

PARTNERSHIP WELLINGTON TRUST ANNUAL REPORT 2008/2009





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Photo: Heinz Hubler

POSITIVELY

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From the Chair



It is with a great deal of pride that I provide this overview of the achievements of Partnership Wellington Trust – trading as Positively Wellington Tourism (PWT) – over the past year.

A Year is a Long Time in Tourism

It hardly seems a year ago that we announced the appointment of David Perks as the new CEO of PWT. We were about to launch Wellington tourism's strategy for 2015, we were mindful of shifts in global travel and the economy, and the spotlight was on the importance of being environmentally responsible. We were tracking changes in media consumption patterns and we knew that we had to build on our work in the digital marketing realm. We hadn't felt the impacts of the global economic crisis. We had not heard of swine flu. The Minister of Tourism was not the Prime Minister of New Zealand.

I am sure that you will join the Board and me in congratulating David and the executive team on what they have been able to achieve in what has been a watershed year in New Zealand tourism. It has been challenging but immensely rewarding work, and far from missing a beat, it feels like we've made great ground at a cracking pace.

Absolutely Positively Well Supported

Two things make the difference in Wellington – an obsession with delivering measurable results and a good dose of faith in the possible.

Last year Wellington City Council increased their funding of PWT to enable us to invest further in online marketing. WellingtonNZ.com received a record number of visits this year, with a 42% increase in visitation in the second half of the year when compared with the same period in 2007/08.

The Council has now backed our bid to substantially increase our marketing efforts in Australia. Amidst a challenging climate they have again had the confidence and will to make a forward-thinking decision that will further build Wellington's economy. We look forward to delivering equally positive results.

2008/09 Result

The Trust remains in a solid financial position, with trust funds at year-end at \$525,890. The final result for the year was a small after tax surplus of \$84,766, which will be reinvested in PWT's core activities.

Onwards and Upwards

US President Barack Obama said "let's not waste this recession". I am confident that we are doing our best to make the most of it. We're also looking beyond it. We are looking at options to build a new experience that will redefine i-SITE service in this country, we're forging new partnerships that will enhance Wellington's product offering, and we will develop our profile in Australia.

I would like to extend my sincere thanks to my fellow trustees. We are fortunate to have the professional talent, untiring commitment and genuine passion for Wellington that sits around our Board table.

To the executive – keep on challenging, surprising and delighting us. Your energy is infectious and your dedication to the job is amazing.

And to the Wellington City Council and all of our partners – thank you for your support. In a year where some would have hunkered down, we are fortunate to work with people who don't like to entertain that concept.

GLENYS COUGHLAN • CHAIR

From the CEO



Challenging times are often the most rewarding and that's certainly been the case this year. The city's long-term vision and investment helped shelter the Wellington tourism industry from the harsh realities of a global recession and the opportunity to review what we do has set an exciting platform for the future.

Staying Strong in a Weakening Economy

A year ago New Zealand was beginning to see that the world of travel was changing. Now the global economic bubble has burst and tourism, like any other sector, has had to examine its position and respond accordingly. Our industry has been a cornerstone of Wellington's economy since the mid 1990s, driving and nurturing the vitality that has made our community the envy of people around the world. Wellington's relatively late maturation as a destination, along with its strategy of marketing to a range of tourism sub sectors, means that today the city finds itself able to be nimble and responsive to maximise new opportunities.

The Online World

Wellington City Council's investment in digital marketing a year ago has proved extremely timely and today WellingtonNZ.com leads the way in visitation statistics, online sales and consumer engagement. Our online booking revenues and costs reduced this financial year due to the introduction of a new booking system. We no longer process the full revenue and cost of the transaction, and simply receive our commission. This is easier for both our Wellington partners and consumers to use, and has thus increased the number of transactions made through WellingtonNZ.com since its inception. This is reflected in our financial statements.

More New Zealanders

The launch of the 'Spoil Yourself in Wellington' domestic campaign has been key to increased activity on WellingtonNZ.com. The changed environment has made tactical campaigns with partners such as Air New Zealand even more important in order to compel potential visitors to 'visit now'. In the year ahead our activities will further build on our reputation as New Zealand's events and cultural capital.

Everybody Needs Good Neighbours

The trend of New Zealanders to travel but stay closer to home is being reflected in Australia. Simultaneously, the change in New Zealand's government has greatly increased the recognition of tourism as an economic driver. Together these factors have led to significant growth in the demand for New Zealand as a destination. Top level discussions about a common Australasian border could see this build even further in the coming year. The work we have carried out in Australia this year with key partners such as Wellington International Airport and Interislander has given a very clear direction to our strategy for the future; Wellington must be seen by Australians as a destination in its own right, highly distinguishable from other parts of New Zealand.

Working Together

Positively Wellington Tourism has long been recognised as the focal point of a highly coordinated visitor industry. As the organisation moves into the 2009/10 year the need to work together is more important than ever and I'm pleased to report our partnership numbers have increased across the organisation during the last 12 months. The contribution from our business partners and neighbouring regions is vital to our shared goals and ambitions. This is critically underpinned by Wellington City Council, whose vision to utilise tourism as a economic driver to attain community outcomes is second-to-none.

I'd like to take this opportunity to thank my team and Board who epitomise Wellington's creative, forward-thinking, hard-working values. We look forward to another exciting year of working with you for the 'best little capital in the world'.

DAVID PERKS • CEO

The Board



Glenys Coughlan CHAIR



David Perks CEO



Ruth Pretty



John Milford



Kim Wicksteed



Mike O'Donnell



Jo Coughlan



Peter Monk

Highlights of the Year

Taking It to the Recession

Despite a severely contracted global economy, Wellington's tourism industry enjoyed a stable year and celebrated a range of exciting developments, in particular within the online space and Australian market. Our multi-faceted approach to destination development and tourism marketing saw the city hold strong in a declining market, with continued positive performance in domestic, cruise and conference tourism offsetting international declines. Positively Wellington Tourism proved nimble and able to respond quickly and effectively to a complete transition in market environment.

Let's Get Digital

New funding from Wellington City Council for online marketing saw the development of a three person team dedicated to expanding awareness of and engagement with Wellington in the digital world. Over just a few months social media site Twitter became the 7th top referrer to WellingtonNZ.com, which had over one million visits over the year.

The Forward Pack

The launch of the Wellington Visitor Strategy 2015 clarified the industry's goals, opportunities and needs for the future. Developments such as Pacific Blue's increased capacity and announcement of a new route between Wellington and Sydney reflected continued confidence in the destination and local tourism industry.

Working in Partnership

Working together is vital in challenging times and continuing to secure partner involvement and investment is critical. Partnership levels across all groups – including the International Marketing Alliance, International Marketing Group, Domestic Campaign and Wellington Convention Bureau – either increased or remained consistent with previous years.

Positively Spoiled

The 'Spoil Yourself in Wellington' domestic campaign has proved successful, with ongoing tactical developments offering reasons to travel now off the back of the brand story. The focus on domestic tourism over the past few years proved pivotal to Wellington holding its own in the changed environment.

Food for Thought

Culinary tourism offers exciting opportunities for Wellington. Recognising the opportunity, Positively Wellington Tourism partnered with Grow Wellington to begin development of an inaugural gourmet festival – Wellington On a Plate – which is also designed to plug a gap in the city's events calendar. A new boutique producer-focused City Market and the extended Harbourside Market - launched at the end of the year – have created a fantastic new chapter in the Wellington food story, which we'll continue to tell in the 2009/10 year.

DISCOVER NEW ZEALAND'S CAPITAL OF COOL.

