

PARTNERSHIP WELLINGTON TRUST
(trading as POSITIVELY WELLINGTON TOURISM)

STATEMENT OF TRUSTEE INTENT

2011-12

**PARTNERSHIP WELLINGTON TRUST
STATEMENT OF TRUSTEE INTENT 2011/12**

Contents

Introduction		6.1.3 Private Sector Partnerships	15
		6.2 Funding for the Future	15
1	The Status of the Trust	6.2.1 Digital	15
1.1	The PWT Vision	6.2.2 Australia	15
1.2	PWT's Positioning Statement	6.3 Significant Risk for 2011/12	16
1.3	PWT's Objectives	6.3.1 Regional Competition	16
		6.4 Capability Risk	16
2	Governance	6.4.1 Core Capability and Staff Retention	16
2.1	Role of the Board	6.4.2 Advocates for Wellington	17
2.2	Board Membership	6.5 Market Risk	17
2.3	Board Operations	6.5.1 Marketing Resources for City Attractions	17
2.4	Audit, Finance and Risk Sub Committee	6.5.2 Air Access and Transportation Links	17
2.5	Remuneration Sub Committee	6.5.3 Convention/Event Facilities	18
		6.5.4 Event Marketing	18
3	The Nature and Scope of Activities to be Undertaken	6.5.5 Support Infrastructure	18
3.1	Background and Operating Environment	6.5.6 Environmental Sustainability	18
3.2	The Main Activities of the Trust	6.5.7 External Factors	19
3.2.1	Australian Marketing	7	Internal Audit Function
3.2.2	Communications	8	Council Relationship Principles
3.2.3	Convention Bureau	9	Measuring Performance
3.2.4	Downtown Marketing	10	Staff
3.2.5	Event Marketing and Development	10.1	Marketing Office
3.2.6	International Marketing	10.2	i-Site
3.2.7	i-Site Visitor Centre	11	Trust Accounting Policies
3.2.8	Leadership	11.1	Availability of Future Funding
3.2.9	Long Haul Airline Attraction	11.2	Ratio of Total Assets: Liabilities
3.2.10	New Zealand Marketing	11.3	Activities for which Compensation from Council is Sought
3.2.11	Online/Digital Tourism Distribution	11.4	Revenue Recognition
3.2.12	Product Development	11.5	Expenses
3.2.13	Partnerships/Relationships	11.6	Taxation
3.2.14	Research	11.7	Goods and Services Tax
3.2.15	Rugby World Cup 2011	11.8	Financial Instruments
4	Future Direction of Tourism – Strategic Goals	11.9	Impairment of Financial Assets
4.1	Rugby World Cup 2011	11.10	Non Derivative Financial Instruments
4.2	Co-operation with Wellington's Visitor Attractions	11.11	Inventory
4.3	Grants and Shared Services	11.12	Trade and Other Receivables
4.4	Long Haul Air Service Strategy	11.13	Property, Plant and Equipment
4.5	Investing in Australia	11.14	Employee Benefits
4.6	i-SITE Investment	11.15	Holiday Leave
4.7	Leveraging Partnerships	11.16	Payables and Provisions
4.8	Economic Driver	11.17	Contingent Assets and Liabilities
4.9	Outstanding Venues and Facilities	11.18	Equity
4.10	Environmental Leadership	11.19	Leases
5	Alignment with Council Outcomes	11.20	Statement of Cash Flows
6	Organisational Health and Capability	11.21	Distribution to Settlor
6.1	Financial Risk	Appendix	
6.1.1	Limited Funding	Financial Budgets 2010/11 to 2012/13	
6.1.2	Limited Financial Flexibility		

Partnership Wellington Trust

Introduction to Statement of Intent 2011-12

2011 is already set to be a year unlike any other previously experienced by New Zealand's tourism sector. Whilst visitor numbers have been impacted in years gone by as a result of global events such as SARS and the 2001 terrorist attacks in America; 2011's results will be impacted both by international events such as increased fuel prices, the earthquake in Japan and the strength of the Australian dollar, and what is happening in New Zealand – particularly the recent earthquake in Christchurch and the Rugby World Cup.

Each of these events provides opportunity and challenge to the tourism sector in Wellington. Positively Wellington Tourism, will, during the 2011-12 financial year need to maximise these opportunities as they are presented and then make the most of the platform it has created to ensure the sectors vibrancy and success is maintained through marketing activity that addresses the challenges that may bring less busy times during the coming months.

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/local government and non-government organisations and private sector organisations related to the tourism sector.

○ PWT's Guiding Principles

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 interconnectivity of these strategies is high and the progression of each depends on each of the others.

- **Tourism Strategy** – PWT is now two years into the implementation of this strategy. The action points noted in the strategy are part of the daily activities of PWT and the actions for 11/12 are detailed in this document.
- **Cruise** – The cruise sector of tourism is growing rapidly and in the 2011-12 year a 47% increase in visitors to Wellington on cruise ships is anticipated.
- **Events** – PWT provides essential support services to the activities of the Wellington City Council Events office. PWT has a high level of involvement and responsibility regarding Rugby World Cup, as well as providing marketing for Wellington's cornerstone events and working with council and other organisations to develop events for Wellington.
- **Long Haul Air Connectivity Strategy** – PWT continues to work closely with Wellington International Airport Limited (WIAL) as strategic partners, to create demand for Wellington. This includes work with airlines developing the business case to initiate new and improved short and long haul air links with ports in Australia and between Wellington and a port in Asia.

1.1 The PWT Vision

In the 2010-11 Statement of Intent PWT stated its vision that "Wellington will be the coolest urban destination in Australasia, ranking alongside the most internationally recognisable cities in the world." It was with great excitement that PWT and the city received notification that Lonely Planet, the world's premier travel

publisher, had named Wellington in its list of the Top Ten Cities to visit in 2011 and described Wellington as the 'Coolest Little Capital City'.

In 2011-12 it remains PWT's vision to ensure that Wellington is recognised as a premier destination in Australasia and that our reputation continues to be reinforced not only by our own activity but also the activity of those whose opinion is read and respected by global consumers in New Zealand, Australia and the wider world.

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.

Wellington is today able to boast a broad range of visitor attractions that are enjoyed by a wide range of visitor types. Wellington is no longer a city with nothing to do and to pass through quickly; it is the city that tells the stories of New Zealand. In 2011-12 PWT will work more closely than ever with these attractions to ensure that they each have the best opportunity to leverage the investment WCC and the tourism industry places in our organisation.

Wellington's visitor experience (and experiences) is second-to-none; we will utilise our marketing and communication resources to ensure that visitors and residents are positive advocates for the city.

1.2 PWT's Positioning Statement

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

1.3 PWT's Objectives

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.
- Improve recognition of Wellington and give support to the Wellington region as a key and desirable visitor destination.
- Drive 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 objectives shall be carried out 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 to the Board.

