

PARTNERSHIP WELLINGTON TRUST
(trading as POSITIVELY WELLINGTON TOURISM)

STATEMENT OF TRUSTEE INTENT

2009-10

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Partnership Wellington Trust

1 The Status of the Trust

Partnership Wellington Trust Incorporated (trading as Positively Wellington Tourism) is incorporated under the Charitable Trust Act 1957 and is a not for profit organisation. It is currently responsible for the following activities:

- Marketing Wellington as a visitor destination domestically and internationally
- Marketing downtown Wellington to Wellingtonians and visitors
- Operating the Wellington i-SITE Visitor Centre

The Trust has a strong city focus in all its activities, largely due to funding sources. Its international marketing programme has a strong regional focus.

The Trust is a Regional Tourism Organisation. By virtue of this status it is closely connected with most government and non government organisations and private sector organisations related to the tourism sector.

Similarly to other Regional Tourism Organizations the charitable status of Partnership Wellington Trust is currently under review by the Charities Commission.

1.1 The Vision and Mission

Positively Wellington Tourism (PWT) launched the “Wellington Tourism Strategy 2015” in December 2008.

The Wellington Tourism Strategy provides both a link to the national tourism strategy (“New Zealand Tourism Strategy 2015”) and a broader strategic framework for the Wellington Cruise Strategy, Wellington Events Strategy and Long-haul Air Connectivity Strategy.

The PWT Vision

Wellington will be the coolest urban destination in Australasia, ranking alongside the most internationally recognisable cities in the world.

Wellington will have a range of tourism products and experiences that will demand that visitors stay longer and do more.

Wellington will be marketed to New Zealand and the world as a high value destination. Through use of a wide range of media channels and innovative activities the ‘Wellington’ message will reach far and wide.

The visitor experience of Wellington will be second to none and create positive advocates for the city.

PWT's Guiding Principles

- Wellington's tourism sector takes a leading role in the sustainable development of Wellington's economy
- Collaboration between Wellington's tourism stakeholders is unrivaled anywhere in Australasia
- Wellington boasts unparalleled destination management, collaboration and implementation
- Wellington strives to be the most innovative marketing destination in Australasia

PWT's Goal

To outperform forecasted visitor expenditure growth in New Zealand by 5% each year.

1.2 Objectives of the Trust

The Trust Deed outlines:

The principal object of the Trust shall be to market and add value to Wellington and to achieve sustainable economic growth for the benefit of the public of Wellington.

In carrying out the principal object, the Trust shall also have the following additional objects:

- Maximise the city's share of regional consumer spending through strategic campaigns promoting the city throughout New Zealand and overseas as a destination for shopping, leisure, entertainment and events.
- Enhance the profile of city tourism and retail businesses; promote strategic alliances and private sector partnerships.
- Further enhance the recognition of Wellington and give support to the Wellington region as a key and desirable visitor destination.
- Actively facilitate the co-ordination of marketing initiatives appropriate to the objects of the Trust.
- Ensure marketing initiatives are focused on increasing the sustainability of Wellington's commercial sector.
- Recognise and promote community focused initiatives.
- Enter into funding agreements and other contracts that are necessary or desirable to achieve the objects of the Trust.
- Generally to do all acts, matters and things that the Trustees consider necessary or conducive to further or attain the principal and additional objects of the Trust set out above.

The Trust's objects shall be carried out in or to benefit people in Wellington. The Trustees may carry out activities outside Wellington to promote the Trust or the Trust assets, but only if they believe that such activities will be for the ultimate benefit of people in Wellington.

2 Governance

Partnership Wellington Trust is a Council Controlled Organisation. It was settled in 1995 by Wellington City Council.

2.1 Role of the Board

The Trustees are responsible for setting the strategic direction for the Trust, and approving the Statement of Intent and Annual Business Plan. The Board monitors organisational performance and ensures the ongoing viability of the organisation is maintained.

The Board delegates the day to day operation of the Trust to the CEO and the Management Team, who report monthly to the Board.

As part of the ongoing relationship with Wellington City Council the Chair meets with the Mayor and CEO on a regular basis and the CEO meets regularly with Officers of the Council Controlled Organizations Unit and other Council Management when appropriate. The Chair and CEO attend the Monitoring Sub Committee as required.

2.2 Board Membership (as at 30 June 2009)

Member	Term expires
Glenys Coughlan (Chair)	31 December 2009
Peter Monk	31 December 2011
Ruth Pretty	31 December 2009
Jo Coughlan	31 December 2010
Kim Wicksteed	31 December 2011
John Milford	31 December 2009
Mike O'Donnell	31 December 2010

2.3 Board Operations

The Board will aim to meet best practice governance standards. The Board will meet no less than eleven times per year and in addition to the Audit, Finance and Risk sub committee the Trust has recently established a remuneration sub committee. Other sub committees will be established as required.

A review of Trustee performance will be completed in December each year by the Chair. This will be completed through the New Zealand Institute of Directors formal assessment process.

2.4 Audit, Finance and Risk Sub Committee

The Audit, Finance and Risk Sub Committee meet at least twice a year. It reviews and recommends the Annual Report and Audit to the Board.

2.5 The Remuneration Sub Committee

The Remuneration Sub Committee meets at least twice a year. It reviews and recommends executive remuneration to the Board.

3 The Nature and Scope of the Activities to be Undertaken

3.1 Background and Operating Environment

The Trust has a diverse range of operating activities and operates in most key areas of the tourism sector. It is reliant on financial support from Wellington City Council, partnership funding, joint ventures. The trust also operates the Wellington i-SITE which is targeted to be a cost-neutral activity. The Trust competes with other city priorities for funding and is publicly and privately accountable for its expenditure.

