

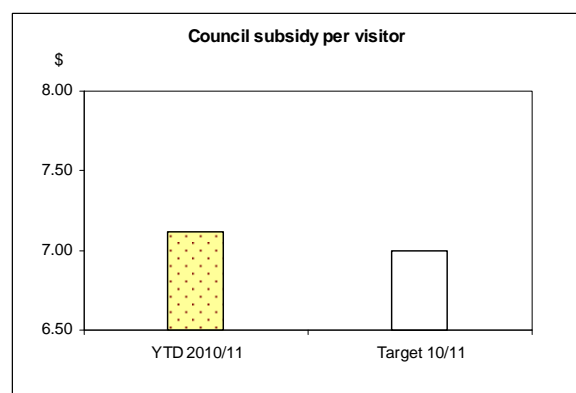
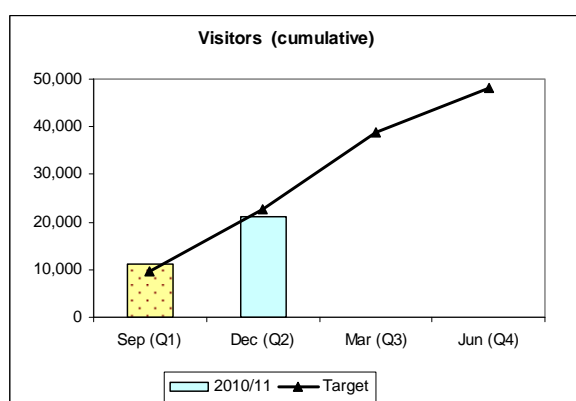
## Quarterly Review – Carter Observatory

Carter Observatory is being reported separately by Museums Trust until June 2012. A summary of key findings for the quarter ended 31 December 2010 is presented below.

### Highlights /Summary

- Carter Observatory visitor numbers were 9,781 for Q2, 25% below the budgeted 12,960. The YTD visitor number is 21,058, 7% below the YTD budget number of 22,560. However, it should be noted that these budget numbers are slightly understated as they do not include education.
- Trust management attribute the lower than forecast visitor numbers to the current tourism environment and Carter still being at an early stage of its establishment on the tourism scene.
- The Pickering Gallery and Discovery Room project is underway and progressing to plan.

### Performance



### Macro Key Performance Indicators

The following KPIs have been agreed as part of the Statement of Intent:

Measure	Annual Target	YTD Target	YTD Actual
Visitor number	48,000*	22,560*	21,058
Subsidy Per Customer - Carter	\$7.00		\$7.12
Non-Council revenue – Carter**	70%		65%

\* excludes education and free visitation

\*\* excluding occupancy grants

- Carter budgeted for 3,500 students for the full year and has already exceeded this target with 3,882 students YTD.
- Using the Get Smart system, 91% of visitors rated their experience as good or very good (the annual target is 95%).

### Activities during the quarter

- Repeat visitation is 23% YTD and improvements to the Star Pass holder programme is expected to further grow repeat visitation.
- The exhibition *Peter Read: People's Astronomer* opened in October and is proving popular.
- Three commissionable products have been developed for Carter: a dining package, a cruise ship package and a navigation package.
- Carter is working with PWT and Wellington based operators on a commissionable "Wellington City Pass" package that will be trialled from February.
- The new planetarium show *We Are Astronomers* premiered on 17 November to a capacity audience.

### Financial Commentary

- The YTD operating deficit of \$183k is higher than the budgeted deficit of \$140k.
- YTD income of \$429k is below the budgeted level of \$592k, largely reflecting the lower visitor numbers in Q2 and a mix of lower than target revenue per visitor.
- Total YTD expenditure of \$612k was below the budgeted \$732k.
- The current ratio of 0.8x is looking tight; it should be noted that the Council remains liable for any cash shortfall in relation to Carter.

### Statement of Financial Performance

For the quarter ended 31 December 2010

\$'000	Q2		YTD	YTD	FY
	Actual	Budget	Actual	Budget	Budget
Income	215	297	429	592	1,184
Expenditure	288	367	612	732	1,462
Operating surplus	(73)	(70)	(183)	(140)	(278)
Operating Margin	(34%)	(24%)	(43%)	(24%)	(24%)

### Statement of Financial Position

As at 31 December 2010

\$'000	YTD	FY
	Actual	Budget
Current assets	298	(199)
Non-current assets	(104)	1,990
Current liabilities	377	-
Non-current liabilities	0	-
Equity	(183)	1,791

Current ratio	0.8	-
Equity ratio	(94%)	100%

### Statement of Cash Flows

For the quarter ended 31 December 2010

\$'000	Q2	FY
	Actual	Budget
Operating	(76)	(185)
Investing	(13)	-
Financing	98	-
Net	9	(185)
Closing balance	279	(199)

Note: FY Budgets are as approved in the Business Plan.

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