As part of the ongoing relationship with Wellington City Council, the Chair and CEO meet with the Mayor and CEO of Council on a regular basis and the CEO meets regularly with Officers of the Council Controlled Organisations 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 2011)

Member	Term expires
John Milford (Chair)	31 December 2013
Peter Monk	31 December 2011
Ruth Pretty	31 December 2012
Jo Coughlan	October 2013
Kim Wicksteed	31 December 2011
Glenys Coughlan	31 December 2012
Mike O'Donnell	31 December 2013

2.3 Board Operations

The Board will aim to meet best practice governance standards. The Board will meet no less than 10 times per year and in addition to the Audit, Finance and Risk sub-committee and Remuneration sub-committee. Other sub-committees will be established as required.

A review of Trustee performance is undertaken annually. This will be completed through the New Zealand Institute of Directors' formal assessment process and will be based on a Chair and Full Board Review, including input from the CEO.

2.4 Audit, Finance and Risk Sub Committee

The Audit, Finance and Risk Sub-Committee meet at least four a year to prepare and review audit matters, confirm budgets and review ongoing financial performance. This Committee reviews and recommends the Annual Report and Audit to the Board as well as reviewing ongoing financial performance of the Trust.

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 and provides advice on developing strategies for succession planning, organisation development etc.

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 with commercial organisations and joint ventures with Tourism New Zealand provided for by the Ministry of Tourism. The Trust also operates the Wellington i-SITE and, in joint venture with Destination Marlborough, the Interislander i-SITE. 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 (in alphabetical order)

Through this wide range of activities the Trust endeavours to drive its vision and mission to reach its strategic goals and objectives.

3.2.1 Australia Marketing

- Marketing Wellington at both consumer and trade levels in the Australian market and maximising the opportunity to leverage Wellington City Council's investment in this market through working with strategic partners such as Tourism New Zealand, neighbouring regions, WIAL, airlines and local industry partners who have shared objectives.
- Ensuring better connectivity with Australia by encouraging increased air capacity, new route development and competition.

3.2.2 Communications

- Leveraging marketing activity and key city messages by way of a highly active communications plan which reinforces the marketing activities of PWT through all types of media in New Zealand and beyond.

3.2.3 Convention Bureau

- Marketing Wellington as a leading conference and convention destination to the New Zealand and Australian markets, maximising the opportunity provided by Council's investment in facilities and services dedicated to this purpose.

3.2.4 Downtown Marketing

- Delivering campaigns to help ensure downtown Wellington remains vibrant as a place to visit for locals and visitors.
- Sharing information about new and exciting city centre activities through utilisation of our KNOW Wellington databases.

3.2.5 Event Marketing and Development

PWT through strategic development activity and marketing support to Wellington City Council Events team will play a lead role in the development of more events throughout the year to appeal to a variety of target audiences.

- 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.
- Provide support and services to key event organisations (such as New Zealand Rugby Sevens and Brancott Estate World of WearableArt™ Awards Show, Te Papa Tongarewa and promote events such as Visa Wellington On A Plate).
- In 2011-12 work with the WCC Rugby World Cup office to ensure the commitments made to RWC Ltd are met and that the investment made in this tournament by WCC is highly leveraged to maximise tourism outcomes for the city.

3.2.6 International Marketing

PWT will utilise online and travel trade marketing activities to educate the world about Wellington and increase its desirability as a business and leisure visitor destination. These activities will expose a global audience to the Wellington proposition and will reflect Wellington's goal of maintaining its status as the coolest urban destination in Australasia, ranking alongside the most internationally recognisable cities in the world.

- Coordinating the international marketing activities of those attractions in which Wellington City Council have invested and from which a stated outcome is that international visitors will be attracted to buy tickets/access to those attractions, at the same time supporting the commercial performance of these attractions and assisting in Council's vision of Wellington being a vibrant and internationally competitive city.
- Partner with Tourism New Zealand, Regional Tourism Organisation associates and tourism industry businesses in trade show, international media programme and international familiarisation activities.
- In November Wellington and Positively Wellington Tourism will host the Society of American Travel Writers (SATW) Convention. SATW is the premier body of North American travel writers. With over 1,300 members its membership covers a broad spectrum of the media from photo journalists in metropolitan daily's to top line free lance specialists supplying material for magazines

such as National Geographic or American Cuisine. This is a complex project involving over 60 industry partners including all of the city owned tourism attractions. This is a unique opportunity and will enable the city to build on the reputation it has gained over recent years and particularly since being declared by Lonely Planet as 'The Coolest Little Capital City'.

3.2.7 i-SITE Visitor Centre

- Operating an i-SITE Visitor Centre in the city is a core function and this function is extended to providing an i-SITE service on board the Interislander vessel, Kaitaki. The purpose of providing these services is to motivate visitors to stay longer and do more whilst in Wellington, leaving our city with the greatest of experiences.
- Provide i-SITE visitor services in other parts of Wellington city, in particular, information provision for the growing number of cruise ship visitors and the visitors we anticipate during the course of Rugby World Cup 2011.

3.2.8 Leadership

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

3.2.9 Long Haul Airline Attraction

The Wellington Regional Strategy identifies global air connectivity as a critical element of the future economic development of Wellington and the Wellington region. Growing awareness and demand in potential source markets is combined with developing business relationships with airline operators.

- Market Wellington as a compelling visitor destination in target long haul markets such as China and South East Asia for holiday, convention and business visitors through partnering with Tourism New Zealand, tourism industry businesses and Wellington International Airport in trade show, international media programme and international familiarisation activities.
- Work with WIAL and airlines to ensure better connectivity to long haul markets by working on the development of long haul air services from Asia, either via Australia or direct to Wellington through development of business cases, working with potential airline partners and utilising broader inter-sectoral relationships to lobby and advocate for improving Wellington's international airline connectivity.

3.2.10 New Zealand Marketing

The domestic market is our engine market and PWT will maintain Wellington's positioning as the most desirable New Zealand urban destination for a short-break market. New Zealanders understand what Wellington is about.

- PWT will deliver targeted marketing programmes and campaigns to the New Zealand market which maintain the city's position as the premier urban destination in New Zealand, working with the Wellington City Council's Event team and the key visitor attractions in Wellington.

3.2.11 Online/Digital Tourism Distribution

- Ensuring that Wellington has a high profile and highly effective online tourism presence, both to New Zealanders and international travellers, with maximum ability to convert consumer interest into purchasing Wellington visitor experiences, both as they plan their Wellington experience and when they arrive in our city.

3.2.12 Product Development

- PWT works with both existing businesses and new propositions providing information, networks and advice. This work particularly extends to activity regarding attractions / developments in which the City Council has invested.

3.2.13 Partnership/Relationships

- Maintaining a strong private/public sector funding approach to the Trust's work and through developing i-SITE income, partnership and joint venture programmes, maintain Wellington City Council's investment as being no more than 50% of PWT's income.
- Maintaining strong relationships with relevant public and private sector interests, most notably Wellington City Council and its subsidiary organisations/Trusts/CCOs etc.

