

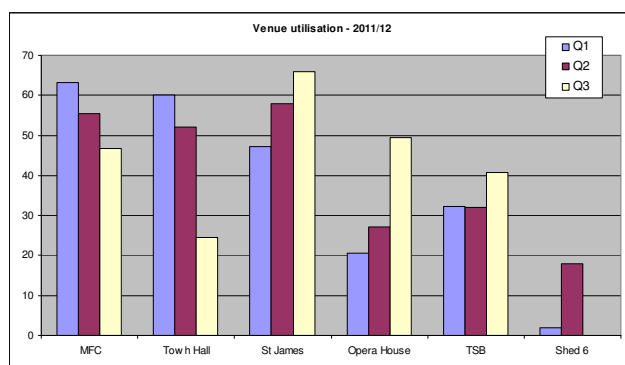
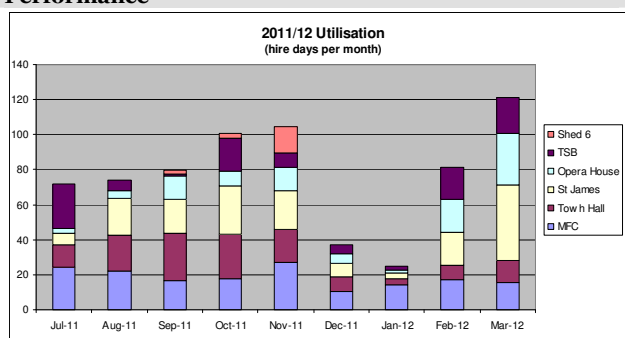
Quarterly Review – Positively Wellington Venues Ltd

Positively Wellington Venues Limited has presented its report for the quarter ended 31 March 2012 for review. A summary of key findings is presented below and the full report is attached.

Highlights: achievements

- The NZ International Festival of the Arts was the most significant event during the quarter with 27 productions being staged in PWV venues.
- Work continued on finding a suitable replacement venue for the spaces that will be lost when the earthquake strengthening work begins on the Town Hall in May 2013. In March a submission was made to secure funding through the Long Term Plan. The submission received support from the Council (although the allocation was reduced from \$5m to \$4m) and was included in the Draft LTP that went out for Consultation.
- The Heads of Agreement was signed in February 2012.

Performance



Macro Key Performance Indicators

The following KPIs have been reported by the company:

Venue Utilisation: Event hires per venue	2011/12 Q3 event hires
Michael Fowler Centre	47
Town Hall	24
TSB Arena/Shed 6	41
St James Theatre	66
Opera House	49
Total	227

- 'Show Business' performances accounted for 56% of revenue and 'Grow Business' (conferences and conventions) for 44%
- Show highlights were dominated by the NZ International Festival of the Arts performances.
- There were no new joint marketing or 'own show' projects in Q3. With a new director of Programming and Performances appointed, PWV has decided to structure deals with promoters and producers in such a way so as to reduce their exposure to risk.

Contact officer: Richard Hardie

Activities during the quarter

- The 2012/13 draft Statement of Intent was prepared for CCOPS
- A comprehensive organisation restructure commenced during the quarter.
- The Management team is developing a risk register to ensure that strategic and operational risks are identified and reviewed. The most significant risk in the immediate term is not receiving Council support for a replacement venue for the Town Hall through the LTP process.
- The development of a pan-venue asset management plan is progressing well and on target for completion in Q4.
- Work continues on the wind up of the St James Theatre Trust with final matters being addressed. The loan and overdraft was settled in April. A formal transfer agreement is now expected in Q4.

Financial Commentary

- January through to mid February is typically the quietest period in the PWV calendar with little significant show or grow business reflected in this report.
- The Q3 operating deficit was (\$411k) against a budgeted deficit of (\$447k). This included transition costs for consolidating and optimising the office set up and HR costs associated with the merger.
- The \$36k favourable Q3 result reflects overheads being managed to below budget levels.
- Q3 event revenue showed an unfavourable variance of \$357k (13%) due largely to Festival bookings not meeting expectations (the number of events did not increase from 2010). However, this had a corresponding impact on event costs that were \$442k (31%) below budget.
- Reduced cash levels for the quarter are in line with the operating loss, but offset by a good level of debtor recovery.
- The Statement of Financial Position shows a 22% increase in fixed assets reflecting the transfer of operating assets from the St James Theatre Trust.

Statement of Financial Performance

For the quarter ended 31 March 2012

\$'000	Q3 Actual	Q3 Budget	YTD Actual	YTD Budget	FY Budget
Income	2,542	2,932	10,985	11,302	15,849
Expenditure	2,936	3,379	11,951	11,881	16,606
Operating surplus	(411)	(447)	(967)	(580)	(757)

Statement of Financial Position

For the quarter ended 31 March 2012

\$'000	YTD Actual	FY Budget
Current assets	1,737	2,751
Non-current assets	1,152	1,028
Current liabilities	2,299	2,513
Non-current liabilities	-	-
Equity	590	1,266
Current ratio	.75	1.1
Equity ratio	20%	34%

Statement of Cash Flows

For the quarter ended 31 March 2012

\$'000	Q3 Actual	Q2 Actual
Operating	(197)	140
Investing	(102)	(88)
Financing	-	-
Net	(299)	52
Closing balance	837	1,136

Profile – Positively Wellington Venues Ltd

Positively Wellington Venues Ltd is a Council Controlled Trading Organisation (CCTO) that has been established as a result of the merger of the Wellington Convention Centre – a former business unit of the Wellington City Council – and the St James Theatre Charitable Trust. The decision to establish PWV was based on the potential to realise efficiency gains and savings across the two organisations, opportunities to capitalise on WCC's shared services capabilities, and the desire to see greater integration and cooperation of Wellington's venue spaces with other CCTOs and external organisations.



**POSITIVELY
WELLINGTON
VENUES**

PWV started trading on 1 February 2011, taking over the operations of the Convention Centre which managed the Michael Fowler Centre, Wellington Town Hall, TSB Bank Arena and Shed 6. The operations of the St James Theatre Charitable Trust, which managed the St James Theatre and Opera House, were assigned to PWV from 1 July 2011.

Acting as an agent of WCC, the new entity is responsible for the management of Wellington's premiere venue spaces, including: the Michael Fowler Centre; the Wellington Town Hall; the St James Theatre; the Opera House; and the TSB Arena and Shed 6.

Entity Data

Established	February 2011	<i>Term expires:</i>
Board	Chris Parkin	31 December 2014
	Sam Knowles	31 December 2012
	Linda Rieper	31 December 2014
	Samantha Sharif	31 December 2014
	Mike Egan	31 December 2014
	Lorraine Witten	31 December 2014
	Ngaire Best (councillor)	31 December 2013
	Paul Eagle (councillor)	31 December 2013
CEO	Glenys Coughlan	
Balance date	30 June	
Number of FTE staff	80	
Website	http://www.pwv.co.nz/	
Type of entity	Company	
LGA designation	CCTO	
By reason of	Council appointees	
Council interest	100% shareholding	
Type of interest	Shares	