There's something about Wellington. And now that Pacific Blue, international airline of Virgin Blue, has increased services to bring you eight direct flights weekly, it's the perfect place for a short break getaway. Wellington is New Zealand's arts and culture capital - effortlessly hip, creative and vibrant. Visit the brilliant national museum, Te Papa, pop across to the Marlborough or Wairarapa wine regions and enjoy the bars and restaurants of the bohemian and trendy Cuba Quarter - all just a 3 hour flight from Brisbane. For a limited time, flights to Wellington are on sale. Hurry, book your sale fare now at flypacificblue.com/wellington

WELLINGTON SALE FARE from \$239*

pacificblue flypacificblue.com/wellington International Airline of **Virgin Blue**

*Offering Brisbane to Wellington. New Zealand. Seats are limited and subject to availability of space between air and flight. Some prices include air taxes and destination fees and charges. Prices are per person for two. All prices are based on a standard fare. See flypacificblue.com/wellington for full terms and conditions. ©2009 Pacific Blue. All rights reserved. *Offering Brisbane to Wellington. New Zealand. Seats are limited and subject to availability of space between air and flight. Some prices include air taxes and destination fees and charges. Prices are per person for two. All prices are based on a standard fare. See flypacificblue.com/wellington for full terms and conditions. ©2009 Pacific Blue. All rights reserved.

Australia Marketing

OUR GOALS	RESULTS	
<ul style="list-style-type: none"> › At least maintain Australian visitor arrivals at 2007/08 levels and aim to match NZ inbound growth 	<ul style="list-style-type: none"> › Direct Australian visitor arrivals into Wellington increased by 6.4% compared to the previous year. This exceeded NZ inbound growth of 3.9%. (Source: International Visitor Arrivals, Statistics New Zealand). <i>We exceeded our goals in this area.</i> 	<p>Australians comprise Wellington's largest international visitor market. Positively Wellington Tourism positions the city as an urban short-break destination surrounded by New Zealand's finest wine regions through a proactive and highly productive trade and upweighted media programme.</p>
<ul style="list-style-type: none"> › Online campaign in market once during the year 	<ul style="list-style-type: none"> › Wellington took part in two Tourism New Zealand 'What's On' campaigns, which included online advertising. › A competition-based viral campaign ran for three months and an Australian version of WellingtonNZ.com reflected airfare specials, competitions, promotions, and itineraries. A multi-media 'Capital of Cool' campaign - run in partnership with Pacific Blue and Wellington International Airport - also had an online element. <i>We exceeded our goal in this area.</i> 	
<ul style="list-style-type: none"> › 6 operators to participate in joint sales visits to wholesalers 	<ul style="list-style-type: none"> › 4 Wellington tourism operators participated in sales visits to Sydney, Melbourne, Adelaide, Brisbane and the Gold Coast. <i>Our goal was partially achieved.</i> 	
<ul style="list-style-type: none"> › 12 trade familiarisations per year undertaken 	<ul style="list-style-type: none"> › 18 trade familiarisations took place, with 98 frontline consultants/agents, 10 product managers and 5 sales managers hosted. <i>We exceeded our goal in this area.</i> 	
<ul style="list-style-type: none"> › 60 visits to Australian wholesalers 	<ul style="list-style-type: none"> › 45 Australian wholesalers were visited and product training was undertaken with 112 consultants. <i>Our goal was partially achieved.</i> 	
<ul style="list-style-type: none"> › Airline capacity maintained at least at 2007/08 levels and negotiations advanced to grow capacity further 	<ul style="list-style-type: none"> › Air capacity increased by 7% compared with 07/08 and Pacific Blue announced a new Sydney-Wellington route for 09/10. <i>Our goals were achieved in this area.</i> 	
<ul style="list-style-type: none"> › 40 media placements achieved reflecting positive tourism stories 	<ul style="list-style-type: none"> › 22 Australian media were hosted, resulting in 84 positive media placements. <i>We exceeded our goal in this area.</i> 	
<ul style="list-style-type: none"> › Perception research in Australia undertaken showing improved awareness 	<ul style="list-style-type: none"> › A research focus group of ex-pat Australians living in Wellington was held. <i>Our goal was partially achieved.</i> 	

Convention Bureau

	OUR GOALS	RESULTS
<p>Meetings and conference visitation plays a crucial part in Wellington's tourism story, injecting millions into the local economy and plugging low season gaps. Our Convention Bureau has had an incredibly successful year, more than doubling the number of industry partners and significantly increasing its national market share.</p>	<ul style="list-style-type: none"> › 5% increase in domestic leads › 5% increase in international market leads 	<ul style="list-style-type: none"> › Our Convention Bureau increased its domestic and international leads by 5% and 8% respectively. <p><i>Our goals were achieved in this area.</i></p>
	<ul style="list-style-type: none"> › Increase partner funding by 10% on 2007/8 levels. › Number of partners to increase by 10% on 2007/8 levels 	<ul style="list-style-type: none"> › Partner funding increased by 10%. › Partner levels increased by 123% to 96 bureau partners. <p><i>We exceeded our goals in this area.</i></p>
	<ul style="list-style-type: none"> › Hold showcase event in Auckland 	<ul style="list-style-type: none"> › Our Convention Bureau hosted 92 guests in conjunction with 13 partners at a showcase in Auckland in August. <p><i>Our goal was achieved.</i></p>
	<ul style="list-style-type: none"> › Attend New Zealand-based trade show MEETINGS 	<ul style="list-style-type: none"> › The Bureau attended MEETINGS in Christchurch in July. 72 appointments were held and 14 Wellington commercial partners involved. <p><i>Our goal was achieved.</i></p>
	<ul style="list-style-type: none"> › Sales missions held in Melbourne, Canberra, Brisbane and Sydney with a 15% increase in lead generation 	<ul style="list-style-type: none"> › Sales missions were held in Melbourne, Brisbane and Sydney, with resulting leads increasing by 19% to 55. <p><i>We achieved our goal in this area. Canberra was replaced with additional activity in Sydney – a more strategic inbound market.</i></p>
	<ul style="list-style-type: none"> › 15 Australian decision makers involved in familiarisation visits to Wellington 	<ul style="list-style-type: none"> › 22 Australian conference decision makers were involved in visits to Wellington during the year. <p><i>We exceeded our goal in this area.</i></p>
	<ul style="list-style-type: none"> › 60 New Zealand conference decision makers involved in familiarisation visits to Wellington 	<ul style="list-style-type: none"> › 58 New Zealand conference decision makers were involved in visits to Wellington during the year. <p><i>We partially met our goal in this area.</i></p>
	<ul style="list-style-type: none"> › 2 sales visits to Australia 	<ul style="list-style-type: none"> › 3 sales visits were made to Melbourne, Sydney and Brisbane. <p><i>Our goal was achieved.</i></p>
	<ul style="list-style-type: none"> › 500 New Zealand sales calls made 	<ul style="list-style-type: none"> › The Bureau made 508 New Zealand sales calls. <p><i>Our goals were exceeded in this area.</i></p>
	<ul style="list-style-type: none"> › 15 bids for major conferences 	<ul style="list-style-type: none"> › 11 bids for major conferences were delivered. <p><i>Our goal was partially achieved.</i></p>

OUR GOALS	RESULTS
<ul style="list-style-type: none"> > 10 major conferences confirmed with total economic impact of \$6 million 	<ul style="list-style-type: none"> > 9 major conferences worth in excess of \$7 million were confirmed. <i>We achieved our goal in this area.</i>
<ul style="list-style-type: none"> > Undertake an average of 30 research sales calls per month and 10 sales calls (revised) 	<ul style="list-style-type: none"> > 30 research calls and 8 sales calls were made on average every month. <i>We partially met our goals in this area.</i>

“NEW FIGURES SHOW WELLINGTON IS THE BEST PLACE IN NEW ZEALAND TO STAGE A CONFERENCE.”
 - NZI BUSINESS, TV ONE

Communications

OUR GOALS

RESULTS

Positively Wellington Tourism has an open approach to Communications that focuses on being honest, dynamic, approachable and proactive. Corporate and stakeholder relations ensure our partners are informed, engaged and involved. Our public relations programme focuses on media hosting and other initiatives that will achieve positive editorial exposure for Wellington.

› 10 campaign leveraging projects initiated

› Media hosting and targeted editorial were focused to reflect the 'Spoil Yourself in Wellington' message. 13 projects were initiated throughout the year.
We exceeded our goal in this area.

› 8 major event leveraging projects initiated

› 16 projects were initiated during the year, including extensive PR support for the Montana World of WearableArt™ Awards Show and Wellington Jazz Festival.
We exceeded our goals in this area.