3.2.14 Research

- Ensuring Wellington's tourism dataset and information base is consistent with industry practice in order to properly inform marketing and product development decision-making both for the Trust and as an information source for other agencies and private enterprise.
- To work with the New Zealand Tourism sector to improve the quality of information available to inform our marketing investment decisions.

3.2.15 Rugby World Cup 2011

- Support Wellington City Council in the delivery and management of marketing, media and visitor services for the Rugby World Cup 2011 (RWC2011), taking into consideration the needs, requirements and restrictions imposed by stakeholder groups both from within the city and beyond.
- Provide both marketing and communications services targeting visitors and residents to maximise the ability of the city to leverage the investment made to build on its reputation as New Zealand's leading urban destination, thus creating legacy and value outcomes for the city's tourism sector and reputation beyond the period of the tournament.

4 Future Direction of Tourism – Strategic Goals

Beyond these activity areas which link to the Wellington Tourism strategy, PWT has set some significant goals for 2011/12 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.

4.1 Rugby World Cup 2011: The Trust has a high level of involvement with the delivery of Rugby World Cup 2011 activities in Wellington. Positively Wellington Tourism is responsible for the Marketing & Communications stream of activity for Wellington for Rugby World Cup 2011 and sits on the Wellington Regional Coordination Group. All PWT's activities are integrated with the WCC's RWC 2011 plans.

Our focus is on coordinating and communicating to prospective visitors, residents, key stakeholders and local businesses about the opportunities around RWC 2011 in Wellington city and the Wellington region. Our primary communications tool is WellingtonNZ2011.com which was established in early 2010.

Specific activities to be undertaken

- Digital - WellingtonNZ2011.com content development, Google Adwords, Smart-phone Application development, leveraging Social Media activity.
- Visitor Information - Development of Visitor Guide content for visitors and residents
- International Media - Hosting of key international travel media
- Local business communications - regular communications via KNOW, provision of a 'Visitor Ready Kit' for the retail & hospitality industry
- Consumer Marketing - pre and post RWC 2011 market stimulation activities in New Zealand and Australia in conjunction with key airline partners
- Brand Development - PWT has managed brand development and is the key liaison for city and regional theming and branding (including the city and regional street flag programme in conjunction with Rugby New Zealand)

Related Activities

- | | | |
|-------------------------|---|--|
| (g) Digital Marketing | - | Smart-phone Application Development |
| (h) Domestic Marketing | - | Air New Zealand Post RWC Travel Campaign |
| (i) Australia Marketing | - | Airline Joint Venture |

4.2 Co-operation with Wellington's Visitor Attractions: Positively Wellington Tourism will look to further expand its collaboration with the various visitor attractions in which Wellington City Council has an interest or investment.

There are a number of activities in which PWT already works very closely with the city's visitor attractions:

- Wellington City Pass
- Support of Hop-On, Hop-Off bus product development
- Wellington Education Guide

- (d) MOU with Wellington Zoo, ZEALANDIA, Carter Observatory
- (e) Represent the city's attractions across all global markets
- (f) Profile the city's attractions at the Wellington i-SITE
- (g) Represent the CCO owned attractions at off shore travel trade events

RWC 2011 provides the ideal platform to enhance collaboration amongst Wellington attractions and in conjunction with the city attractions, we have agreed on the following actions both for the year ahead and beyond. Amongst our objectives will be to ensure that for visitors to the city during RWC 2011, Wellington attractions contribute to lasting, positive memories of their stay in our city:

- (a) Developing and implementing a city-wide customer service strategy for our front-of-house teams designed to hone customer services skills, including knowledge of our attractions, events and programmes on offer throughout the city during RWC 2011.
- (b) To plan, organise and market a city-wide Wellington attraction Open Day on 26 June, designed to familiarise Wellingtonians with the variety of attractions on offer in the city.
- (c) Review the inter-relationships of the front-facing and back-end of the various CCO websites.
- (d) Work together to produce a 'city resident card' to promote attractions and provoke visitation.
- (e) Create and implement a visitor information plan to cover the key corridor between Brandon Street and Kelburn.
- (f) CCO and CO leaders will meet at least twice a year to review and plan further collaborative initiatives designed to optimise Council's investment.

The Trust considers that there may be significant merit in the future in combining the marketing activities of PWT and the various visitor attractions operated by CCO's or other organisations/offices with City Council funding. Whilst there is an existing level of co-operation, the benefits of integration may offer a step-change in the results achieved by the city's investment. PWT is charged with the ownership and promotion of brand Wellington to visitors and the investment that has been made by the Trust in its regular and digital marketing activities could be better leveraged by closer integration.

Such changes might see the re-alignment of CCO activity such that skill sets are utilised across multiple portfolio of tasks and or institutions. From a marketing perspective aligning activity under one group would have the potential to better leverage the investment of individual organisations against the destination marketing whilst making purchasing decisions collectively to maximise the stretch of resources. However at the same time challenges concerning fund raising, individual identity and personnel ownership might be raised. It should also be noted that whilst PWT is highly focused on marketing to potential visitors to Wellington the marketing focus of the city's attractions is primarily the local market and should remain so. The two tasks do not necessarily need be independent but consideration of this matter would be essential.

Similarly re-alignment of CCO activity might consider the way visitor experiences are developed and managed, the way various revenue streams are developed and the way assets are managed across the CCO portfolio.

The detailed activities committed to above are activities which PWT will carry out; further integration will require a fundamental audit of each 'business' such that both the marketing activities and the impact of other operating matters is understood to ensure that any changes in structure or responsibility achieve the desired outputs of greater efficiency and higher productivity from the resources assigned. The Trust would need to analyse such audits in order to further consider the detailed advantages of an integrated CCO marketing model

4.3 Grants and Shared Services: The Trust and its officers will co-operatively work with officers of Wellington City Council to complete a process of investigation into the sharing of services in back office function during the 2011-12 year. The Trust aims at all times to ensure that administration matters are handled both efficiently and in a cost effective manner allowing the outcomes derived from the investments that both Wellington City Council and businesses and organisations that participate in the Trusts partnership programmes to be maximised.

4.4 Long Haul Air Service Strategy: The Trust holds responsibility with Wellington International Airport Ltd for the implementation of the Wellington Regional Strategy (WRS) in regards to attracting a

'Long Haul' Airline to operate to and from Wellington. The WRS recognised that this objective is a long-term objective requiring the coming together of a number of certain circumstances:

- The growth in awareness and demand for Wellington in destinations and feeder markets where a long haul airline would be likely to operate to and from (most likely SE Asia).
- The technical capability to land long-haul planes in Wellington.
- The development of appropriate trust and business relationships with the cities which might provide the city pair and airlines which might fly such routes.
- The provision of a business case and resources to incentivise an airline to start flights to Wellington.