3.2 The Main Activities of the Trust

3.2.1 Leadership

- Leading Wellington's tourism industry growth and development in an innovative and vibrant way. Developing and defining industry strategy is central to the leadership activity

3.2.2 Online Tourism Distribution

- Ensuring that Wellington has a high profile and highly effective online tourism presence with maximum ability to convert consumer interest into purchasing Wellington visitor experiences

3.2.3 i-SITE Visitor Centre

- Operating an i-SITE Visitor Centre

3.2.4 International Marketing

- Marketing Wellington as a visitor destination in target long haul markets, notably the UK, Europe, the USA and increasingly in Asia
- Ensuring better connectivity in long haul markets by working on the development of long haul air services

3.2.5 Convention Bureau

- Marketing Wellington as a leading conference and convention destination to the New Zealand and Australian markets

3.2.6 New Zealand Marketing

- Delivering targeted marketing programmes and campaigns to the New Zealand market

3.2.7 Downtown Marketing

- Delivering campaigns to help ensure downtown Wellington remains vibrant as a place to visit for locals and visitors

3.2.8 Australian Marketing

- Marketing Wellington at both consumer and trade levels in the Australian market
- Ensuring better connectivity with Australia by encouraging increased air capacity and new route development

- 3.2.9 Event Marketing and Development
 - Support event development and add value to the event programme with targeted marketing and promotions support
 - Working closely with Wellington City Council on event development and jointly establishing and applying criteria to further develop the city’s understanding of the economic, social and other benefits of events
- 3.2.10 Communications
 - Leveraging marketing activity and key city messages by way of an active communications plan
- 3.2.11 Research
 - Ensuring Wellington’s tourism dataset and information base is industry leading and able to properly inform marketing and product development decision-making both for the decision making process of the trust and as an information source for other agencies and private enterprise.
- 3.2.12 Product Development
 - Supporting the development of new tourism attractions and the development of new and existing tourism businesses and services
- 3.2.13 Partnership/Relationships
 - Maintaining a strong private/public sector funding approach to the Trust’s work
 - Maintaining strong relationships with relevant public and private sector interests, most notably Wellington City Council.

3.3 Future Direction of Tourism – Strategic Goals

In the following sections of the PWT Statement of Intent we outline the risks and opportunities that we see for Wellington as a visitor destination.

As an organisation PWT takes risk management seriously. We also believe it is vitally important to target development opportunities that will help to secure the future of Wellington as a vibrant and viable visitor destination.

PWT has set some significant goals for 2009/10 and beyond. These goals take into account the immediate and long term potential of tourism – they are both sensitive to the current environment and cognisant of tourism’s future potential.

The Trust has the following strategic goals for 2009/10

- (1) PWT will develop a “best of breed” i-SITE experience. In order to ensure that the visitor experience of Wellington is as good as possible, we must lead by delivering exemplary service through a medium which inspires the visitor to stay longer and do more. To do this we must locate our activities in a place where we can interface with the highest possible number of visitors. After an extensive review programme our preferred sites are Shed 13 (we understand that this is under negotiation with alternative tenants) or Shed 11 on the Wellington Waterfront

- (2) PWT will increase the recognition and desirability of Wellington in Australia. To achieve this PWT will work with partners to secure adequate funding so that we can make a credible impact in the Australian marketplace and secure and grow our share of Australian visitors/spend in regards to business, leisure and friends and family visitation
- (3) PWT will seek to extend the economic impact of tourism by attracting visitors from sectors that currently do not incorporate Wellington in their itinerary. A specific action will be to find a way to develop the best urban campervan park in the country.
- (4) PWT will maximise the productivity of the investment made by Wellington City Council in the marketing and sales activities of its core visitor attractions by working with the existing Council Controlled Organisation's and other agencies/organisations to bring together a series of world class visitor experiences
- (5) PWT will utilise online marketing activities to educate the world about Wellington and increase its desirability as a business and leisure destination. These activities will expose a global audience to the Wellington proposition and will reflect Wellington's goal of becoming the coolest urban destination in Australasia, ranking alongside the most internationally recognisable cities in the world
- (6) PWT will maintain Wellington's position as the most desirable NZ urban destination for a short-break in the domestic market. New Zealander's understand what Wellington is about; PWT will offer the domestic market more reasons to visit more regularly through effective marketing activity.
- (7) PWT through strategic development activity and marketing support will play a lead role in the development of more events throughout the year and appealing to a wide variety of audiences.
- (8) PWT will work with the convention and events sector to consider how the requirements of each can be met in Wellington both to maintain growth in the current environment and to work with the ambitions of both sectors to deliver a 'Vector' style arena with convention facilities for these activities in the future.

3.4 Alignment with Council Outcomes

The table below outlines where the Trust's objectives are most closely aligned with Wellington City Council's objectives. There is also a strong common goal to ensure the areas of having a stronger sense of place and ensuring the city is better connected with airline services. There are also strong connections to ensure the city remains a leader in the event area and contributes to the city's cultural wellbeing.

The Trust will continually strive to work closely with Wellington City Council to deliver on city objectives. It views itself as a partner of Wellington City Council in delivering on the wider economic and city development programme.

The Trust will work closely with Wellington City Council, other Councils, and Grow Wellington on the development of the Wellington Regional Strategy and its implications on the tourism sector. Where appropriate the Trust will continue to have a regional approach to our work, respecting that our activities will be dictated by the stakeholder resources with

which we are provided, especially with international marketing where developing the region as an attractive visitor proposition will develop a longer visitor stay in Wellington city.

WCC STRATEGY FRAMEWORK	OUTCOME
Economic Development Strategy	<p>Better Connected</p> <ul style="list-style-type: none"> • ‘Wellington will be connected locally, nationally, and globally offering world class linkages....’ Access to key transport facilities that handle exports boosts productivity and economic growth. There is also scope to better leverage Wellington’s strategic positioning as the gateway to the North and South Island. <p>Stronger Sense of Place</p> <ul style="list-style-type: none"> • ‘Wellington will be a prime tourist and conference destination, with diverse and changing attractions that fit and highlight Wellington’s best features.’ The tourism industry makes a significant contribution to the Wellington economy and increasing international and domestic visitors means ensuring visitor growth is supported by appropriate infrastructure. <p>More Competitive</p> <p>‘Wellington will attract and retain an increasing diversity of vibrant internationally competitive people, targeted investment, and businesses and industries of all sizes.’ Wellington has a role as a business centre for the region. The Council wants to internationalise in order to achieve a state where businesses locate in Wellington because it is a place where ideas with global application and global market connections can best be created.</p>
Transport	<p>More Prosperous</p> <ul style="list-style-type: none"> • Wellington will have a coherent and efficient transport system that aids economic development.

3.5 Organisational Health and Capability

Organisationally, the Trust is in a sound position. However it is reliant on funding support from Wellington City Council and other income such as private sector partnership funding and other grants and sponsorships. The Trusts turnover is derived from three key sources; Wellington City Council grant (54%), Operation of the Wellington i-SITE (32%) and partner income from the Wellington tourism industry (14%).