› Media profile of Positively Wellington Tourism and Wellington tourism issues maintained at 2007/08 levels

› Media profile of Positively Wellington Tourism and Wellington tourism issues was within 1% of 2007/08 levels, with 2465 stories recorded.

› Achieve target that 80% of media coverage is positive

› 86% of coverage was positive.
We achieved our goals in this area

› 20 stories in drive range promoting Wellington tourism

› 34 stories resulted from promotion to drive range media.
We exceeded our goal in this area.

› 12 issues of Positively Informed produced and distributed

› 12 editions of the Positively Informed e-newsletter were produced and distributed to an industry database of over 2000.
Our goal was achieved.

› WellingtonNZ.com media sections updated fortnightly

› Media sections of WellingtonNZ.com were updated fortnightly.
Our goal was achieved.

› Generate 15 media results reflecting PWT's online strategy

› 7 stories and opinion pieces regarding the online strategy were published in industry and Wellington media.
Our goal was partially achieved.

“THE CITY’S PROFILE HAS BOOMED SO MUCH THAT AUCKLAND RECENTLY FELT THE NEED TO MOUNT A CHALLENGE FOR THE CLAIM TO ‘CULTURAL CAPITAL’. WELLINGTON’S RESPONSE WAS TONGUE-IN-CHEEK AND CONFIDENT, LIFTING THE DEBATE INTO THE NATIONAL MEDIA AND SHOWING THE CITY HAD COME INTO ITS OWN...” - THE DOMINION POST

Downtown

OUR GOALS	RESULTS
<ul style="list-style-type: none"> › Downtown weekend visitation 2% above 2007/08 levels 	<ul style="list-style-type: none"> › Weekend visitation to downtown Wellington declined 5% from 2007/08 (Source: BNZ Market View). <i>Our goal was not achieved.</i>
<ul style="list-style-type: none"> › Downtown weekend sales 2% above 2007/08 levels 	<ul style="list-style-type: none"> › Weekend spending in downtown Wellington declined 8.3% from 2007/08 (Source: BNZ Market View). <i>Our goal was not achieved.</i>
<ul style="list-style-type: none"> › Weekend car parking occupancy 10% above 2007/08 levels 	<ul style="list-style-type: none"> › Due to reporting constraints, year-on-year comparison results are only available for 4 of the 10 car parks involved in the programme. Occupancy of these 4 parks consistently achieved 10% occupancy or more. <i>Our goal was achieved.</i>
<ul style="list-style-type: none"> › Increase the KNOW database to 15,000 	<ul style="list-style-type: none"> › 16,000 people were subscribed to KNOW by the end of the financial year. <i>We exceeded our goal in this area.</i>
<ul style="list-style-type: none"> › KNOW e-news distributed fortnightly 	<ul style="list-style-type: none"> › KNOW e-news was distributed fortnightly throughout the year, with a business version targeted at downtown retail and hospitality businesses launched during June 2009. <i>Our goal was achieved.</i>
<ul style="list-style-type: none"> › The Fashion Map and the Arts Map integrated into WellingtonNZ.com and the Downtown Year Planner produced 	<ul style="list-style-type: none"> › The Fashion and Arts Map content will be integrated into WellingtonNZ.com during the first half of 2009/10 as part of a site review. Content was integrated into the 2009 Wellington Visitor Guide. › The 2009 Downtown Year Planner was produced and distributed during December. <i>Our goals were partially achieved.</i>

Promoting central Wellington to both locals and visitors is imperative to maintaining the city's reputation as a vibrant urban destination. Our downtown campaign, KNOW, encourages people to be part of Wellington's CBD and makes it easy to know what's going on and how to get involved. Downtown visitation and spend are measured through a sample. This year's results demonstrate the effect the global downturn has had on discretionary spend patterns.

“I KNEW THE NEWSLETTER WENT OUT BEFORE I SAW YOUR EMAIL BECAUSE SUDDENLY WE WERE FLOODED WITH EMAILS AND PHONE CALLS. I THINK IT’S LIKELY YOU’VE DOUBLED OUR BOOKINGS!” - DANIELLE, TEMPT

International Marketing

OUR GOALS

RESULTS

Wellington's creative culture, scenery and nationhood and heritage positioning have seen its international profile and reputation continue to develop. The economic recession significantly affected the international visitor market, with key markets such as the United States and United Kingdom being particularly challenged.

- › Partner funding within 10% of 2007/08 levels
- › Number of partners within 5% of 2007/08

- › Both International Marketing Alliance and International Marketing Group partner numbers and funding were the same level as 2007/08.

We achieved our goals in this area.

- › 40 sales calls to Inbound Tour Operators (IBOs)
- › Train 350 frontline staff from key markets
- › Sales calls to 100 decision makers in key offshore markets

- › 74 sales calls to Inbound Tour Operators were made over the year.
- › 511 frontline staff from key markets were trained via visits, webinars and Tourism New Zealand events in the UK and North America.
- › 131 key decision makers were visited through offshore sales trips and attendance at TRENZ 2009.

We exceeded our goals in this area.

- › Undertake i-SITE frontline famil to Wellington
- › Increase Wellington's profile at key touchpoints throughout New Zealand
- › Increase Wellington coverage in US & UK brochures, websites and guidebooks

- › One i-SITE frontline famil was undertaken during the year with participants travelling the Classic New Zealand Wine Trail incorporating Wellington.
- › Information provision for cruise ship passengers was increased and training sessions held with frontline staff at Auckland i-SITE Visitor Centres.
- › Meetings were held with guidebook writers from Lonely Planet, Fodors, Frommers and Footprints.
- › Wellington's share of wholesaler brochure pages increased by 7% to 16%, with a 20% increase in individual products brochured.

We achieved our goals in this area.

- › Further develop the travel trade section of WellingtonNZ.com
- › Distribute 4 e-updates to trade
- › Distribute 8 e-updates to media

- › The image library selection was expanded and an online version of the regional Trade Directory uploaded to the travel trade section of WellingtonNZ.com
- › 6 e-updates were sent to trade.
- › 4 media e-updates were sent.

We partially achieved our goals in this area.

- › Host 2 famils for Inbound Tour Operator staff
- › Host 1 Product Buyer famil
- › Host 15 wholesale or retail trade famils

- › 2 Inbound Tour Operator famils were held with representatives from 7 inbound companies.
- › 15 Product Buyers were hosted during the year, including 8 from German companies and 2 from the US.
- › 15 retail famils were hosted during the year.

Our goals were achieved in this area.

- › Produce 2009 Wellington Regional Visitor Guide
- › Achieve 70 editorial media placements

- › 180,000 copies of the 2009 Wellington Regional Visitor Guide were distributed.
- › 71 media famils were hosted which have or will result in placements. Due to developments in the media environment, reach often extends across multiple media channels.

Our goals were achieved.

