networks Telecom New Zealand Limited.

Business In The Community (BITC)

Venture Taranaki has enjoyed its third year of coordination for the national Business In The Community mentoring programme (BITC).






The free mentoring service has continued its momentum throughout the region with over 420 business clients having received assistance from experienced, skilled, professional business mentors.

The past 12 months in Taranaki has seen 94 business clients matched with volunteer mentors. Although businesses are requesting a broad range of skill assistance, most are seeking general management advice and sales and marketing support.

"Through Venture Taranaki, the Business In The Community mentoring programme has been pro-actively developed due to the expansion of joint venture initiatives in Stratford and a number of projects designed to raise the profile of the scheme.

Business In The Community is appreciative of the opportunity to partner Venture Taranaki in the delivery of Small and Medium Enterprise(SME) business development that provides the very measurable outcomes of business growth, efficiency, wealth creation, employment generation and, where possible, export development for the Taranaki region."

Ray Schofield, Chief Executive, BITC.

NEW PLYMOUTH DISTRICT COUNCIL OBJECTIVES	KEY ACTIVITY AREAS OF THE BUSINESS PLAN	KEY INITIATIVES						
Infrastructure  Diversity	1. Stakeholder Partnerships To forge a positive working relationship with the New Plymouth District Council, and to ensure the efficient, effective and accountable delivery of its economic development functions. To build relationships with Iwi and community groups in the District on economic development	<ul style="list-style-type: none"> • Creation of a regional development strategy • Provision of appropriate services to tangata whenua • Construction of an updateable and interactive website • Regional intelligence & economic development advice • Timely reporting to stakeholders • Fostering of Council's relationships with business 						
Growth  Economic Sustainability	2. Infrastructure - Advocacy & Advice	<ul style="list-style-type: none"> • Ensuring the District has a competitive digital communications infrastructure • Monitoring of general infrastructure issues - e.g road, rail, air, etc 						
Choice 	3. Business Ideas, Development & Centres of Excellence To seek retention of key industries and provide a supportive environment for new and existing business.	<ul style="list-style-type: none"> • Retention and growth facilitation - rural, engineering, oil and gas • New business start-up assistance • Business mentoring • Targeted assistance to growth companies • Provision of general information, guidance and assistance 						
Jobs  Capability	4. Sunrise Industries & New Opportunities To obtain information, undertake feasibility studies and investigate opportunities for a range of identified potential sunrise industries.	<ul style="list-style-type: none"> • Industries identified for specific assistance: <table border="0" data-bbox="1352 979 1742 1059"> <tr> <td>Horticulture</td> <td>ICT</td> </tr> <tr> <td>Film</td> <td>Marine</td> </tr> <tr> <td>Aquaculture</td> <td>Arts & Culture</td> </tr> </table> • Forestry - downstream opportunities • Sports goods manufacturing • Opportunities as they arise (e.g call centres, smelters etc) 	Horticulture	ICT	Film	Marine	Aquaculture	Arts & Culture
Horticulture	ICT							
Film	Marine							
Aquaculture	Arts & Culture							
High Value  Equality	5. Investing in People & Communities	<ul style="list-style-type: none"> • CBD revitalisation • Retail strategy assistance and 'Top Shop' competition • Education - strategies towards a more educated community • Young Enterprise Scheme - encouraging entrepreneurial youth • Mayoral Advisory Group on migration and inward investment 						

financial statements

for the year ended 30 June 2003

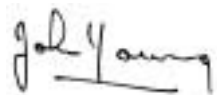
Trustees' Review

The Board of Trustees present their Annual Report including financial statements of the Trust for the year ended 30 June 2003.

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.

statement of financial position		For the year ended 30 June 2003	
		Note	2003
Current Assets		\$	\$
Cash on hand		2,332	978
Bank		395,329	407,033
Accounts receivable		458,946	81,033
		856,607	489,044
Non Current Assets			
Fixed assets	2	57,348	86,847
Total Assets		\$913,955	\$575,891
Current Liabilities			
Accounts payable		146,198	179,377
GST payable		38,587	1,685
Deferred grant		266,410	10,000
		451,195	191,062
Trust Equity		462,760	384,829
Total Funds Employed		\$913,955	\$575,891

The accompanying notes form part of these financial statements.
For and on behalf of the Trustees.



Chairman

1 August 2003

statement of financial performance		For the year ended 30 June 2003		
		Note	2003	2002
			\$	\$
Revenue	4	2,105,698		1,993,823
Operating surplus/(deficit) before tax	3	77,931		98,759
Taxation expense	5	-		-
Net Surplus/(deficit)after tax		\$77,931		\$98,759

statement of movements in equity		For the year ended 30 June 2003		
		Note	2003	2002
			\$	\$
Equity at 1 July 2002		384,829		286,070
Net surplus/(deficit) for period		77,931		98,759
Total recognised revenues and expenses for the period		77,931		98,759
Equity at 30 June 2003		\$462,760		\$384,829

The accompanying notes form part of these financial statements.

notes to the financial statements

for the year ended 30 June 2003

1. Statement of Accounting Policies

Reporting Entity

Venture Taranaki Trust is a charitable Trust settled under a Trust Deed dated 27 May 1998. The Trust commenced operations on 1 July 1998. The financial statements are a general purpose report which have been prepared in accordance with generally accepted accounting practice 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.
- Fixed assets 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. The useful lives have also been determined to reflect the contractual relationship with the Trust's key stakeholder.