The current economic environment will put pressure on both public and private sector funding. We can also expect increased competitor activity as other RTOs compete for a bigger share of both the domestic and Australian markets to compensate for the decline in long-haul markets.

The organization’s private sector partnership programmes are critical to the marketing of the city and bring significant competitive advantage by way of industry input and funding, and a

high level of commercial accountability. The level of partnership funding could be under some threat in this recessionary climate.

Maintaining the Trust's funding base and mix is fundamental to sustaining the operational viability of the Trust and any reduction in funding or substantial change in the funding mix would result in a consequent reduction in service levels, changes in core capabilities or a reduction in the scale and impact of our marketing programmes. Wellington's successful growth as a visitor destination since the foundation of the Trust has been grounded on the cooperative arrangement between City Council and private enterprise, this has enabled the Trust to carry out a greater range of activities increasing visitation from a broader set of markets than any other comparable body in New Zealand. Any reduction of funding from a stakeholder organisation challenges the ability of the Trust to maintain these activities successfully.

The Trust's ability to retain and enhance the development of its staff is central to its organisational health. The recent change in chief executive and changes in the senior leadership team have been well received by the tourism industry and other stakeholders and the establishment of the Remuneration Sub Committee is designed to offer increased support to the CEO.

As marketing and development programmes grow, so does the Trust's need to maintain a solid administrative and infrastructural support base. Maintaining IT networks and databases are critical to the organisation's health and capability.

3.6 Risk Management and Mitigation

The major risks that the Trust faces and a summary of key mitigation strategies are presented below. The Trust maintains an active Risk Register that is reviewed at every Board Meeting.

3.6.1 Financial Risk

3.6.1.1 Limited funding

The Trust seeks to protect, grow and diversify its funding base to ensure that it can continue to make a positive contribution to the achievement of Wellington cities strategic objectives.

Risks include the failure of funding to keep pace with increased costs of staff and marketing inflation and the cost of service delivery. As noted above the global economic crisis and New Zealand's economic recession will put further pressure on funding sources.

Positively Wellington Tourism receives no annual inflation adjustments as part of its funding. In real terms, its market reach and ability to pay competitive salaries is reducing.

Mitigation measures we employ:

- Review all funding options/methods available to the Trust
- Maximise funding diversity
- Continually review the return on investment of all marketing initiatives and assess those initiatives against new opportunities to ensure the best outcomes are delivered to all stakeholders.

- Seek annual CPI inflation adjustments with funding, particularly in key areas of the organisation, notably salaries

3.6.1.2 Limited financial flexibility

The Trust employs prudent financial controls to match expenditure with income. The Trust retains a small cash reserve to provide for any variations in funding streams or changes in the timing of project expenditure.

The relatively low cash reserves position puts some constraints on financial flexibility. While this ensures that the Trust works closely with Wellington City Council on funding issues, it also provides little scope for the Trust to manage changing working capital demands or other financial pressures.

The Trust is planning to operate on a breakeven basis after depreciation in the 2009/10 year. The Trust will retain a cash reserve to a maximum of \$250,000 for extraneous ‘one off’ events or emergencies such as the loss of private sector funding.

Mitigation measures we employ:

- Regular dialogue with marketing partners and partner organisations/ agencies.
- Rigorous cost management
- Monthly Revenue / Expense forecasting
- Budgets for each operational area are written on a per project basis enabling return on investment analysis to be carried out to determine the effectiveness of individual actions within the annual activities of the Trust.

3.6.1.3 Private sector partnerships

The Trust has well established funding partnerships with a range of private sector operators. This enables a far higher level of marketing activity than could be sustained by Council funding alone. This demands a high level of commercial accountability in addition to demonstrating the broader economic returns to Council. An example of this commercial accountability would be when a partner in a particular programme is provided with a breakdown of the activities carried out by the Trust that have assisted that individual partnership. This might take the form of, for example, a lead generation report to a convention bureau partner.

The loss of private sector partnership funding is a risk. A significant share of revenue is derived from this source. External influences outside the Trust’s control can result in a change of direction for some private sector partners, as can changes in key personnel thus reducing funding for Positively Wellington Tourism marketing activity. Strategic development of partnerships means that the Trust now benefits from partnerships with around eighty commercial organisations. These partnerships ensure that the Trust is working for the development of Wellington as a destination whilst working with the commercial realities of the visitor industry.

Mitigation measures we employ

- Close and proactive partnership management

- Developing relationships that are more than “one deep” with partner organisations
- Ensuring campaigns and programmes remain relevant to private sector partners and deliver commercial returns
- Continuing to innovate with our marketing programmes and provide independent tracking measures with commercial return (e.g. Book-It)

3.6.1.4 Funding for the future

To ensure that the Trust is able to meet its Council and partner commitments, the Trust undertook a comprehensive review of all marketing activities and cost centres in 2007/08.

Based on this review, the Trust made some changes to its marketing programmes and identified some areas in the marketing mix that had been subject to significant underinvestment.

The Trust’s investment in online marketing was one such area and this placed Wellington in a position of competitive risk.

As a result of this review, PWT was in 2008 granted an additional \$ 624,000 per annum to enable the City to better compete in the online marketing space.

An ongoing ‘risk area’ for the Trust is the extent to which PWT’s online activities extend into a purely commercial space and PWT ends up as a direct competitor to other commercial operators that do not have the benefits of public sector funding.

Mitigation measures we employ

- Positively Wellington Tourism will continue to work with Wellington City Council in relation to any potential issues
- Positively Wellington Tourism does not exist to make a profit and any income generated via participation in the online marketing space would be reinvested in core marketing activity (note: the online revenue anticipated from hotel bookings in the 2008-09 business plan was misstated at \$1.4m, the new target represents a 20% increase on 2008-09 levels).

3.6.1.5 Significant Risk for 2009

There is one other significant risk area that the Trust identified in 2007/08 and that has become even more of a risk in the current global climate.

Australia is a significant source of visitors to Wellington and as long haul markets suffer, New Zealand is looking to Australia as a source of visitors to fill the gap. Tourism New Zealand are investing more in the market (but their campaign is experience vs. destination based) and Regional Tourism Organisations like Queenstown and Christchurch are making significant investments (in excess of \$1m) in the Australian market.

PWT has only \$ 392,000 per annum for marketing in Australia. This leaves Wellington vulnerable to severe erosion of market share.