Long Haul

OUR GOALS	RESULTS	
<ul style="list-style-type: none"> › Strategy review completed and modified, strategy implemented if required. Deliver on strategy as agreed by funding partners. › Undertake a minimum of 10 trade and airline sales calls to key Asia wholesalers. › Attend Kiwi Link Asia. 	<ul style="list-style-type: none"> › The strategy was reviewed, and the roles of Positively Wellington Tourism (PWT) and Wellington International Airport Limited (WIAL) clarified. › PWT continued to work on raising the profile of Wellington as a destination for business and leisure travel in Asia, Europe and North America; whilst WIAL continued its focus on airline relationships and infrastructure requirements. › Asia wholesaler sales calls this year were held via Kiwi Link Asia and TRENZ. A total of 102 appointments were held. › PWT attended Kiwi Link Asia in October 2008. <i>Our goals were met in this area.</i> 	<p>Positively Wellington Tourism’s diverse marketing strategy has been integral to the city maintaining a positive position within a volatile global market this year. This experience has cemented the importance of our continued exploration of new markets such as China and India.</p>
<ul style="list-style-type: none"> › Funding within 5% of 2007/08 levels › Retain at least 6 funding partners 	<ul style="list-style-type: none"> › 6 partners were retained at the same funding levels as the previous year. <i>We achieved our goals in this area.</i> 	
<ul style="list-style-type: none"> › Deliver on Long Haul Strategy as agreed by funding partners 	<ul style="list-style-type: none"> › Destination awareness work was carried out in long haul source markets as agreed with the strategy group. › Increasing demand for Wellington from and through Australia has been identified as a key step in bringing long haul carriers to Wellington and increased tactical activity was introduced accordingly. <i>We met our goals in this area.</i> 	
<ul style="list-style-type: none"> › Aim to be in negotiation with 2 airlines by the end of 2008/09 financial year 	<ul style="list-style-type: none"> › A change in delivery timeframes of new aircraft from Boeing means that no airline has aircraft capable of commercially viable long haul services into Wellington. Negotiations are therefore not in process. › PWT and WIAL continued to interact with all airlines operating in Australasia to increase Wellington’s air connectivity and identify opportunities for the future. <i>This goal was not met.</i> 	

“CONTINUED DEVELOPMENT OF WELLINGTON INTERNATIONAL AIRPORT, AS OUTLINED IN THEIR 2030 MASTER PLAN RELEASED TODAY, WILL BE A MAJOR CONTRIBUTOR TO WELLINGTON BECOMING RECOGNISED GLOBALLY AS THE ‘BEST LITTLE CAPITAL IN THE WORLD’.” - POSITIVELY WELLINGTON TOURISM MEDIA RELEASE

New Zealand Marketing

	OUR GOALS	RESULTS
<p>Wellington's popularity as a domestic destination was pivotal to the continued success of our tourism industry this year, balancing out reduction in long haul visitation. The new 'Spoil Yourself in Wellington' campaign was launched and events continued to be a key tactical driver.</p>	<ul style="list-style-type: none"> › 2% growth (visitor nights) above 2007/08 levels 	<ul style="list-style-type: none"> › Visitor nights increased by 2.5% compared to the previous year (Source: Commercial Accommodation Monitor, Statistics New Zealand). <i>This goal was achieved.</i>
	<ul style="list-style-type: none"> › Weekend rooms sold in partner hotels 2% above 2007/08 levels 	<ul style="list-style-type: none"> › Weekend rooms sold in partner hotels declined by 1.3% compared to the 2007/08 year. <i>This goal was not achieved.</i>
	<ul style="list-style-type: none"> › Maintain at least 20 funding partners in New Zealand marketing partnership 	<ul style="list-style-type: none"> › The New Zealand Marketing Campaign had 24 funding partners for the year, including 22 hotels, Air New Zealand and Te Papa. <i>We achieved our goal in this area.</i>
	<ul style="list-style-type: none"> › Maintain partner funding within 5% of 2007/08 levels 	<ul style="list-style-type: none"> › Partner funding for the year was within 3.6% of 2007/08 levels. <i>Our goal was achieved.</i>
	<ul style="list-style-type: none"> › Deliver marketing for the ticket sale and event phases of Montana World of WearableArt™ Awards Show and the NZI Sevens 	<ul style="list-style-type: none"> › The marketing activity for both the ticket sale and event phases of the 2009 NZI Sevens was delivered on time and on budget. › The event phase marketing for the Montana World of WearableArt™ Awards Show 2008 was delivered in September, and the ticketing phase for the 2009 event was delivered in March. <i>We achieved our goals in this area.</i>
	<ul style="list-style-type: none"> › Significant input into event development 	<ul style="list-style-type: none"> › We provided funding and media support to the inaugural Wellington Jazz Festival, Armageddon Expo, Sandwiches Summerset music festival and Starlight Express musical. › Positively Wellington Tourism also provided significant input and funding support for the development of Wellington On a Plate, a new annual food festival due to take place for the first time in August 2009. <i>Our goal was achieved.</i>
	<ul style="list-style-type: none"> › Joint market at least 7 key events (inc. WOW® and NZI Sevens) and produce 2 event calendars 	<ul style="list-style-type: none"> › We joint marketed 9 key events during the year: the Wellington Jazz Festival, the Armageddon Expo, Sandwiches Summerset music festival, Starlight Express, Te Papa's Our Space, Monet and Formula One™ exhibitions, WOW® and the NZI Sevens. › 2 editions of the Event Calendar were produced during 2008/09. <i>Our goals were achieved.</i>
	<ul style="list-style-type: none"> › Re-launch the updated domestic campaign in July 2008 	<ul style="list-style-type: none"> › The new domestic marketing campaign was successfully launched on July 21st 2008. <i>Our goal was achieved.</i>

Online and IT

OUR GOALS	RESULTS	
<ul style="list-style-type: none"> › To develop a User Generated Content (UGC) application on WellingtonNZ.com, eg: a forum for users and potential visitors 	<ul style="list-style-type: none"> › The new web agency for WellingtonNZ.com this year identified fundamental improvements (in search, navigation and design) which have been prioritised ahead of introducing UGC. Planning for the best way to incorporate UGC features has started and is part of the overall website review. <p><i>This goal was partially achieved.</i></p>	<p>The development of a dedicated Online Marketing Team has proved pivotal to our aim of being an Australasian leader in digital destination marketing. Regular enhancements of WellingtonNZ.com continue, with mobile and social media platforms now in the mix.</p>
<ul style="list-style-type: none"> › 40% growth in visitors to WellingtonNZ.com. 	<ul style="list-style-type: none"> › Comparative measurement of website visits is available from January 2008. Website visits for the period January to June 2009 saw an increase of 42% compared to the same period in 2008. › There were over 1 million visits to WellingtonNZ.com this financial year. <p><i>We achieved our goal in this area.</i></p>	
<ul style="list-style-type: none"> › Achieve online sales of at least \$1.4 million and enhanced online booking system that is fully operational. 	<ul style="list-style-type: none"> › Total online sales for the year were \$598,895. › An enhanced online booking system (Bookit) was introduced in Q3, which has improved the booking system and significantly increased sales. Daily average sales have risen 46% to \$2,000 since the upgrade. <p><i>Our goals in this area were partially achieved.</i></p>	
<ul style="list-style-type: none"> › Maintain top 3 position in indicator search engines (via organic search- Wellington accommodation, Wellington events, Wellington shopping, Wellington restaurants) (Source: Google, Yahoo, MSN). 	<ul style="list-style-type: none"> › WellingtonNZ.com is the first result on Google, Yahoo, and MSN for all search terms, except for 'Wellington Restaurants', which is third on Google and first on the other search engines. <p><i>This goal was achieved.</i></p>	
<ul style="list-style-type: none"> › Develop at least 3 social media applications. 	<ul style="list-style-type: none"> › 3 social media applications were developed: the Spoil Yourself Facebook profile, a Wellington Twitter account and an interactive Wellington mobile guide. <p><i>This goal was achieved.</i></p>	

“POSITIVELY WELLINGTON TOURISM HAS DONE EVERYTHING FROM SET UP INTERNATIONAL MEDIA INTERVIEWS WITH OUR CEO TO GIVE A VISITOR ADVICE ON WHERE TO SHOP FOR A NEW SHIRT ON TWITTER.” - TOURISM BUSINESS MAGAZINE

