



## **Total Sport – 2021 annual report**

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**For; Tracey Numanga – South Waikato District Council**

**Date; 4<sup>th</sup> August, 2022**

**Prepared by; Aaron Carter, Managing Director**

2021 was another year very much affected by covid, and the impacts of covid. Many industries have been challenged by covid, and none more than the events industry.

NZ went into lockdown (again) in mid-August 2021, and the ensuing restrictions in place (and the introduction of the traffic light system) saw us unable to put any events on for the remainder of 2021.

All in all, from August 2021 until we were able to go back to work and deliver events starting in May 2022, we lost a total of 11 events, which has had a reasonable negative impact on the business.

Throughout the covid era, we haven't lost any staff, and we are very proud and grateful about that.

On a positive note, we were able to deliver the Cougar trail run/walk event on Saturday 10<sup>th</sup> July, 2021. This was the second time we'd delivered this event, and very quickly it's become a popular event, based significantly around the quality of the location, and the trails at the Cougar MTB Park.

We had record numbers at the event, with 847 total participants. 34% of them came from within the Waikato region, 28% from Auckland, 16% from the Bay of Plenty, and the remaining 22% from other regions around the North Island.

The Taniwha sadly wasn't able to happen due to covid restrictions. At the point in which we cancelled the event, we had a total of 462 people entered.

From the start of covid in March 2020, and doing our best to understand the potential impacts on the business, we chose to implement a credit-based policy. What this means is that if/when an event is cancelled, we issue the participants in that event a credit to the value of the price they paid, which can be used to enter any of our events in the future.

This policy, while it was very well received by the Total Sport community, has provided massive risk and financial exposure. The reason being that even if an event doesn't happen, we are continuing to pay the costs of running the business and covering costs such as; staff, office rent, utilities, insurance etc.

We are then still needing to put that event on the following year, with a huge amount of people that will use credit/s, therefore event entry revenue (by far our biggest source of income) has dropped away significantly.

All this said, we have managed to get through the covid storm, and are financially stable, and positive about the future of the events industry, which will bounce back at some point this year we believe.

Attached is the profit and loss from the 2021 Cougar trail run/walk. There is no profit and loss for The Taniwha, however, we can report that Total Sport sunk costs into the staff, rent and overheads for this event (despite it not happening) totalling \$35,000.

We'd like to send a heartfelt thanks to you and the team at the SWDC for the ongoing support of our events, and business, and are looking forward to working with the many, many amazing people in the region again into the future.

Nga mihi

A handwritten signature in black ink, appearing to read 'A. Carter'.

**Aaron Carter**

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