Mitigation measures we employ

- Seek alternative and/or additional funding

- Close partnership management with existing funding partners

Mitigation measures we recommend

- Increase the marketing of Wellington in key Australian urban areas through a \$0.015 increase (per \$ 100 of capital value) in the targeted downtown rate levy

Downtown Levy: 2009/10			
	Total Downtown Levy	Cents per dollar of capital value	Downtown CV
Current	\$10,486,000	\$0.001386	\$7,565,656,566
Proposed	\$11,999,131	\$0.001586	\$7,565,656,566

This will enable PWT to carry out a campaign which will raise the profile of the city as a business and leisure destination in Australia whilst defending the short term challenge of reduced demand from long haul markets.

Based on Ministry of Tourism statistics and understanding available airline inventory the following outcomes would be expected:

Additional arrivals	7,300.00	Additional nights (20 more arrivals per day)	27,740
Expenditure per visitor night	597.84	Additional Expenditure (in tourism)	16,584,082
Flow Down Effect factor	2.20	Additional Expenditure (inc. flow-on)	36,484,980
Employment factor	100,600.00	Additional employment created/preserved	363

(Expenditure per Visitor Night, Flow-Down Effect and Employment Factor calculated from Ministry of Tourism information 2006)

Positively Wellington Tourism has made a submission to Wellington City Council for \$1,038,000 of additional funding to carry out additional marketing activities in Australia to address this significant risk.

(Two scenarios are attached to this Statement of Intent. Scenario 1 demonstrates financial performance if this request is not met; scenario 2 demonstrates financial performance if this request is met.

3.6.2 Capability Risk

3.6.2.1 Core capability and staff retention

Positively Wellington Tourism is committed to attracting and retaining great talent and as noted above recent changes in the executive team have been well supported. The core capability of PWT is retained in a small number of key positions and competition for talented staff is intensifying. Paying competitive salaries is key. Managing staff retention and keeping staff turnover at a healthy level is a priority for PWT.

Mitigation measures we employ

- Ensuring an effective succession planning system is in place
- Ensuring salary levels and benefits within core management team are competitive as possible in the market
- Ensuring staff feel appreciated and rewarded in their roles by developing a strong team culture
- Ensuring information systems and operating procedures are maintained and documented to minimise the impact of core staff leaving
- Salary remuneration programme operating so as to ensure market competitiveness
- Remuneration sub committee of the Board

3.6.2.2 Advocates for Wellington

The Trust has been able to develop a number of effective national and international partnerships. From time to time the organisation may be forced to take different positions on certain issues involving financial partners. This could bring us into conflict with our partners – e.g. being asked to comment on tourism or aviation issues where partners have conflicting objectives.

Mitigation measures we employ

- Ensuring partnership management responsibilities are shared throughout the organisation and lie with more than one or two staff – meaning marketing and advocacy issues can be separated to some degree
- Ensuring the Board and Wellington City Council clearly understand the risks associated with taking different views to our partners on specific issues
- Maintaining a strong and consistent position that reflects that Positively Wellington Tourism exists to serve the “big picture” interests of Wellington

3.6.3 Market Risk

3.6.3.1 Regional competition

Positively Wellington Tourism aims to be recognised as one of Australasia’s leading Regional Tourism Organisations and has an organisation-wide commitment to maintaining a competitive edge in everything we do. Competition from other regions, both within New Zealand and Australia, is growing significantly. Many are beginning to fund domestic marketing activity to much higher levels than previously. A number have confirmed high quality events and are targeting Wellington’s hard won position as an event leader.

Mitigation measures we employ

- Closely monitor activity in other regions
- Keep funders aware of new competitive activity
- Work with Wellington City Council to ensure a vibrant year-round events calendar

3.6.3.2 Commissionable products

Growing Wellington’s product offering and enhancing the value of the visitor experience is fundamental to attracting increased visitor spend. While Wellington doesn’t have the “must see/must do” commercial attractions of other destinations we do have a very strong and

commissionable accommodation base – indeed, the commission that wholesalers and others enjoy from Wellington is better than they would enjoy in other New Zealand destinations.

And, while developing new attractions is challenging, the opportunity exists to better connect current offerings to create new visitor experiences (e.g. Kapiti, Karori and the Zoo, or Carter and Wellington Museum and Te Papa) by marketing, packaging and ticketing packages collectively.

Positively Wellington Tourism is enthusiastic about being more actively involved in the product development process and in connecting product offerings/experiences. We are actively working with Wellington’s leading attractions to create “value add” visitor experiences. This includes closer collaboration with the likes of ‘Zealandia – The Karori Sanctuary Experience’ and Carter Observatory.

Positively Wellington Tourism has projected visitor numbers to the new council funded visitor attractions in order to confirm feasibility assumptions. These projections are calculated through considering different types of visitor to Wellington and the wider region and then setting penetration rates against each visitor types experienced by other similar attractions both in the Wellington region and from across New Zealand. These assumptions presume that the experience delivered is ‘first class’ and that pricing can be set at a level appropriate to the experience.

In particular regards to ‘Zealandia – The Karori Sanctuary Experience’ Positively Wellington Tourism will engage both at a strategic and operational level to ensure that efficiency, skills, coordinated media buying and partnership leveraging are maximized in order to maximize the opportunity for the Karori Sanctuary Trust to deliver both visitor number forecasts.

PWT is also working with Grow Wellington in the Food, Wine and Cuisine space. Again, there are opportunities to “commercialise” some of these offerings.

Mitigation measures we employ

- Identify new product development opportunities based on “joining the dots” vs. relying on investing in new (physical) attractions
- Secure resources to grow, develop and market new experiences
- Closely align development activity with Wellington Regional Strategy and Wellington City Council.

3.6.3.3 Air access and transportation links

Air access is critical to growth. PWT has adopted a “high level” view of this. Direct long-haul air connectivity is a WIAL, City and Grow Wellington goal and PWT supports this, PWT also supports the protection and growth of trans-Tasman air capacity and the possibility of long-haul indirect services.

Mitigation measures we employ

- Maintain active working relationships with all airlines that operate to and from Wellington, support marketing programmes at a tactical level
- Retain ongoing contact with WIAL to understand their business objectives and support those objectives as appropriate

- Maintain close working relationships with other national transportation providers – rail, coach, ferry etc. If Wellington is capacity constrained in aviation terms then we need other ways of channelling travellers to and through our destination
- Continue to seek regional funding to take advantage of long haul flight opportunity

3.6.3.4 Convention/Event facilities

Large purpose-built convention and event centre facilities that compete effectively with other regions are required. The convention market alone is worth in excess of \$100m per annum to Wellington. There are growing market risks around Wellington’s existing convention centre facilities being uncompetitive.