Overheads and Governance

	OUR GOALS	RESULTS
<p>Sound governance and systems underpin our work at Positively Wellington Tourism and enable us to communicate effectively with our major funder, Wellington City Council, and other stakeholders.</p> <p>Comprehensive reports and audits help ensure we meet our statutory responsibilities and make informed decisions.</p>	<ul style="list-style-type: none"> › 2009/10 Business Plan produced by March 2009 › HR, Finance and IT policies and systems up-to-date 	<ul style="list-style-type: none"> › The 2009/10 Business Plan was completed and approved by Wellington City Council. › Organisational policies have been updated and structures reviewed to maintain financial and information technology system integrity and security. <p><i>Our goals were achieved in this area.</i></p>
	<ul style="list-style-type: none"> › 11 Board meetings held › 2 Audit Finance and Risk Subcommittee meetings held 	<ul style="list-style-type: none"> › 11 Board meetings were held during the year. › 2 Audit, Finance and Risk subcommittee meetings were held. <p><i>Our goals were achieved in this area.</i></p>
	<ul style="list-style-type: none"> › Audited accounts and the Annual Report produced within 60 days of 30 June 2008 › Quarterly reports to Wellington City Council delivered on time 	<ul style="list-style-type: none"> › Audited accounts and the Annual Report were produced within 60 days of 30 June 2008. › All quarterly reports have been delivered to Wellington City Council in a timely manner. <p><i>Our goals were achieved.</i></p>
	<ul style="list-style-type: none"> › Overhead cost below budget or no more than 5% over budget › New funding and revenue opportunities initiated 	<ul style="list-style-type: none"> › The overhead budget was 3.9% (\$41,000) over budget. This was due to an increase in computer maintenance and server migration. › The number of commercial partners committed to Positively Wellington Tourism increased this year. We also instigated discussions with the new government about potential central government funding for the marketing of Wellington in Australia. <p><i>Our goals were achieved in this area.</i></p>

“WELLINGTON KEEPS PULLING TOURISTS, WITH THE REGION’S VISITOR NIGHTS UP 2.4 PER CENT IN NOVEMBER DESPITE A SLUMPING NATIONAL PICTURE.” - THE DOMINION POST

Product Development

OUR GOALS	RESULTS	
<ul style="list-style-type: none"> › Monitor and advocate for the continual improvement of tourism-related infrastructure 	<ul style="list-style-type: none"> › Positively Wellington Tourism continued to advocate for key developments, including new campervan parks, signage and accessible infrastructure. › We also worked closely with both CentrePort and Wellington City Council toward the improvement of cruise-related infrastructure, in particular passenger transportation services. <p><i>Our goals were achieved in this area.</i></p>	<p>The development of tourism attractions is a highly valuable but lengthy process. While few tangible developments were seen this year, major headway was made behind-the-scenes on a number of key projects. The release of the Wellington Visitor Strategy 2015 mapped out the priorities and projected timelines.</p>
<ul style="list-style-type: none"> › Help advance the development of the Karori Sanctuary and the Marine Education Centre and other significant attractions 	<ul style="list-style-type: none"> › The development of ZEALANDIA: The Karori Sanctuary Experience's new Visitor and Education Centre is well underway. We continued to provide expertise and support on product development, marketing and public relations. The centre is due to open 1 April 2010. › We continue to play a lead role in supporting the redevelopment of Carter Observatory and sit on the Observatory Advisory Board. Opening of the upgraded observatory is scheduled for May 2010. › The future of the proposed Wellington Marine Education Centre was uncertain for much of the year. We have re-engaged with the Centre Trust and feel strongly about the potential of this product. We will continue to support this proposal. › PWT has also been working with a range of currently confidential product development opportunities. <p><i>Our goals were achieved.</i></p>	
<ul style="list-style-type: none"> › Market and funding feasibility for a purpose-built convention centre fully understood 	<ul style="list-style-type: none"> › A large-scale convention centre was named as a priority within the Wellington Visitor Strategy 2015, which was written in conjunction with key stakeholders. <p><i>We achieved our goal.</i></p>	
<ul style="list-style-type: none"> › One commissionable product developed from repackaging existing products 	<ul style="list-style-type: none"> › We are engaged with a range of currently confidential product development projects that will assist in enabling packaging of other existing product. <p><i>Our goal was not met in this area but outlook is very positive.</i></p>	
<ul style="list-style-type: none"> › 1 to 2 investment groups having completed feasibility studies on niche accommodation developments 	<ul style="list-style-type: none"> › 1 feasibility study for a new boutique hotel has been developed and we have been giving ongoing support to another potential development. <p><i>Our goal was met.</i></p>	

Product Development (cont)

	OUR GOALS	RESULTS
	<ul style="list-style-type: none"> › Integrate and communicate global environmental trends and issues into strategies and planning for industry 	<ul style="list-style-type: none"> › The Wellington Tourism Strategy 2015 was released, with environmental sustainability as a key component. › PWT received funding from the Ministry of Tourism for the implementation of the Wellington Sustainable Tourism Advisers in Regions (STAR) Programme and continued to advocate and promote sustainable initiatives to local industry. <p><i>This goal was achieved.</i></p>
	<p>“A DESTINATION NEEDS TO CONSTANTLY DEVELOP NEW RECIPES TO FEED CONSUMERS’ HUNGER FOR SOMETHING NEW.”</p> <p>- DAVID PERKS IN INBUSINESS MAGAZINE</p>	

Research

OUR GOALS	RESULTS	
<ul style="list-style-type: none"> › Produce and communicate Hotel Monitor, CAM, WAAM and other statistics monthly 	<ul style="list-style-type: none"> › We continued to manage and communicate the core tourism datasets within our research programme. <i>Our goal was achieved.</i> 	<p>Accurate and meaningful research is at the heart of effective marketing. Our strategic decisions and forecasts are underpinned by a solid research programme carried out in order to understand Wellington's mix of visitor markets and lead informed industry development.</p>
<ul style="list-style-type: none"> › Deliver annual domestic market research programme 	<ul style="list-style-type: none"> › We continued to analyse and communicate the Statistics New Zealand domestic market datasets. › We also operated our own Hotel Monitor and commissioned BNZ MarketView Domestic and Downtown reports quarterly. <i>Our goal was achieved.</i> 	
<ul style="list-style-type: none"> › Deliver annual international market research programme 	<ul style="list-style-type: none"> › Positively Wellington Tourism continued to analyse and communicate the international market datasets on an ongoing basis, particularly the International Visitor Survey, Regional Visitor Monitor and Commercial Accommodation Monitor. <i>Our goal was achieved.</i> 	
<ul style="list-style-type: none"> › Improvement of national tourism statistics to help Positively Wellington Tourism with more effective decision-making 	<ul style="list-style-type: none"> › We have continued to engage with the Ministry of Tourism with the aim of seeking more accurate datasets that are relevant to Wellington's tourism industry. › Positively Wellington Tourism is represented on the International Visitor Survey and Domestic Tourism Survey stakeholder groups. <i>Our goal was partially achieved.</i> 	
<ul style="list-style-type: none"> › Manage Wellington i-SITE Visitor Centre research needs 	<ul style="list-style-type: none"> › PWT initiated and managed a national i-SITE sales monitor report on a monthly basis. <i>This goal was achieved.</i> 	

Wellington i-SITE Visitor Centre

OUR GOALS

RESULTS

The Wellington i-SITE Visitor Centre is the frontline service and sales arm of our business. The centre plays a crucial role in the visitor experience, helping guests make the most of our city.

› Grow revenue by at least 6%

› Revenue (excluding online) increased by 6.6% to \$2,785,945.
This goal was achieved.

› Customer satisfaction at consistently high levels of 90%

› The i-SITE was tested throughout the year with Mystery Shopper Programmes, with annual results of 74% for satisfaction level with i-SITE service, 80% for phone enquiries and 82% for email enquiries.
This goal was not met, however staff training and management programmes have since been put into place.

› Report on relocation and operational feasibility of new or upgraded centre by July 2008

› A report was tabled in July 2008 regarding the construction of a new i-SITE. However the Board and executive have decided to investigate further location options.
Our goal was partially met.

› Increase sales of Wellington activities and attractions by 10%

› Wellington region activity and attraction sales increased by 11% to \$416,107.
› This is attributed to strong sales to cruise ship passengers and an increase in free independent travellers visiting Wellington.
We exceeded our goal in this area.

› Break even financial result achieved

› The Wellington i-SITE made a net loss of \$709.
We met our goal in this area.

› Help grow online revenue to \$1.4m

› Online revenue for the year was \$598,895.
Our goal was not met, however a change in booking system has seen a 46% increase in daily online sales so the future is positive.

› Visitors to i-SITE maintained at least at 2007/08 levels

› Visitor numbers increased 5% to 382,677.
We exceeded our goal.