When the WRS was written it was believed that a plane (Boeing 787) with the capability to fly long haul to Wellington was imminent. In mid 2008 it became clear that the 787 would be delayed. The Trust has worked hard with WIAL to ensure that the other required conditions are in place; the Trust and WIAL have also worked hard to:

- (1) Develop the Trans Tasman air-links of our airlines that currently serve Wellington.
- (2) Work with airlines to promote an extension of a long haul flight through Australia to Wellington.

Noting that a direct Long-Haul flight to Wellington is more likely to occur in the 2012/13 or 13/14 year, these actions both provide Long Haul interlining options in to and out of Wellington and through increasing the existing international traffic into Wellington provide substance to the theoretical business cases developed to attract a Long Haul Airline link.

As we look forward to our 2011-12 year the circumstances we have been striving to create are now met in a number of respects and both the Boeing 787 and Airbus 350 near commercial delivery. Wellington is at a critical point in its ambition to gain Long Haul airlinks. The actions the Trust will carry out this year are:

- We will commission a Route Development Support Proposal; working with the agencies and contractors who have successfully delivered 'Air Asia X' to Christchurch we will identify what needs to be done next, ensure our airline targeting is correct and assess the resources that will be required to attract an airline to Wellington.
- We will attend the 'Routes Convention' in Asia to meet with airlines, reinforce relationships and meet with airlines we have identified as being of high potential for Wellington.
- With WIAL and other agency partners, we will carry out a specific programme for Wellington Stakeholder Education & Support.
- We will continue to carry out market development & training activities, ensuring these are highly Wellington specific whilst working with Tourism New Zealand and other agencies to ensure our activity is highly penetrative to get the best results.
 - Undertake an Asian-buyer appointment stream at Tourism Rendezvous New Zealand Trade Show 2012.
 - Host media from key Asian markets in conjunction with TNZ
 - Host travel trade from key Asian markets in conjunction with TNZ
 - Visit China: Train 180 frontline staff from key markets and make sales calls to 40 decision-makers in offshore markets
 - Visit India: Train 220 frontline staff from key markets and make sales calls to 30 decision-makers in offshore markets

4.5 Investing in Australia: PWT will continue work commenced in 2009/10 to increase the recognition and desirability of Wellington as a visitor destination in the Australian market.

- (a) To achieve this, PWT will work with industry and regional partners to maintain (and where possible grow) adequate funding levels and develop new partnerships so that we can make a credible impact in the Australian marketplace, securing and growing our share of Australian visitors/spend in regards to leisure, convention, business, and friends and family visitation. The results of the activity to date at the end of 2010 included:
- (b) Wellington increasing its market-share of Australian arrivals to New Zealand through its growth in Australian visitor arrivals being higher than other ports.
- (c) Increased air capacity into Wellington from Australia to commence in 2011.
- (d) Increased awareness of Wellington as a destination amongst our target market group of 'active expressives' in Australia.

During the 2011-12 year the Trust will build on its activities since 2009-10:

- 1) Continue Above the Line marketing activity predominantly using TV, Cinema and Digital mediums to promote 'There's No Place Like Wellington'. Focus will be placed in the urban Sydney and Melbourne markets. These markets offer Wellington the best opportunity, enjoying

a high proportion and number of people in our target market segment, with a high propensity to travel. Sydney and Melbourne also being the places where convention business is most likely sourced from and providing the greatest opportunity to increase visitors through provision of increased seat capacity.

- 2) Carry out experiential marketing activity in Sydney and Melbourne. Wellington's challenge in Australia is defining itself as being a different and an urban destination in New Zealand. Our experience in this financial year has demonstrated just how experiential activity can assist our cause by raising the consumer's knowledge and understanding of Wellington.
- 3) Carry out PR and media activities to reinforce our marketing activity across a wide range of media and media channels
- 4) Work with Airlines and online travel agents to increase direct bookings of flight to Wellington and hotel rooms in the city.

During the 2011-12 year, the Trust will have to consider the resources required to continue this activity beyond 30 June 2012. The current funding stream contributed by the downtown levy for this activity from Wellington City Council ends at June 30, 2012; various targets relating to this activity were set by Council and the Trust looks forward to presenting the results of the activity to Council in Spring 2011 such that Council can consider the activity for inclusion in the Long Term Plan 2012.

The \$1,000,000 annual investment made by council has secured substantial funding from other partners such that in the 2010-11 year a total cash investment of \$2,720,000 has been made by the region alongside substantial investments by airline partners – Air New Zealand, Qantas and Pacific Blue.

If results to date are maintained through 2011, Positively Wellington Tourism will be confident that the core investment made by Wellington City Council will retain the support of the Wellington business community and the investments which the funding leverages secured from business and other agencies.

4.6 i-SITE Investment: PWT has, during 2010-11, invested in the i-SITE Visitor Information Centre in Civic Square. The centre is now highly focused on primarily delivering city information to our visitors; this will enable us to ensure that visitors for Rugby World Cup 2011 are catered for and inspired to do more, see more and spend longer in our city – leaving with the best possible stories of their time here. This new approach enables our presentation and staff to communicate more clearly about the attractions in which the city invests. In 2011-12 the Trust will:

- a) Utilise the investment made in the Civic Square Visitor Centre to underpin development of information across the city and in particular, the way information is disseminated from the visitor attractions across the city.
- b) Work to ensure that the growth in visitor numbers expected from visiting cruise ships is highly exposed to the Trust's information services to better visitors' experience of Wellington and heighten and increase their spend in Wellington.

4.7 Leveraging Partnerships: 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 Organisations and other agencies/organisations to bring together a series of world class visitor experiences.

4.8 Economic Driver: PWT will seek to extend the economic impact of tourism by attracting visitors from sectors that currently do not incorporate Wellington in their itinerary.

4.9 Outstanding Venues and Facilities: PWT will work with the newly formed Wellington Venues Ltd and the city's events sector to consider how the spatial requirements of conventions and events organisers can be met in Wellington, both in the current environment and in the future.

4.10 Environmental Leadership: PWT and the i-SITE Visitor Information Centre have both achieved Qualmark status during the 2010/11 year; the Trust will endeavour to retain this status for both parts of its operation into the future. The trust will continue its leadership role for the tourism sector in

Wellington by continually advocating for the consideration of sustainable tourism practices, both across the sector and in individual businesses.

5 Alignment with Council Outcomes

An important strategic objective of the Trust is to ensure that its activities are, and continue to be, closely aligned with Wellington City Council's objectives. PWT and the WCC share strong common goals:

- Creating a compelling "sense of place".
- Ensuring the city is better connected with airline services.
- Protecting the city's leadership in the event area.
- Contributing to the city's cultural wellbeing.

The Trust will work closely with Wellington City Council to deliver on city objectives. The Trust acknowledges its role as a partner of Wellington City Council in delivering on the City's wider economic and city development programme.

Partnership and Commitment

The Trust will work closely with Wellington City Council, other Councils, Grow Wellington and other agencies on the development of the Wellington Regional Strategy to maximise opportunities for the tourism sector.