There are also direct linkages between attracting additional air services and creating a business environment that will attract investment in new visitor products and services, and the development of convention facilities.

Mitigation measures we employ

- Continue to review and assess the case for new convention/event facilities
- Identify opportunities for developing new convention/event facilities

3.6.3.5 Event Marketing

Events have played a vital role in developing Wellington’s brand. The capital boasts a high caliber event programme, including the New Zealand International Arts Festival, the NZI Sevens and the Montana World of WearableArt™ Awards Show. These three events contribute a combined total of \$36.8 million to the Wellington economy per annum. PWT invests \$280,000 marketing these and other events domestically.

PWT’s event marketing programme has strong links to Wellington City Council’s Events Strategy. Council invests significantly in event development. PWT complements this investment by promoting and marketing a wide range of events through both targeted and generic marketing activity. PWT is heavily involved in the decision-making process relating to events and has supported the establishment of the Event Development Fund and its growth over the years. A strong spirit of cooperation exists in this area and PWT has a strong commitment to marketing events that are receiving development support.

Increasingly, PWT is finding it more challenging to increase or widen marketing activity in the event area within existing financial resources. Given Wellington’s leadership position in the event area, PWT is concerned that any reduction in competitiveness in this area could have negative impacts on the city’s event programme and the economic gains made from it.

Mitigation measures we employ

- In the short term we can adjust media schedules within the New Zealand Marketing Campaign to free up additional resource for event marketing
- Seek additional funding or sponsorship to enable an increase in activity

3.6.3.6 Support infrastructure

The Regional Visitor Monitor is indicating that support infrastructure such as signage, parking and campervan facilities are not meeting market expectations and demand. If not done well, these issues can impact on overall visitor satisfaction. If satisfaction is not at high levels then it could have implications on visitor growth and stay in the medium to longer term.

Facilities and arrival experiences for the increasing number of cruise visitors is also a risk. Transport provided by the cruise line operators to and from the port is not always satisfactory and needs attention if Wellington wants to be a serious player in this market. PWT with WCC have during the summer of 2008/9 trialled a shuttle service; working with CentrePort the two parties will need to create a long term outcome prior to the 2009/10 cruise season.

Mitigation measures we employ

- Advocate for visitor signage policies
- Advocate and facilitate the development of appropriate parking and public toilet facilities for visitors
- Advocate and support the development of better cruise visitor transport to and from Aotea Terminal
- Work with Cruise NZ, Centre Port and WCC in development of long term solution

3.6.3.7 Visitor safety

The issue of visitor safety is of growing concern to New Zealand and Wellington tourism. In recent times this issue has attracted more media attention than ever before. Wellington must put in place visitor safety plans to inform visitors of potential risks.

Mitigation measures we employ

- Work with Tourism New Zealand, Wellington City Council and other stakeholders to ensure visitor safety plans are put in place

3.6.3.8 i-SITE Visitor Centre

The Wellington i-SITE Visitor Centre is operated by PWT. In the last 2-3 years, it has become increasingly apparent that the current centre is not operating at peak efficiency in its current location. As a result, PWT has been looking at either relocating the centre close on the Wellington Waterfront, or expanding the Centre in its current location. Further to this, we believe the current i-SITE experience does not fully align with Wellington city's overall market position as a creative and innovative city.

The i-SITE is a strategic asset for a city and an important reflection of a destination's sense of place. It is our view that Wellington's i-SITE should better reflect this sense of place than it currently does.

Mitigation measures we employ

- We are actively reviewing the i-SITE visitor model and location to better reflect Wellington's sense of place and to upgrade the overall visitor experience
- Work with Wellington City Council, Wellington Waterfront and Te Papa on relevant development options

3.6.3.9 Environmental and sustainability issues

Global warming and sustainability. In the next 2-3 years issues surrounding global warming and sustainability and tourism's impact on it, will grow. The industry will need to embrace these marketing shifts and ensure that it has strategies in place to deal with issues such as carbon emissions. Collaborating with Wellington City Council and other affiliated organisations such as Grow Wellington on these issues will be critical to ensuring a collective response on these issues.

Mitigation measures we employ

- Understand key issues and impacts and monitor developments
- Integrate issues and responses to them into strategies and plans
- Identify areas in which Wellington can take a leadership role

3.6.3.10 External factors

External economic factors and other macro events e.g. fuel prices can have a major influence on visitor numbers. Such events could seriously impact on the tourism sector and have a significant impact on the Trust's ability to generate revenue from its i-SITE (which operates to a cost-neutral position) and private sector partners. Softening of international visitor demand may have impacts of commercial partnerships. This will need close attention.

Mitigation measures we employ

- Keep up to date with global/macro issues and their likely impact on New Zealand and Wellington tourism. Keep the wider industry and Wellington City Council informed as appropriate
- Keep Partners informed of global issues and the likely impacts on the market.

3.6.3.11 Internal Audit Function

Positively Wellington Tourism respect Wellington City Council's request for an internal audit function. The organisation will contract Wellington City Council's Risk Assurance team to analyse specific aspects of its operation. It is likely we will focus our attention in this area on the partnership funding process and areas where there are high transactional elements and systems such as the i-SITE.

3.7 Council Relationship Principles

The Trust will provide quarterly reports in the agreed format to the Monitoring Sub Committee on the agreed dates and present its Summary Business Plan along with the Strategic Plan and Statement of Intent on agreed dates.

The Trust's Annual Report and audited accounts will be supplied to the Wellington City Council within 60 days of the end of the financial year.

The principles governing the relationship with Wellington City Council as its primary stakeholder will include:

- Operating on a "no surprises" basis with open and full disclosure of information as required

- Early advice to Wellington City Council in the event of any situation that may be potentially contentious in nature
- Disclosing any significant transactions that are planned within the Trust's Business Plan

Financial and operating measures will be reported on a quarterly basis including the following:

- Statement of Financial Performance
- Statement of Financial Position
- Statement of Cashflows
- Statement of Movement in Equity
- Forecast for Statement of Financial Performance
- Capital Expenditure
- Progress against operational KPIs as detailed in the Business Plan

3.8 Future Direction of Tourism

Wellington tourism has been through over 10 years of positive growth. In 1999, it is estimated that the industry contributed \$679 million per annum to Wellington's economy. In 2006, the industry was worth \$1.2 billion to the Wellington regional economy. Projections indicate that this will be nearly \$2 billion per annum by 2013.