“THE CUSTOMER SERVICE OFFICER HAD VERY GOOD PRODUCT KNOWLEDGE BUT WHAT I LIKED MOST WAS THAT SHE SPOKE ENTHUSIASTICALLY ABOUT NEW ZEALAND AND IT MADE ME FEEL PROUD TO CALL THIS COUNTRY MY HOME.”

- i-SITE VISITOR CENTRE MYSTERY SHOPPER

PARTNERSHIP WELLINGTON TRUST INC

FINANCIAL STATEMENTS

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Audit Report

To The Readers Of
Partnership Wellington Trust Incorporated's
Financial Statements And Performance Information
For The Year Ended 30 June 2009

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The Auditor-General is the auditor of Partnership Wellington Trust Incorporated (the Trust). The Auditor-General has appointed me, Brent Kennerley, using the staff and resources of Grant Thornton, to carry out the audit of the financial statements and performance information of the Trust, on his behalf, for the year ended 30 June 2009.

UNQUALIFIED OPINION

In our opinion:

- The financial statements of the Trust on pages 22 to 40:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Trust financial position as at 30 June 2009; and
 - the results of its operations and cash flows for the year ended on that date.
- The performance information of the Trust on pages 37 to 40 fairly reflects the achievements measured against the performance targets adopted for the year ended 30 June 2009.

The audit was completed on 13 August 2009, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and the Auditor, and explain our independence.

BASIS OF OPINION

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and performance information did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and performance information. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board of Trustees;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and performance information.

We evaluated the overall adequacy of the presentation of information in the financial statements and performance information. We do not express an opinion upon budgeted figures included in the financial report. We obtained all the information and explanations we required to support our opinion above.

RESPONSIBILITIES OF THE BOARD OF TRUSTEES AND THE AUDITOR

The Board of Trustees is responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Trust as at 30 June 2009 and the results of its operations and cash flows for the year ended on that date. The Board of Trustees is also responsible for preparing performance information that fairly reflects service performance achievements for the year ended 30 June 2009. The Board of Trustees responsibilities arise from the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements and performance information and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 69 of the Local Government Act 2002.

INDEPENDENCE

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Grant Thornton provide taxation services to the Trust. Except as stated above and other than in our capacity as auditors we have no relationship with or interests in the Trust.



Brent Kennerley
Grant Thornton
On behalf of the Auditor-General
Wellington, New Zealand
13 August 2009

Statement of Financial Performance

FOR THE YEAR ENDED 30th JUNE 2009		NOTE	ACTUAL	BUDGET	ACTUAL
			2009 \$	2009 \$	2008 \$
INCOME					
Wellington City Council funding			4,940,000	4,940,246	4,316,600
Interest income			120,014	138,571	171,640
Visitor Centre income	1		3,237,522	4,523,927	3,686,744
Rental income			99,826	107,946	113,520
Partner income			1,451,669	1,486,787	1,668,641
Other income			1,712	8,613	36,545
TOTAL INCOME			9,850,743	11,206,090	9,993,690
EXPENDITURE					
Personnel expenses	2		2,191,150	1,709,592	1,984,074
Depreciation & amortisation expenses			160,419	150,568	186,459
Visitor Centre cost of sales			2,694,279	3,843,337	3,248,777
Marketing and publications			3,942,250	4,564,466	3,823,179
Premises expenses			331,246	316,000	292,587
Operating expenses	3		429,397	622,127	408,242
TOTAL EXPENDITURE			9,748,741	11,206,090	9,943,318
TOTAL OPERATING SURPLUS/(DEFICIT) FOR YEAR			102,002	-	50,372
Income Tax expense	11		17,236	-	-
NET SURPLUS FOR THE YEAR			84,766	-	50,372



PARTNERSHIP WELLINGTON TRUST INC

Statement of Movement in Trust Funds

FOR THE YEAR ENDED 30th JUNE 2009		NOTE	ACTUAL	BUDGET	ACTUAL
			2009 \$	2009 \$	2008 \$
TRUST FUNDS					
Funds at beginning of year			441,124	441,124	390,752
Net surplus / (deficit) for the year			84,766	-	50,372
Total trust funds			525,890	441,124	441,124
REPRESENTED BY:					
Trust - general operations			525,890	441,124	441,124
TOTAL ACCUMULATED FUNDS			525,890	441,124	441,124

The Notes to the Financial Statements form part of and are to be read in conjunction with the Financial Statements.

Statement of Financial Position

AS AT 30th JUNE 2009	NOTE	ACTUAL	BUDGET	ACTUAL
		2009 \$	2009 \$	2008 \$
ASSETS				
Current Assets				
Cash and cash equivalents	4	645,950	739,563	434,651
Short term deposits	4	386,413	-	357,139
Debtors and other receivables	5	230,289	368,671	175,575
Inventories	6	821	1,329	1,329
Total current assets		1,263,473	1,109,563	968,694
Non Current Assets				
Intangible assets	9	140,627	200,000	221,137
Property plant & equipment	8	84,887	56,618	58,248
Total non current assets		225,514	256,618	279,385
Total assets		1,488,987	1,366,181	1,248,079
LIABILITIES				
Current Liabilities				
Creditors and other payables	7	808,910	652,866	690,022
Tax payable	11	17,236	-	-
Employment entitlements	10	136,951	109,979	116,933
Total current liabilities		963,097	762,845	806,955
Total liabilities		963,097	762,845	806,955
NET ASSETS		525,890	603,336	441,124
TRUST FUNDS				
Funds at beginning of year		441,124	441,124	390,752
Net surplus/(deficit) for the year		84,766	-	50,372
Total trust funds		525,890	441,124	441,124
Chair: Glenys Coughlan 		Trustee: John Milford 		
Date: 13 August 2009		Date: 13 August 2009		

The Notes to the Financial Statements form part of and are to be read in conjunction with the Financial Statements.

Statement of Cash Flow

FOR THE YEAR ENDED 30th JUNE 2009	NOTE	ACTUAL	BUDGET	ACTUAL
		2009 \$	2009 \$	2008 \$
Cash Flows from OPERATING ACTIVITIES				
Wellington City Council funding		4,940,000	4,940,246	4,316,600
Interest income		120,014	138,571	171,640
Visitor Centre income		3,238,030	4,523,927	3,686,113
Rental income		99,826	107,946	113,520
Partner income		1,382,420	1,486,787	1,979,242
Other income		1,712	8,613	36,572
Payments to suppliers		(7,248,905)	(9,746,691)	(8,399,534)
Payments to employees		(2,173,852)	(1,709,592)	(1,929,557)
Net cash from operating activities	12	359,245	(250,193)	(25,404)
Cash Flows from INVESTING ACTIVITIES				
Receipts from sale of property, plant & equipment				
Purchase of intangible assets		23,634	100,000	222,401
Purchase of property plant and equipment		93,557	20,000	67,915
Net cash from investing activities		117,191	120,000	290,316
Net increase/(decrease) in cash		242,054	(370,193)	(315,720)
Cash balance at the start of the period		791,790	1,109,756	1,107,510
Add effect of exchange rate on foreign exchange		(1,481)	-	-
Total cash at the end of the period		1,032,363	739,563	791,790
Total cash is represented by:				
Cash and cash equivalents		645,950	739,563	434,651
Short term investments		386,413	-	357,139
Total cash at the end of the period		1,032,363	739,563	791,790

The Notes to the Financial Statements form part of and are to be read in conjunction with the Financial Statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

Partnership Wellington Trust Inc. is a charitable trust incorporated under the Charitable Trusts Act 1957.

Partnership Wellington Trust Inc has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards (NZIFRS).

The principal objective of Partnership Wellington Trust Inc. is to market and add value to Wellington and to achieve sustainable economic growth for the benefit of the public of Wellington.

The financial statements for Partnership Wellington Trust Inc. are for the year ended 30 June 2009 and were approved by the Board on 10 August 2009.

BASIS OF PREPARATION

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice.

The financial statements comply with NZIFRS and other applicable Financial Reporting Standards as appropriate for public benefit entities.

MEASUREMENT BASE

The financial statements have been prepared on an historical cost basis. The accrual basis of accounting has been used unless otherwise stated.