Where appropriate the Trust will adopt a regional approach in our work programmes. This will be done on the basis that it makes economic and commercial sense for our core funding partner (WCC and the Downtown Levy payers).

The table below indicates key areas of PWT activity and their alignment with the framework of the WCC Long Term Council Community Plan:

WCC STRATEGY FRAMEWORK	OUTCOME
<p>Economic Development Strategy</p> <p>PWT Supports the Strategy Approach in the WCC Long Term Council Community Plan (WCC LTCCP)</p> <p>PWT focuses on the priorities of the WCC LTCCP</p> <p>PWT shares goals and KPIs with the WCC LTCCP</p>	<p>The outcomes sought in the Wellington City Council Long Term Council Community Plan are a key driver of PWT activity:</p> <ol style="list-style-type: none"> 1. Stronger Sense of Place 2. More Compact 3. More Eventful 4. More Entrepreneurial and Innovative 5. Better Connected 6. More Competitive 7. Maximising the opportunities provided by RWC2011 <ul style="list-style-type: none"> • "Support high quality events and promote tourism and vibrant retail sector." • "Celebrates creativity and innovation in the business sector." • "Improve the city's connection to the rest of the world." • "Supports downtown Wellington as the centre of the region's retail and service economy." • "Take a regional approach to economic development through the Wellington Regional Strategy and Grow Wellington." • "Maintaining Wellington's reputation as a vibrant, creative and eventful place – particularly maximising the economic return from our events development fund." • "Working with others to sustain Wellington's service/creative industries and workforce. This includes maintaining our investment in tourism..." • "When visitor numbers and lengths of stay continue to increase; when the major events we support return more than 20:1 on the Council's investment." • "When direct flights to Asia can be accessed out of Wellington" <p>(extracts from Wellington City Long Term Community Plan – Economic</p>

These activities and PWT's core work programmes align with Wellington City Council's Economic Development Strategy and contribute to a number of desired community outcomes as set out in the 2010 LTCCP:

WCC STRATEGY FRAMEWORK	OUTCOME
PWT shares goals and KPIs with the WCC LTCCP that deliver 'Community Outcomes'	<ul style="list-style-type: none"> • "Wellington will promote the sustainable management of the environment and support increased opportunities for the exercise of Kaitiakitanga."
	<ul style="list-style-type: none"> • "Wellington will protect and showcase its natural landforms and indigenous ecosystems."
	<ul style="list-style-type: none"> • "Wellington, as New Zealand's capital city, will house and engage effectively with central government, embassies and corporates."
	<ul style="list-style-type: none"> • "Wellington will have an increasing diversity of vibrant, internationally competitive businesses and industries of all sizes, and sustainable employment opportunities."
	<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."
	<ul style="list-style-type: none"> • "Wellington will be recognised as New Zealand's arts and cultural capital, encouraging visual and performing arts."
	<ul style="list-style-type: none"> • "Wellington will have venues that suit a range of events and the needs of the city."
	<ul style="list-style-type: none"> • "Links by land, air and sea will meet the needs of the people and enterprises."
	<ul style="list-style-type: none"> • "Wellington will have clear directional signage."
	<ul style="list-style-type: none"> • "Wellingtonians will be actively involved in their communities and work with others to make things happen."

(extracts from Wellington City Long Term Community Plan – Economic Development 'Community Outcomes')

6 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.

In 2010/11 the Trust's turnover has been derived from four key sources;

- Wellington City Council grant (50.0%)
- Operation of the Wellington i-SITE and www.WellingtonNZ.com (23.1%)
- Partner income from the Wellington tourism industry (direct contributions) (8.77%)
- Central Government funding (15.0)

Risk Management and Mitigation

As an organisation, PWT takes risk management seriously and we have incorporated risk assessment protocols in both our governance and management processes. 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. Sometimes this involves a degree of "managed" risk.

The current economic environment and the reduced consumer confidence it generates continues to put pressure on both public and private sector funding. We can continue to expect increased competitor activity as other Regional Tourism Organisations (RTOs) compete for a bigger share of both the domestic and Australian markets to compensate for the decline in long-haul markets. They all look with jealousy to Wellington's events programme; we should not underestimate how aggressive they may be in competing for these properties.

We continually review the effectiveness of our actions and look for new ways to introduce further private sector investment in our activities to further leverage the investment made by Wellington City Council.

The organisation'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.

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. Everything we do delivers direct and indirect benefits to the downtown marketing fund ratepayer, as well as the wider community. We will continue to reinforce the ROI we deliver.

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 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.

6.1 Financial Risk

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 City's 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.

PWT 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:

- Continually 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.
- The Trust continues to undertake market testing of key salaries each year using an external provider whose testing model employs robust mechanics. To maintain a high calibre of employee the Trust aims to remunerate to 100% of recommended salary where the employee achieves at a high level. The Trust would seek an annual adjustment to funding to recognise the recommendations it receives and the changes in the consumer price index or ensure high calibre staff are retained by allocating funds to salaries as appropriate. When this adjustment is not available it is noted that to retain such employees' costs must be absorbed into general operational expenses.

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 2011/12 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.

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 and 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 180 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.

During 2011-12 the Trust will instigate measures to benchmark commercial partner stakeholder satisfaction and use these measures in the future as a tool to ensure the ongoing vitality of the organisation and its activities.

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).
- Developing 'Sponsorship' as well as 'Partnership' investment opportunities.

6.2 Funding for the future

6.2.1 Digital

The Trust's investment in online/digital marketing is one area of advantage where a change in funding would place Wellington in a position of competitive risk.

The 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:

- PWT will continue to work with Wellington City Council in relation to any potential issues.
- PWT does not exist to make a profit and any income generated via participation in the online marketing space is reinvested in core marketing activity.

6.2.2 Australia

In the 2008/09 year the Trust recognised the significant risk presented by:

- Falling visitor numbers to Wellington from long-haul international markets.
- The lack of visibility of Wellington in the Australian market as a short break/convention destination.

As a result of this, PWT was in 2009 granted an additional grant by Council of up to \$1,000,000 per annum dependent upon co-investment from central government and other partners. PWT successfully lobbied government to change the focus of Tourism New Zealand activities in Australia and to bring about targeted

joint venture funding to Regional Tourism Organisations. As a result of these investments, PWT has secured further funding contributions from other wider regional strategic partners (Destination Wairarapa, Hutt City Council and Destination Marlborough), local commercial partners (Wellington International Airport, Interislander and Te Papa) and airlines (Pacific Blue, Air New Zealand and Qantas).

This new investment is being utilised to significantly increase consumer awareness in Australia of Wellington as a destination and to convert this awareness to actual travel through tactical activity with airlines and other industry partners. The work completed has enjoyed significant positive results for Wellington – increased Australian arrivals to Wellington, increase air seat capacity between Australia and Wellington, increased recognition of Wellington in target markets in Australia. The achievements gained since the raising of this new fund could be severely jeopardised should the funding stop after the initial three year investment.