Major depreciation periods are:

Fixtures and fittings 1 - 3 years

Office equipment 1 - 3 years

Leasehold alterations 1 - 3 years

- 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 instalments over the lease term.
- The financial statements have been prepared on a GST exclusive basis.

- 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.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in the prior year.

2. fixed assets

	Cost	Accumulated Depreciation	2003 Book Value
		\$	\$
Leasehold alterations	72,201	72,201	-
Office equipment	182,760	133,465	49,295
Furniture & fittings	85,137	80,471	4,666
Other fixed assets	10,509	7,122	3,387
	\$350,607	\$293,259	\$57,348

	Cost	Accumulated Depreciation	2002 Book Value
Leasehold alterations	72,201	72,201	-
Office equipment	162,297	91,028	71,269
Furniture and fittings	85,137	75,792	9,345
Other fixed assets (at cost)	9,968	3,735	6,233
	\$329,603	\$242,756	\$86,847

3. operating surplus

Operating surplus was arrived at after charging the following expenses:	2003	2002
	\$	\$
Interest	-	-
Depreciation	50,503	34,626
Rental and operating lease expenses	72,330	54,925
Trustees fees	41,617	43,740
Audit fee	3,000	2,800
Fees paid to auditors for other services	-	-
Trustees fees have been paid in accordance with the Trust Deed.		

4. Operating Revenue

Operating revenue for the year includes interest amounting to \$21,976 (2002: \$14,695).

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	2003	2002
Lease commitments under non cancellable operating leases for office premises and motor vehicles excluding GST are:	\$	\$
Not later than one year	116,682	36,862
Later than one year and not later than two years	32,868	15,706
Later than two years and not later than five years	25,661	13,331
	\$175,391	\$65,899

7. Related Party Transactions

During the normal course of business the Trust has purchased goods and services from businesses with which certain Trustees are associated. These transactions have been accounted for on normal commercial terms and conditions.

8. Subsidiary

On 23 October 1998 the Trust incorporated 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 this \$1 investment was written off in the year ended 30 June 2000.

9. Contingent Liabilities

There are no contingent liabilities at year end (2002:\$nil).

To the Trustees of the Venture Taranaki Trust

We have audited the financial statements on pages 20 to 23. The financial statements provide information about the past financial performance and financial position of the Trust as at 30 June 2003. This information is stated in accordance with the accounting policies set out on page 22.

Board of Trustees' Responsibilities

The Board of Trustees is responsible for the preparation of a financial report which gives a true and fair view of the financial position of the Trust as at 30 June 2003 and of the results of its operations for the 12 months ended 30 June 2003.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Board of Trustees and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Board of Trustees in the preparation of the financial report, and
- whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditors we have no relationship with or interests in the Trust.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been kept by the Trust as far as appears from our examination of those records; and
- the financial statements on pages 20 to 23:
 - comply with generally accepted accounting practice; and
 - give a true and fair view of the financial position of the Trust as at 30 June 2003 and the results of its operations for the 12 months ended on that date.

Our audit was completed on 29 July 2003 and our unqualified opinion is expressed as at that date.



SILKS
Chartered Accountants

Wanganui

Board of Trustees

John Young (Chairman)	Former Chairman: Chairman:	Kiwi Co-operative Dairies Ltd Auroam Ltd Lactanz WA
	Director:	Taranaki Health Board Westgate Transport Ltd PKW Farms Ltd Fulford Radiology
	Trustee:	WestpacTrust Research Station
John Auld	Partner: Barrister & Solicitor of the High Court Deputy Chairman: Director:	Auld Brewer Mazengarb & McEwen Westgate Transport Ltd Powerco Ltd Apex Consultants Ltd
Gloria Campbell	Regional Comissioner: Director: Trustee:	Department of Work & Income GLC Ltd Stratford District Economic Development Trust
Pat Heremaia	Chairman:	Te Runanga O Ngati Ruanui Trust Ngati Ruanui Kura Kaupapa Maori
Pauline Lockett	Partner:	PricewaterhouseCoopers Taranaki
Billy Tipene	Regional Maori Employment Broker Vice Chairman: Trustee:	Ngati Ruanui Tahua Iwi Authority Te Runanga O Ngati Ruanui Maunga Tu Maunga Ora Sport Taranaki
Barry Upton	Executive Director: Chartered Accountant & Business Consultant Chairman: Director:	Upton Associates Ltd Powerco Ltd TenderLink.com Ltd Apex Consultants Ltd
Roy Weaver	Chief Executive: Trustee:	Westgate Transport Ltd NZ Harbours Superannuation Trust
Peter White-Robinson	Chairman:	Fitzroy Yachts Ltd Fitzroy Engineering Group Ltd

trust directory

as at 30 June, 2003

Accountants

Staples Rodway, New Plymouth

Auditors

Silks, Wanganui

Bankers

TSB Bank, New Plymouth

Solicitors

Auld Brewer Mazengarb & McEwen,
New Plymouth

Registered Office

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New Plymouth.

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