The financial statements are presented in New Zealand dollars rounded to the nearest dollar.

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

STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED THAT ARE NOT YET EFFECTIVE AND HAVE NOT BEEN EARLY ADOPTED

Standards, amendments and interpretations issued but not yet effective that have not been early adopted,

and which are relevant to Partnership Wellington Trust Inc. include:

NZIAS1 Presentation of Financial Statements (revised 2007) replaces NZIAS 1 Presentation of Financial Statements (issued 2004) and is effective for reporting periods beginning on or after 1 January 2009. The revised standard requires information in the financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners.

Partnership Wellington Trust will have the option of presenting items of income and expense components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of comprehensive income).

STANDARD, AMENDMENTS AND INTERPRETATIONS ISSUED THAT ARE NOT EFFECTIVE AND HAVE NOT BEEN EARLY ADOPTED AS THEY ARE NOT APPLICABLE

Standards, amendments and interpretations to published standards that are not yet effective and not relevant are NZIFRS 2 Share based payments, NZ IFRS 3 Business combinations, NZIFRS 4 Insurance contractors, NZ IFRS 8 Operating segments, NZIAS23 Borrowing costs, NZ IAS 27 Consolidated and separate financial statements, NZIFRIC 15 Agreements for the construction of real estate.

JUDGMENTS AND ESTIMATIONS

The preparation of financial statements in conformity with NZIFRS requires judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Where material, information on major assumptions is provided in the relevant accounting policy or will be provided in the relevant note.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Subsequent actual results may differ from these estimates.

The estimates and associated assumptions are

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

based on historical experience and various other factors that are believed to be reasonable under the circumstances. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised when the revision affects only the period. If the revision affects both current and future periods, it is reflected in the respective period it relates to.

Judgments have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the relevant notes.

REVENUE

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 stage of completion of the transaction at balance date. Under this method, revenue is recognised in the accounting periods in which the services are provided.

Partnership Wellington Trust Inc. is primarily funded through revenue received from Wellington City Council, which is restricted in its use for the purpose of Partnership Wellington Trust Inc. meeting its objectives as specified in the Statement of Intent. Revenue from Wellington City Council is recognised as revenue when earned and is reported in the financial period to which it relates.

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.

Interest income is recognised using the effective interest rate method.

Lease receipts included in rental income is recognised as revenue on a straight line basis over the lease term.

EXPENSES

Expenses are recognised when the goods or service have been received on an accruals basis.

TAXATION

Income tax is charged in the statement of financial performance in respect of the current year's results

GOODS 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 expenses.

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.

FINANCIAL ASSETS

Financial assets are classified as loans and receivables.

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

Cash and cash equivalents comprise of cash balances and call deposits with up to three months maturity from date of acquisition.

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.

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

IMPAIRMENT OF FINANCIAL ASSETS

At balance date Partnership Wellington Trust Inc. 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 statement of financial performance.

A provision for impairment of receivables is established when there is objective evidence Partnership Wellington Trust Inc. 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.

FINANCIAL LIABILITIES

Financial Liabilities comprise of 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 statement of financial performance as is any gain or loss when the liability is derecognised. Financial liabilities entered into with less than 12 months are recognised at their nominal value.

INVENTORY

Inventories held for distribution or consumption are recorded at 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.

PROPERTY PLANT AND EQUIPMENT

Property plant and equipment consists of leasehold improvements, computer equipment and furniture and fittings.

RECOGNITION

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

MEASUREMENT

Property, plant and equipment is recorded at historical cost or valuation. The initial cost of property, plant and equipment includes the purchase consideration, and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose

Borrowing costs are not capitalised. Subsequent expenditure that extends or expands the asset's service potential is capitalised.

IMPAIRMENT

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported in the statement of financial performance, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decreased.

ADDITIONS

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to Partnership Wellington Trust Inc. and the cost of the item can be measured reliably.

DISPOSAL

Realised gains and losses arising from the disposal of property plant and equipment are recognised in the statement of financial performance 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 a 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 and fittings	33%
Computers	33%

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

INTANGIBLE ASSETS

Intangible assets comprise of 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 statement of financial performance 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 years
Website	3 years

Realised gains and losses arising from disposal of intangible assets are recognised in the statement of financial performance 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 statement of financial performance.

LEASES

OPERATING LEASES AS LESSEE

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

OPERATING LEASE AS LESSOR

Rental income is recognised on a straight line basis over the lease term.

CREDITORS AND OTHER PAYABLES

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

PROVISIONS

Partnership Wellington Trust Inc. 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 and a reliable estimate of the obligation can be made.

EMPLOYEE ENTITLEMENTS

Employee entitlements that Partnership Wellington Trust Inc. expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current pay rates. These include salaries and wages accrued up to balance date, annual leave earned, but not yet taken at balance date and sick leave. A provision for employee benefits (holiday leave and sick leave) is recognised as a liability when benefits are earned but not paid.

Partnership Wellington Trust Inc. recognises a liability and an expense for bonuses where it is contractually obliged to pay them or where there is a past practice that has created a constructive obligation.

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) and 16(4) of the Holidays Act 2003.

SICK LEAVE

The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that Partnership Wellington Trust Inc. anticipates it will be used by staff to cover those future absences.

EQUITY

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

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

CONTINGENT ASSETS AND LIABILITIES

Contingent liabilities and contingent assets are disclosed in the notes forming part of the financial statements at the point at which the contingency is evident. 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.

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 will 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. Finance activities relate to activities that change the equity and debt capital structure of Partnership Wellington Trust Inc.

RELATED PARTIES

Related parties arise where one entity has the ability to affect the financial and operating policies of another through presence of control or significant influence.

BUDGET FIGURES

The budget figures are derived from the statement of intent as approved by the Board of Trustees at the beginning of the financial year. The budget figures have been prepared in accordance with NZIFRS, using accounting policies that are consistent with those adopted by Partnership Wellington Trust Inc. for the preparation of financial statements.

COMPARATIVES

To ensure consistency with the current year, certain comparative information has been restated or reclassified as appropriate. This has occurred where classifications changed between periods.

1. VISITOR INFORMATION CENTRE

	2009 \$	2008 \$
Trading income	3,237,522	3,686,744
Rent received	96,576	105,720
Wellington City Council funding	26,000	26,000
Total income	3,360,098	3,818,464
Less:		
Cost of sales	2,694,279	3,248,777
Gross profit	665,819	569,687
Less expenses:		
Employee expenses	433,041	416,282
Depreciation	18,694	19,697
Operating lease expense	102,371	112,121
General operating expenses	112,414	128,692
Total expenses	666,520	676,792
Net operating surplus/(deficit)	(701)	(107,105)

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

2. PERSONNEL EXPENSES

	2009 \$	2008 \$
Salaries and wages	1,915,162	1,748,516
Recruitment and contract fees	68,069	97,232
Employer contributions to Kiwisaver	10,432	4,405
Conferences and training courses	40,129	34,399
Board of Trustee fees	104,072	88,362
Accident Compensation levies	18,321	-
General personnel expenses	34,965	11,160
Total personnel expenses	2,191,150	1,984,074

3. OPERATING EXPENSES

	2009 \$	2008 \$
Audit fees for financial statement audit	19,751	11,000
Communications	106,164	102,451
Computer maintenance	109,662	28,299
Printing and stationery	30,423	27,740
Consultancy	19,206	19,053
Membership and subscriptions	39,976	44,218
Vehicle expenses	27,179	27,384
Loss on sale of vehicle	10,644	-
General operating expenses	66,392	148,097
Total other expenses	429,397	408,242

4. CASH AT BANK

	2009 \$	2008 \$
Cash and cash equivalent	645,850	434,651
Short term deposits	386,513	357,139
Total cash	1,032,363	791,790

The short term deposit has a maturity date of 6 January 2010 with a weighted average effective interest rate of 5.5% (2008 6.13%).