The Trust will report, with its funding partners, to Wellington City Council such that determination can be made in a timely fashion during the 2011-12 year regarding the continuation of the activity in the years beyond.

6.3 Significant Risk for 2011/12

6.3.1 Regional Competition

The result of the Auckland regional transition to a 'super-city' with effectively a single level of local government is yet to be realised, undoubtedly there is the potential for coordinated and well resourced activities which will threaten Wellington's position as the most desirable urban destination in New Zealand.

Mitigation measures we will continue to employ with even greater focus:

- Work together with City Council and event/arts organisations to maintain and grow the excellence and vibrancy of Wellington's events.
- Continued high level of collaboration with the city's organisations that are tourism attractions to ensure that marketing expenditure is highly leveraged and that the experiences offered retain the high level of excellence with which Wellington is associated.
- Continued emphasis on strong strategic relationships with tourism/economic development departments of neighbouring Territorial Local Authorities and their elected/executive representatives.
- Work with Wellington City Council and city institutions to create even greater consistency and penetration of Wellington's brand, brand values and the stories they tell.
- Close partnership management with existing funding partners.
- Closely monitor the activity of those regions with greatest potential to challenge our position.
- Keep our funders aware of significantly increased levels of funding made available to competitor regions.

6.4 Capability Risk

6.4.1 Core Capability and Staff Retention

PWT 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.

6.4.2 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.
- Work with the wider business community including Grow Wellington and The Employer Chamber of Commerce Central region

6.5 Market Risk

6.5.1 Marketing Resources for City Attractions

Wellington has a strong portfolio of attractions that are able to very capably deliver a fantastic experience to visitors. Many of these attractions have a special place in that they complement the city's Capital role in telling the stories of the New Zealand nation.

The number of attractions in our diverse portfolio does mean that the delivery of marketing can be disjointed and not leverage the investment in marketing made across the city, as well as not enjoying the efficiencies of working as a single agency.

PWT will continue to advocate and work with our visitor attraction partners to ensure that Wellington's marketing message to potential visitors is coordinated and that resources are used efficiently.

In addition to the activities we already carry out in 2011-12, mitigation measures we will employ include:

- Developing and implementing a city-wide customer service strategy for our front-of-house teams designed to hone customer services skills including knowledge of our attractions and the events and programmes on offer throughout the city during RWC 2011.
- To plan, organise and market a city-wide Wellington attractions Open Day on 26 June, designed to familiarise Wellingtonians with the variety of attractions on offer in the city; and
- Review the inter-relationships of the front-facing and back-end of the various CCO websites.
- Work together to produce a 'city resident card' to promote attractions and provoke visitation.
- Create and implement a visitor information plan to cover the key corridor between Brandon Street and Kelburn.
- CCO and CO leaders will meet at least twice a year to review and plan further collaborative initiatives designed to optimise Council's investment.

6.5.2 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, and support their marketing programmes at a tactical level.
- Maintain active working relationships with all airlines that operate to and from New Zealand.
- Retain ongoing contact with WIAL to understand their business objectives and support those objectives as appropriate.
- Work closely with WIAL to together support new routes and increased frequency of departures from all ports into Wellington.
- 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.

6.5.3 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.
- Promote city attributes and attractions that can create a great convention event regardless of core event capacity.
- Leverage our investment in marketing Wellington to Australia to increase the number of convention delegates visiting Wellington from Australia.

6.5.4 Event Marketing

Events have played a vital role in developing Wellington's brand. The capital boasts a high calibre 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 directly invests \$464,500 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. 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.

6.5.5 Support Infrastructure

Support infrastructure for tourism in Wellington city plays an important part in ensuring that the visitor experience in our city is exceptional.

Facilities and arrival experiences for the increasing number of cruise visitors is a particular risk, although much has been achieved since the summer season of 2008/09 through the ongoing provision of shuttle bus services by PWT and WCC between the port and city, and locating of staff in the Brandon Street/Lambton Quay area. The issues faced by cruise passengers are similar to those of all independent traveller visitors to the City including those who will visit for Rugby World Cup.

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 the Aotea Terminal.
- Work with Cruise NZ, Centre Port and WCC in development of long term solutions for handling increasing numbers of cruise ship visitors.

6.5.6 Environmental Sustainability

Environmental and sustainability issues continue to be increasingly important to us all as individuals, organisations and communities. These issues create particular challenges in the tourism sector. Issues

surrounding global warming, sustainability and tourism's impact on it will grow. The industry will need to embrace these market 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 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.
- We will continue participation in the Qualmark-Enviro accreditation assessment scheme and this will provide us with a tourism industry standard benchmark against which to grade our performance in future years.
- Identify areas in which Wellington can take a leadership role.

6.5.7 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 on 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.

7 Internal Audit Function

Positively Wellington Tourism respect that Wellington City Council may request an internal audit function as required.

8 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

9 Measuring Performance

	2011/12
	Implement a stakeholder satisfaction programme to monitor the ongoing satisfaction of commercial partners and the programmes of the Trust in which they participate.
Organisational	Undertake review of shared services under the umbrella activity being led by Wellington City Council.
	Maintain Wellington City Council funding at 50% or less of total income.
	Maintain overhead costs as less than 12% of total activity costs.
	Airline capacity maintained at least at 2010/11 levels and negotiations advanced to grow capacity further.
	Recognition of Wellington as a visitor destination in targeted regions of Australia has risen over levels measured (after one full year of activity) in March 2011.
Australia Sales and Marketing	Increase Australian visitor arrivals through Wellington International Airport over 2010/11 levels by 7%
	5% increase in leads/referrals generated to Convention Bureau partners relative to 2010/11.
	Grow Wellington's C&I market share within the New Zealand market by 5%. ⁽¹⁾
	Downtown weekend visitation increased by 2% over 2010/11 levels. ⁽²⁾
Downtown Marketing	Increase the audience of KNOW Wellington content (including social media channels) to 50,000.
	Generate 250 Editorial placements as a result of hosting the Society of American Travel Writers Conference within 18 months (June 30, 2013) of hosting the conference.
International / Long Haul	Create a platform through carrying out the actions described here in the Trust's Statement of Intent and in the accompanying Business Plan that allows Wellington the opportunity to provide credible business propositions to potential Long Haul airline partners.
	Maintain international visitor nights in commercial accommodation relative to 2010/11 ⁽³⁾
	Grow Wellington's Cruise passenger visitors in 2011-12 by 48% relative to 2010-11
New Zealand and Event Marketing	Domestic visitor nights in Wellington city maintained relative to 2010/11 ⁽⁴⁾
	Weekend rooms sold in partner hotels maintained relative to 2010/11
	10% growth in visitors to WellingtonNZ.com relative to 2010/11
Online and IT	Generate \$630K of bookings through WellingtonNZ.com
	Maintain i-SITE revenue relative to 2010/11 ⁽⁵⁾
i-SITE Visitor Centre	Increase proportion of sales to Wellington product by 5% relative to 2010/11
	Visitors to the i-SITE maintained at 2010/11 levels ⁽⁶⁾

(1) The total number of delegate days attributable to multiple day events has been constant since 2007; however, Wellington has in that same period enjoyed an increase of 5%, whilst the national market condition is still weak. The Trust believes that growth will be maintained as a result of increased sales activity in Australia, the change in convention distribution resulting from the Christchurch earthquake and a renewed focus occurring at Wellington Venues and Te Papa alongside PWT's Convention Bureau.