The outlook for tourism is still looking incredibly positive in that tourism will continue to be a key part of the New Zealand economy; the industry in Wellington needs to ensure that it is playing its part in planning for its future.

PWT has updated the Wellington Tourism Strategy. This strategy was launched in December 2008 and will form the basis of forward planning within Wellington's tourism sector. With good planning and investment, PWT believes the growth in Wellington's tourism sector can be continued even in the more turbulent economic environment of today.

4 Measuring Performance

Scenario 1: Funding proposal not approved

	2009/10
Australia Sales and Marketing	At least maintain Australian visitor arrivals at 2008/09 levels and aim to match NZ inbound growth
	Airline capacity maintained at least at 2008/09 levels and negotiations advanced to grow capacity further
Convention Bureau Sales and Marketing	5% increase in leads/referrals year on year
	Maintain Wellington's C&I market share
Downtown Marketing	Downtown weekend visitation within -10% of 2008/09 levels
	Weekend car parking occupancy 5% above 2008/09 levels
	Weekend sales within -10% of 2008/09 levels
	Maintain visitor spend in Downtown Wellington
	Maintain local spend and visitation in Downtown Wellington
International	Maintain international visitor nights within -10% of 2008/09 levels
	Annual decline of not more than 15% on 2008/09 levels
	Maintain Wellington's market share of international visitors to NZ
New Zealand and Event Marketing	New Zealand visitor nights 2% above 2008/09 levels
	Weekend rooms sold in partner hotels 2% above 2008/09
Online and IT	20% growth in visitors to WellingtonNZ.com
	Generate \$660K of bookings through WellingtonNZ.com to \$660k (c 20% growth)
Product Development	Support investment groups in completing feasibility studies for product developments
i-SITE Visitor Centre	Maintain Revenue at 2008/9 levels
	Increase proportion of sales to Wellington product by 10% relative to 2008/9
	Visitors to the i-SITE maintained at least 2008/09 levels

Scenario 2: Funding proposal approved

	2009/10
Australia Sales and Marketing	Increase Australian visitor arrivals at 2008/09 levels by 7%
	Airline capacity maintained at least at 2008/09 levels and negotiations advanced to grow capacity further
Convention Bureau Sales and Marketing	5% increase in leads/referrals year on year
	Maintain Wellington's C&I market share
Downtown Marketing	Downtown weekend visitation within -10% of 2008/09 levels
	Weekend car parking occupancy 5% above 2008/09 levels
	Weekend sales within -10% of 2008/09 levels
	Maintain visitor spend in Downtown Wellington
	Maintain local spend and visitation in Downtown Wellington
International	Maintain international visitor nights within -10% of 2008/09 levels
	Annual decline of not more than 15% on 2008/09 levels
	Maintain Wellington's market share of international visitors to NZ
New Zealand and Event Marketing	New Zealand visitor nights 2% above 2008/09 levels
	Weekend rooms sold in partner hotels 2% above 2008/09
Online and IT	20% growth in visitors to WellingtonNZ.com
	Generate \$660K of bookings through WellingtonNZ.com to \$660k (c 20% growth)
Product Development	Support investment groups in completing feasibility studies for product developments
i-SITE Visitor Centre	Maintain Revenue at 2008/9 levels
	Increase proportion of sales to Wellington product by 10% relative to 2008/9
	Visitors to the i-SITE maintained at least 2008/09 levels

5 Staff

5.2 Marketing Office

Staffing levels at the Marketing Office will be maintained at 21-22 FTEs.

5.3 i-SITE

Staffing levels at the i-SITE will be approximately 8-10 FTEs with seasonal adjustments to deal with seasonal demand. At peak season the i-SITE could expect to have between 15 - 20 individual staff employed to cover high consumer demand periods and extended trading hours.

6 Trust Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these budgets.

The accrual basis of accounting has been used unless otherwise stated. These results are presented in New Zealand dollars and are compliant with NZIFRS.

6.1 Availability of Future Funding

The Trust is reliant on Wellington City Council (WCC) for a large part of its income and operates under a Funding Deed with the Council. The Funding Deed is for a period of 3 years and is extended annually for a further year.

If the Trust were unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the fact that assets may need to be realised other than at the amounts stated in the Balance Sheet. In addition, the Trust may have to provide for further liabilities that might arise, and to reclassify fixed assets as current assets.

6.2 Ratio of Total Assets: Liabilities

Debt will not be raised to finance operating expenses.

The Trust has a policy for the ratio of total assets to total liabilities of 1.2:1.

Total assets include all fixed and current assets. Total liabilities include all current and term liabilities of the Trust.

6.3 Activities for which Compensation from Council is sought

The Trust is seeking a core operational funding grant of:

- \$ 5,978,000 which includes \$26,000 (Civic Square subsidy) in the 2009/10 financial year.

6.4 Revenue Recognition

Revenue is measured at fair value of the consideration received.

The Trust received grants and funding which is recognised as revenue upon entitlement as conditions, if any, pertaining to eligible expenditure have been fulfilled.

Revenue from rendering of services is recognised by reference to the stage of completion of the transaction at balance date.

Interest income is recognised using the effective interest rate method.

Revenue from the sale of goods is recognised when the entity has transferred to the buyer the significant risks and rewards of ownership of the goods.

6.5 Expenses

Expenses are recognised when the goods or services have been received on an accrual basis.

6.6 Taxation

The Trust has been granted charitable status by the Inland Revenue Department. Therefore under section CW34 of the Income Tax Act 2004 the Trust is exempt from Income Tax. The Trust is not exempt from indirect tax legislation such as Goods and Services Tax, PAYE or ACC and therefore is required to comply with these regulations.

6.7 Good and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

6.8 Financial Instruments

Partnership Wellington Trust Inc. classifies its financial assets and financial liabilities according to the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

6.9 Impairment of Financial Assets

At balance date the Trust assesses whether there is any objective evidence that a financial asset or group of financial assets are impaired. Any impairment losses are recognised in the profit and loss.

6.10 Non Derivative Financial Instruments

Financial assets

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when Partnership Wellington Trust Inc. provides money, goods or services directly to a debtor with no intention of trading the receivable.