(2) The Trust measures downtown visitation by examination of the number of credit card transactions in the city. Through discussions with retail and hospitality sector partners the Trust acknowledges the challenge provided in growing the visitation levels whilst consumer confidence levels remain low; continuing to provide Wellingtonians with great reasons to spend time in the city is essential so that the city is exciting and welcoming to visitors from further afield. Festival events associated with Rugby World Cup 2011 will assist in provoking a small rise in CBD visitation over the 2011-12 year.

(3) Since the two Christchurch earthquakes, visitor arrivals into New Zealand have reduced. As a result of discussions with inbound airlines and international travel companies, the Trust believes that whilst Wellington will experience significant growth in arrivals from Australia, other markets arriving into New Zealand will decline. Arrivals in September and early October will be more than usual for that time of year as a result of Rugby World Cup 2011 but quieter periods on either side will mean this is a neutral impact overall.

(4) Whilst the Rugby World Cup 2011 will bring heightened visitor levels around the games it will also see corporate and convention nights reduce during September and October. Combined with the General Election, which has historically caused a reduction in government visitor nights, the Trust anticipates that this period of the year will experience a reduction in the number of domestic room nights. However, domestic marketing activity planned with commercial partners and the International Festival in the early months of 2012 should mean that across the year the 2010-11 result is maintained.

(5) The implementation of the new visitor centre layout has had a number of positive impacts (increased spend per visitor, increased length of time spent in visitor centre, increased proportion of purchases made being for Wellington and the Wellington region); however, at the same time, the reduction in visitors from western markets (and the UK in particular) has meant that the best yielding visitors are reducing in number. Whilst the Trust thus expects revenue to remain the same as in 2010-11 it is implementing a number of measures to tweak margins to offset negative cost impacts in 2011-12.

10 Staff

10.1 Marketing Office

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

10.2 i-SITE

Staffing levels at the i-SITE will be approximately 9 - 11 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.

11 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.

11.1 Availability of Future Funding

The Trust is reliant on Wellington City Council 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.

11.2 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.

11.3 Activities for which Compensation from Council is sought

The Trust is seeking a core operational funding grant of:

- \$5,940,000 which includes \$26,000 (Civic Square subsidy) in the 2011/12 financial year.
- Furthermore because of the unusual distribution of our activity (Rugby World Cup 2011 (3.2.14 above) and Society of American Travel Writers Congress (3.2.6 above) across the 2011/12 year we request that the core operational grant is funded:
 - 1 July 2011 - \$3,270,000
 - 1 January 2012 - \$2,670,000

11.4 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.

11.5 Expenses

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

11.6 Taxation

The Trust does not currently enjoy charitable status provided by the Inland Revenue and as such, is liable to pay Income Tax as a Council Controlled Organisation. 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.

11.7 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.

11.8 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.

11.9 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.

11.10 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.

11.11 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.

11.12 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.

11.13 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 are 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.

11.14 Employee Benefits

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

11.15 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.

11.16 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.

11.17 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.

11.18 Equity

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

11.19 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.

11.20 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.

11.21 Distribution to Settlor

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



John Milford
Chair
Partnership Wellington Trust
(On behalf of Trustees)

Appendix
Financial Budgets 2011/12 to 2013/14

Estimate 30-Jun-11	EARNINGS STATEMENT	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	Total YE 30-Jun-13	Total YE 30-Jun-14
	Revenue							
2,814,140	Trading Income	524,000	775,000	1,020,000	500,000	2,819,000	2,861,285	2,904,204
5,940,000	WCC Grants	2,035,000	1,235,000	1,435,000	1,235,000	5,940,000	4,940,000	4,940,000
	Other Grants					-		
	Sponsorships and Donations					-		
85,600	Investment Income	33,000	17,000	28,000	15,000	93,000	94,000	96,000
3,071,782	Other Income	1,115,000	405,000	1,350,000	202,000	3,072,000	2,092,720	2,092,720
11,911,522	Total Revenue	3,707,000	2,432,000	3,833,000	1,952,000	11,924,000	9,988,005	10,032,924
	Expenditure							
2,492,571	Employee Costs	592,000	658,000	671,000	675,000	2,596,000	2,699,840	2,807,834
9,230,235	Other Operating Expenses	2,442,250	2,654,250	1,832,550	2,210,750	9,139,800	7,133,660	7,111,330
206,005	Depreciation	58,500	57,400	55,500	54,000	225,400	165,000	125,000
	Interest	-	-	-	-	-	-	-
11,928,811	Total Expenditure	3,092,750	3,369,650	2,559,050	2,939,750	11,961,200	9,998,500	10,044,164
17,289	Net Surplus/(Deficit) before Taxation	614,250	937,650	1,273,950	987,750	37,200	10,495	11,239
	Taxation Expense	-	-	-	-	-	-	-
17,289	Net Surplus/(Deficit)	614,250	937,650	1,273,950	987,750	37,200	10,495	11,239
0	Operating Margin	0	0	0	1	0	0	0

Estimate 30-Jun-11	STATEMENT OF FINANCIAL POSITION	As at 30-Sep-11	As at 31-Dec-11	As at 31-Mar-12	As at 30-Jun-12	As at 30-Jun-13	As at 30-Jun-14
	Shareholder/Trust Funds						
491,441	Share Capital/Settled Funds	474,152	1,088,402	150,752	1,424,702	436,952	426,457
	Revaluation Reserves						
	Restricted Funds						
17,289	Retained Earnings	614,250	937,650	1,273,950	987,750	10,495	11,239
474,152	Total Shareholder/Trust Funds	1,088,402	150,752	1,424,702	436,952	426,457	415,218
	Current Assets						
310,413	Cash and Bank	2,162,163	43,413	2,604,363	402,822	386,555	358,555
316,739	Accounts Receivable	195,000	194,942	210,000	275,000	230,000	240,000
	Other Current Assets	-	-	-	-	-	-
627,152	Total Current Assets	2,357,163	238,355	2,814,363	677,822	616,555	598,555
	Investments						
	Deposits on Call						
	Other Investments						
	Total Investments	-	-	-	-	-	-
	Non-Current Assets						
365,000	Fixed Assets	395,812	354,224	314,536	276,348	167,848	113,348
65,000	Other Non-current Assets	55,688	43,376	31,064	18,752	22,752	47,752
430,000	Total Non-current Assets	451,500	397,600	345,600	295,100	190,600	161,100
1,057,152	Total Assets	2,808,663	635,955	3,159,963	972,922	807,155	759,655
	Current Liabilities						
343,000	Accounts Payable and Accruals	524,099	289,203	449,011	313,970	237,698	197,437
120,000	Provisions	97,000	115,000	106,000	92,000	80,000	82,000
120,000	Other Current Liabilities (Incl. Income in Advance)	1,099,162	81,000	1,180,250	130,000	63,000	65,000
583,000	Total Current Liabilities	1,720,261	485,203	1,735,261	535,970	380,698	344,437
	Non-Current Liabilities						
	Loans - WCC						
	Loans - Other						
	Other Non-Current Liabilities						
	Total Non-Current Liabilities	-	-	-	-	-	-
474,152	Net Assets	1,088,402	150,752	1,424,702	436,952	426,457	415,218
1.1	Current Ratio	1.4	0.5	1.6	1.3	1.6	1.7
45%	Equity Ratio	39%	24%	45%	45%	53%	55%

Estimate 30-Jun-11	STATEMENT OF CASH FLOWS	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	Total YE 30-Jun-13	(2)	Total YE 30-Jun-14
	Cash provided from:								
2,814,140	Trading Receipts	524,000	775,000	1,020,000	500,000	2,819,000	2,861,285		2,904,204
5,940,000	WCC Grants	3,270,000	0	2,670,000		5,940,000	4,940,000		4,940,000
	Other Grants					0			
	Sponsorships and Donations					0			
85,600	Investment Income	33,000	17,000	28,000	15,000	93,000	94,000		96,000
3,071,782	Other Income	1,115,000	405,000	1,350,000	202,000	3,072,000	2,092,720		2,092,720
11,911,522		4,942,000	1,197,000	5,068,000	717,000	11,924,000	9,988,005		10,032,924
	Cash applied to:								
2,492,571	Payments to Employees	592,000	658,000	671,000	675,000	2,596,000	2,699,840	#	2,807,834
9,227,363	Payments to Suppliers	2,418,250	2,654,250	1,832,550	2,240,041	9,145,091	7,243,932		7,157,591
	Net GST Cashflow					-			
	Other Operating Costs					-		#	
	Interest Paid	-	-	-	-	-			
11,719,934		3,010,250	3,312,250	2,503,550	2,915,041	11,741,091	9,943,772		9,965,425
191,588	Total Operating Cash Flow	1,931,750	(2,115,250)	2,564,450	(2,198,041)	182,909	44,233		67,500
	Investing Cash Flow								
	Cash provided from:								
0	Sale of Fixed Assets								
0	Other								
0		0	0	0	0	0	0		0
	Cash applied to:								
372,616	Purchase of Fixed Assets	80,000	3,500	3,500	3,500	90,500	60,500		95,500
372,616	Other								
		80,000	3,500	3,500	3,500	90,500	60,500		95,500
(372,616)	Total Investing Cash Flow	(80,000)	(3,500)	(3,500)	(3,500)	(90,500)	(60,500)		(95,500)

Estimate 30-Jun-11	STATEMENT OF CASH FLOWS (CONT)	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	Total YE 30-Jun-13	Total YE 30-Jun-14
	Financing Cash Flow							
	Cash provided from:							
	Drawdown of Loans							
0	Other							
0		0	0	0	0	0	0	0
	Cash applied to:							
	Repayment of Loans							
0	Other							
0		0	0	0	0	0	0	0
0	Total Financing Cash Flow	0	0	0	0	0	0	0
(181,028)	Net Increase/(Decrease) in Cash Held	1,851,750	(2,118,750)	2,560,950	(2,201,541)	92,409	(16,267)	(28,000)
491,441	Opening Cash Equivalents	310,413	2,162,163	43,413	2,604,363	310,413	402,822	386,555
310,413	Closing Cash Equivalents	2,162,163	43,413	2,604,363	402,822	402,822	386,555	358,555

Estimate 30-Jun-11	CASH FLOW RECONCILIATION	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	Total YE 30-Jun-13	Total YE 30-Jun-14
(17,289)	Operating Surplus/(Deficit) for the Year	614,250	(937,650)	1,273,950	(987,750)	(37,200)	(10,495)	(11,239)
206,005	Add Non Cash Items							
	Depreciation	58,500	57,400	55,500	54,000	225,400	165,000	125,000
	Other							
188,716		672,750	(880,250)	1,329,450	(933,750)	188,200	154,505	113,761
	Movements in Working Capital							
(40,200)	(Increase)/Decrease in Receivables	121,739	58	(15,058)	(65,000)	41,739	45,000	(10,000)
821	(Increase)/Decrease in Other Current Assets	0	0	0	0	0	0	0
(40,000)	Increase/(Decrease) in Accounts Payable	181,099	(234,896)	159,808	(135,041)	(29,030)	(76,272)	(40,261)
82,251	Increase/(Decrease) in Other Current Liabilities	956,162	(1,000,162)	1,090,250	(1,064,250)	(18,000)	(79,000)	4,000
2,872		1,259,000	(1,235,000)	1,235,000	(1,264,291)	(5,291)	(110,272)	(46,261)
	Net Gain/(Loss) on Sale:							
	Fixed Assets	0	0	0	0	0	0	0
	Investments					0		
0		0	0	0	0	0	0	0
191,588	Net Cash Flow from Operations	1,931,750	(2,115,250)	2,564,450	(2,198,041)	182,909	44,233	67,500

Estimate 30-Jun-11	STATEMENT OF MOVEMENT IN TRUST FUNDS	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	Total YE 30-Jun-13	Total YE 30-Jun-14
491,441	Trust Funds at beginning of Year	474,152	1,088,402	150,752	1,424,702	474,152	436,952	426,457
-	17,289 Net Surplus / Deficit - current year	614,250	- 937,650	1,273,950	- 987,750	- 37,200	- 10,495	# - 11,239
474,152	Trust Funds at end of Year	1,088,402	150,752	1,424,702	436,952	436,952	426,457	415,218

Represented by:

474,152	Trust- General Operations	1,088,402	150,752	1,424,702	436,952	436,952	426,457	415,218
---------	---------------------------	-----------	---------	-----------	---------	---------	---------	---------

Check		0	0	0	0	0	0	0
-------	--	---	---	---	---	---	---	---

Estimate 30-Jun-11	CAPITAL EXPENDITURE	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	Total YE 30-Jun-13	Total YE 30-Jun-14
30,000	Property Improvements	40,000	-	-	-	40,000		
54,294	Computer Equipment / Intangibles	25,000				25,000	25,000	# 60,000
288,322	Furniture and Fittings	15,000	3,500	3,500	3,500	25,500	35,500	35,500
372,616	Capital Expenditure	80,000	3,500	3,500	3,500	90,500	60,500	95,500