Trade and other receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date for loans of a similar maturity and credit risk.

Trade and other receivables issued with duration less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired.

Cash and cash equivalents comprise cash balances and call deposits with up to 3 months maturity from the date of acquisition. These are recorded at their nominal value

Financial liabilities

Financial liabilities comprise trade and other payables and borrowings. Financial liabilities with duration more than 12 months are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method. Amortisation is recognised in the Profit and Loss as is any gain or loss when the liability is de-recognised. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

6.11 Inventory

Inventories held for distribution or consumption are recorded at the lower of cost (determined on a first in- first out basis) or current replacement cost. This valuation includes allowances for slow moving and obsolete stock.

6.12 Trade and Other Receivables

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

A provision for impairment of receivables is established when there is objective evidence the Trust will not be able to collect all amounts due. The amount of the provision is the difference between the assets' carrying value and the present value of the estimated discounted future cash flows.

6.13 Property, Plant and Equipment

Recognition

Property, plant and equipment consist of Leasehold Improvements, Computer Equipment and Furniture and Fittings. Expenditure is capitalised as property, plant and equipment when it creates a new asset or increases the economic benefits over the total life of an existing asset. Costs that do not meet the criteria for capitalisation are expensed.

Measurement

Property, plant and equipment is recorded at historical cost or valuation.

The initial cost of property, plant and equipment includes the purchase consideration, and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Borrowing costs are not capitalised. Subsequent expenditure that extends or expands the asset's service potential is capitalised.

Impairment

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's

fair value less costs to sell and value in use. Losses resulting from impairment are reported in the Profit and Loss, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease.

Disposal

Realised gains and losses arising from the disposal of property, plant and equipment are recognised in the Profit and Loss in the period in which the transaction occurs.

Depreciation

Depreciation is provided on all property, plant and equipment. Depreciation is calculated on a straight line basis, to allocate the cost or value of the asset (less any residual value) over its useful life. The estimated useful lives of the major classes of property, plant and equipment are as follows:

Leasehold Improvements	20%
Office Equipment	20-33%
Furniture & Fittings	33%
Computers	33%

Intangible Assets

Intangible assets comprise computer software and website development costs, which have a finite life and are initially recorded at cost less any amortisation and impairment losses. Amortisation is charged to the Profit and Loss on a straight-line basis over the useful life of the asset. Typically, the estimated useful lives of these assets are as follows:

Computer Software	3-5 years
Website	3 years

Realised gains and losses arising from disposal of intangible assets are recognised in the Profit and Loss in the period in which the transaction occurs. Intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an intangible asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the Profit and Loss.

6.14 Employee Benefits

A provision for employee benefits (holiday leave) is recognised as a liability when benefits are earned but not paid.

6.15 Holiday Leave

Holiday leave (annual leave) is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) & 16(4) of the Holidays Act 2003.

6.16 Payables and Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation as a result of a past event, it is probable that expenditure will be incurred to settle the obligation and can be estimated reliably.

Provisions are measured at the present value of the expenditure expected to settle the obligation discounted.

6.17 Contingent Assets and Liabilities

Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

6.18 Equity

Equity is measured as the difference between total assets and total liabilities. The components of equity are accumulated funds and retained earnings.

6.19 Leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased items are classified as operating leases. Payments made under these leases are expensed in the Profit and Loss in the period in which they are incurred. Payments made under operating leases are recognised in the Profit and Loss on a straight-line basis over the term of the lease.

6.20 Statement of Cash Flows

The statement of cash flows has been prepared using the direct approach subject to the netting of certain cash flows.

Operating activities include cash received from all income sources of Partnership Wellington Trust Inc. and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to activities that change the equity and debt capital structure of Partnership Wellington Trust Inc.

6.21 Distribution to Settlor

Partnership Wellington Trust does not make a distribution to the Settlor.

Glenys Coughlan
Chair
Partnership Wellington Trust
(On behalf of Trustees)

Appendix

Financial Budgets 2009/10 to 2011/12

STATEMENT OF FINANCIAL POSITION						
Estimate 30-Jun-09	As at 30-Sep-09	As at 31-Dec-09	As at 31-Mar-10	As at 30-Jun-10	As at 30-Jun-11	As at 30-Jun-12
	441,124	441,124	441,124	441,124	441,124	441,124
Shareholder/Trust Funds						
Share Capital/Settled Funds						
Revaluation Reserves						
Restricted Funds						
Retained Earnings						
0						
441,124	441,124	441,124	441,124	441,124	441,124	441,124
Total Shareholder/Trust Funds						
Current Assets						
Cash and Bank	1,495,511	558,641	1,803,990	513,090	731,476	715,135
Accounts Receivable	350,000	150,000	230,000	245,000	425,000	470,000
Other Current Assets	1,500	1,500	1,500	1,500	22,000	22,000
749,461	1,847,011	710,141	2,035,490	759,590	1,178,476	1,207,135
Total Current Assets						
Investments						
Deposits on Call						
Other Investments						
Total Investments						
Non-Current Assets						
Fixed Assets	80,208	83,569	86,930	90,291	50,658	40,692
Other Non-current Assets	168,499	162,413	156,327	150,241	121,380	152,414
251,432	248,707	245,982	243,257	240,532	172,038	193,106
Total Non-current Assets						
1,000,893	2,095,718	956,123	2,278,747	1,000,122	1,350,514	1,400,241
Total Assets						
Current Liabilities						
Accounts Payable and Accruals	520,000	315,000	510,000	391,000	582,605	463,202
Provisions	70,000	75,000	80,000	70,000	50,000	50,000
120,000	1,064,595	125,000	1,247,624	98,000	276,787	445,917
559,770	1,654,595	515,000	1,837,624	559,000	909,392	959,119
Total Current Liabilities						
Non-Current Liabilities						
Loans - WCC						
Loans - Other						
Other Non-Current Liabilities						
Total Non-Current Liabilities						
441,123	441,123	441,123	441,123	441,122	441,122	441,122
Net Assets						
1.3	1.1	1.4	1.1	1.4	1.3	1.3
Current Ratio						
44%	21%	46%	19%	44%	33%	32%
Equity Ratio						

STATEMENT OF MOVEMENT IN TRUST FUNDS										
Estimate 30-Jun-09	Qtr to 30-Sep-09	Qtr to 31-Dec-09	Qtr to 31-Mar-10	Qtr to 30-Jun-10	Total YE 30-Jun-10	Total YE 30-Jun-11	Total YE 30-Jun-12			
441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124		
-	-	-	-	-	-	-	-	-		
0 Net Surplus / Deficit - current year										
441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124		
Trust Funds at end of Year										

Represented by:

441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124		
Trust- General Operations										

CAPITAL EXPENDITURE										
Estimate 30-Jun-09	Qtr to 30-Sep-09	Qtr to 31-Dec-09	Qtr to 31-Mar-10	Qtr to 30-Jun-10	Total YE 30-Jun-10	Total YE 30-Jun-11	Total YE 30-Jun-12			
52,647	18,160	18,160	18,160	18,160	72,640					
Property Improvements										
73,000	18,250	18,250	18,250	18,250	73,000	73,000	73,000			
Computer Equipment / Intangibles										
7,500	1,875	1,875	1,875	1,875	7,500	10,000	10,000			
Furniture and Fittings										
133,147	38,285	38,285	38,285	38,285	153,140	83,000	83,000			
Capital Expenditure										

SCENARIO 2

		EARNINGS STATEMENT							Total YE 30-Jun-11	Total YE 30-Jun-12
Estimate 30-Jun-09		Qtr to 30-Sep-09	Qtr to 31-Dec-09	Qtr to 31-Mar-10	Qtr to 30-Jun-10	Total YE 30-Jun-10	Total YE 30-Jun-11	Total YE 30-Jun-12		
	Revenue									
3,707,179	Trading Income	427,367	899,069	1,074,421	493,561	2,894,418	3,183,860	3,502,246		
4,940,000	WCC Grants	1,494,500	1,494,500	1,494,500	1,494,500	5,978,000	5,978,000	5,978,000		
	Other Grants					-				
	Sponsorships and Donations					-				
121,263	Investment Income	20,300	10,191	20,300	10,192	60,983	145,000	150,000		
1,603,346	Other Income	397,869	397,869	397,869	397,869	1,591,474	1,852,444	1,852,444		
10,371,788	Total Revenue	2,340,036	2,801,629	2,987,090	2,396,122	10,524,875	11,159,304	11,482,690		
	Expenditure									
1,890,713	Employee Costs	551,745	558,264	565,236	532,120	2,207,365	2,273,586	2,341,794		
8,321,030	Other Operating Expenses	1,747,281	2,202,355	2,380,844	1,822,992	8,153,470	10,138,727	10,781,323		
160,045	Depreciation	41,010	41,010	41,010	41,010	164,040	115,194	58,632		
	Interest	-	-	-	-	-	-	-		
10,371,788	Total Expenditure	2,340,036	2,801,629	2,987,090	2,396,122	10,524,875	12,527,507	13,181,749		
-	Net Surplus/(Deficit) before Taxation	-	-	-	-	-	-	-		
	Taxation Expense	-	-	-	-	-	-	-		
-	Net Surplus/(Deficit)	-	-	-	-	-	-	-		
0	Operating Margin	-	-	-	-	-	-	-		

STATEMENT OF FINANCIAL POSITION							
Estimate 30-Jun-09	As at 30-Sep-09	As at 31-Dec-09	As at 31-Mar-10	As at 30-Jun-10	As at 30-Jun-11	As at 30-Jun-12	
	441,124	441,124	441,124	441,124	441,124	441,124	
Shareholder/Trust Funds							
Share Capital/Settled Funds							
Revaluation Reserves							
Restricted Funds							
Retained Earnings	0						
	441,124	441,124	441,124	441,124	441,124	441,124	
Total Shareholder/Trust Funds							
Current Assets							
Cash and Bank	1,495,511	558,641	1,803,990	513,090	731,476	715,135	
Accounts Receivable	350,000	150,000	230,000	245,000	425,000	470,000	
Other Current Assets	1,500	1,500	1,500	1,500	22,000	22,000	
Total Current Assets	1,847,011	710,141	2,035,490	759,590	1,178,476	1,207,135	
Investments							
Deposits on Call							
Other Investments							
Total Investments							
Non-Current Assets							
Fixed Assets	80,208	83,569	86,930	90,291	50,658	40,692	
Other Non-current Assets	168,499	162,413	156,327	150,241	121,380	152,414	
Total Non-current Assets	248,707	245,982	243,257	240,532	172,038	193,106	
Total Assets	2,095,718	956,123	2,278,747	1,000,122	1,350,514	1,400,241	
Current Liabilities							
Accounts Payable and Accruals	520,000	315,000	510,000	391,000	582,605	463,202	
Provisions	70,000	75,000	80,000	70,000	50,000	50,000	
Other Current Liabilities (Incl. Income in Advance)	1,064,595	125,000	1,247,624	98,000	276,787	445,917	
Total Current Liabilities	1,654,595	515,000	1,837,624	559,000	909,392	959,119	
Non-Current Liabilities							
Loans - WCC							
Loans - Other							
Other Non-Current Liabilities							
Total Non-Current Liabilities							
Net Assets	441,123	441,123	441,123	441,122	441,122	441,122	
Current Ratio	1.1	1.4	1.1	1.4	1.3	1.3	
Equity Ratio	44%	21%	19%	44%	33%	32%	

STATEMENT OF MOVEMENT IN TRUST FUNDS									
Estimate 30-Jun-09	Qtr to 30-Sep-09	Qtr to 31-Dec-09	Qtr to 31-Mar-10	Qtr to 30-Jun-10	Total YE 30-Jun-10	Total YE 30-Jun-11	Total YE 30-Jun-12		
441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124
-	-	-	-	-	-	-	-	-	-
0 Net Surplus / Deficit - current year									
441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124
Trust Funds at end of Year									

Represented by:

441,124	Trust- General Operations	441,124	441,124	441,124	441,124	441,124	441,124	441,124	441,124
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CAPITAL EXPENDITURE									
Estimate 30-Jun-09	Qtr to 30-Sep-09	Qtr to 31-Dec-09	Qtr to 31-Mar-10	Qtr to 30-Jun-10	Total YE 30-Jun-10	Total YE 30-Jun-11	Total YE 30-Jun-12		
52,647	18,160	18,160	18,160	18,160	72,640				
73,000	18,250	18,250	18,250	18,250	73,000	73,000	73,000		
7,500	1,875	1,875	1,875	1,875	7,500	10,000	10,000		
133,147	38,285	38,285	38,285	38,285	153,140	83,000	83,000		
Capital Expenditure									