The Board requires a minimum cash reserve of \$250,000 to be held by Partnership Wellington Trust Inc. in line with the Statement of Intent requirements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

5. DEBTORS AND OTHER RECEIVABLES

	2009 \$	2008 \$
Debtors and other receivable	215,880	186,908
Prepayments	14,889	-
Less: Provision for doubtful debts	(480)	(11,333)
Total debtors and other receivables	230,289	175,575

The carrying value of trade receivables approximates their fair value.

As at 30 June 2009 and 2008, all overdue receivables have been assessed for impairment and appropriate provisions applied, as detailed below.

	2009 \$			2008 \$		
	Gross	Impairment	Net	Gross	Impairment	Net
Not past due	204,106	-	204,106	141,308	-	141,308
Past due 1-30 days	7,108	-	7,108	8,693	-	8,693
Past due 31-60 days	18,205	-	18,205	24,045	-	24,045
Past due 61-90 days	1,350	(480)	870	12,862	(11,333)	1,529
Past due > 91 days						
Total	230,769	(480)	230,289	186,908	(11,333)	175,575

The provision for impairment has been based on expected losses for Partnership Wellington Trust Inc. pool of debtors.

6. INVENTORIES

	2009 \$	2008 \$
Wellington i-SITE Visitor Centre	821	1,329
Total inventories	821	1,329

7. CREDITORS AND OTHER PAYABLES

	2009 \$	2008 \$
Creditors	430,959	288,218
Income in advance	107,012	68,198
Accrued expenses	270,939	333,606
Total creditors and other payables	808,910	690,022

Trade and other payables are non interest bearing and are normally settled on 30 day terms. Carrying value therefore approximates fair value.

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

8. PROPERTY, PLANT AND EQUIPMENT

Movements for each class of property, plant and equipment are as follows:

	Furniture and office equipment	Leasehold Improvements	Computers	Motor Vehicles	Total
Cost or Valuation					
Balance at 1 July 2007	126,319	220,531	335,107	-	681,957
Additions	11,391	664	6,007	-	18,062
Revaluation increase	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer to assets held for sale	-	-	-	-	-
Balance at 30 June 2008	137,710	221,195	341,114	-	700,019
Balance at 1 July 2008	137,710	221,195	341,114	-	700,019
Additions	8,878	47,647	21,914	33,564	112,003
Revaluation increase	-	-	-	-	-
Disposals	-	(156,862)	(63,929)	(33,564)	(254,355)
Transfer to assets held for sale	-	-	-	-	-
Balance at 30 June 2009	146,588	111,980	299,099	-	557,667
Accumulated depreciation and impairment losses					
Balance at 1 July 2007	82,557	208,921	281,990	-	573,468
Depreciation expense	21,928	3,565	42,810	3,916	72,219
Eliminate on disposal	-	-	-	(3,916)	(3,916)
Eliminate on revaluation	-	-	-	-	-
Transfer to assets held for sale	-	-	-	-	-
Impairment losses	-	-	-	-	-
Balance at 30 June 2008	104,485	212,486	324,800	-	641,771
Balance at 1 July 2008	104,485	212,486	324,800	-	641,771
Depreciation expense	23,445	12,538	15,817	4,475	56,275
Eliminate on disposal	-	(156,862)	(63,929)	(4,475)	(225,266)
Eliminate on revaluation	-	-	-	-	-
Transfer to assets held for sale	-	-	-	-	-
Impairment losses	-	-	-	-	-
Balance at 30 June 2009	127,930	68,162	276,688	-	472,780
Carrying amounts					
At 1 July 2007	43,762	11,610	53,117	-	108,489
At 30 June 2008	33,225	8,709	16,314	-	58,248
At 30 June 2009	18,658	43,818	22,411	-	84,887

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

9. INTANGIBLE ASSETS

Movements for each class of intangible asset are as follows:

	Software	WellingtonNZ Website	Texture	Total
Cost				
Balance at 1 July 2007	17,240	171,299	76,635	265,174
Additions	33,970	238,288	-	272,258
Disposals	-	-	-	-
Balance at 30 June 2008	51,210	409,587	76,635	537,432
Balance at 1 July 2008	51,210	409,587	76,635	537,432
Additions	6,504	17,131	-	23,635
Disposals	-	-	-	-
Balance at 30 June 2009	57,714	426,718	76,635	561,067
Accumulated amortisation and impairment losses				
Balance at 1 July 2007	10,213	166,637	21,287	198,137
Amortisation expense	11,354	55,714	51,090	118,158
Disposals	-	-	-	-
Balance at 30 June 2008	21,567	222,351	72,377	316,295
Balance at 1 July 2008	21,567	222,351	72,377	316,295
Amortisation expense	15,401	84,486	4,258	104,145
Disposals	-	-	-	-
Balance at 30 June 2009	36,968	306,837	76,635	420,440
Carrying amounts				
At 1 July 2007	7,027	4,662	55,348	67,037
At 30 June 2008	29,643	187,236	4,258	221,137
At 30 June 2009	20,746	119,881	-	140,627

There are no restrictions over the title of the Trust's intangible assets, nor are any intangible assets pledged as security for liabilities.

All software is acquired software and not internally generated.

10. EMPLOYEE ENTITLEMENTS

	2009 \$	2008 \$
Accrued salaries and wages	-	43,345
Accrued remuneration incentives	32,200	-
Annual leave	86,658	62,506
Sick leave	18,093	11,082
Total employee entitlements	136,951	116,933

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

11. INCOME TAX EXPENSE

	2009 \$	2008 \$
Total income	9,850,743	-
Total WCC grant income	4,940,000	-
	4,910,743	-
Total expenditure	(9,748,741)	-
Total grant expenditure	(4,890,228)	-
	(4,858,513)	-
Taxable income	52,230	-
Tax on income at 33%	17,236	-
Total income tax	17,236	-

Income tax was not applicable in the 2008 year.

12. RECONCILIATION OF NET SURPLUS/(DEFICIT) TO NET CASH FROM OPERATING ACTIVITIES

	2009 \$	2008 \$
Net surplus/(deficit) for the period:	102,002	50,373
Add/(deduct) non-cash items:		
Provisions	(10,853)	11,333
Depreciation and Amortisation	160,419	186,459
Net foreign exchange (gains)/losses	1,481	-
Total non-cash items	151,047	197,792
Add/(deduct) items classified as investing or financing activities:		
Loss on sale of assets	10,644	-
Total items classified as investing or financing activities	10,644	-
Add/(deduct) movements in working capital items:		
Debtors and other receivables	(43,861)	299,268
Inventories	508	(604)
Creditors and other payables	118,888	(626,750)
Employee entitlements	20,018	54,517
Net movements in working capital items	95,552	(273,569)
Net cash from operating activities	359,245	(25,404)

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

13. COMMITMENTS

	2009 \$	2008 \$
Capital expenditure	-	40,000
Non-cancellable operating lease commitments		
Payable not later than one year	202,555	266,881
Payable later than one, not later than two years	200,290	170,503
Payable later than two, not later than five years	463,145	517,325
Payable later than five years	-	57,982
Total commitments	865,990	1,012,691

Non-cancellable operating lease rentals mature between 2012 and 2016

14. CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 June 2009 (2008 : Nil)

15. EVENTS AFTER BALANCE DATE

There are no events after balance date that affect the financial statements or the notes to the financial statements.

16. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:

Partnership Wellington Trust Inc. financial instruments include financial assets (cash and cash equivalents and receivables) and financial liabilities (payables that arise directly from operations).

As part of its normal operations, Partnership Wellington Trust Inc. is exposed to credit risk.

Partnership Wellington Trust Inc.'s financial instruments include financial assets (cash and cash equivalents and receivables).

Partnership Wellington Trust Inc.'s exposure to these risks and the action that Partnership Wellington Trust Inc. has taken to minimise the impact of this risk is outlined below:

FAIR VALUE:

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. The fair values of all financial instruments are detailed below by class:

Financial Assets

	2009 Fair Value	2009 Carrying Amount	2008 Fair Value	2008 Carrying Amount
Cash and cash equivalents	645,950	645,950	434,651	434,651
Short term deposits	386,413	386,413	357,139	357,139
Trade and other receivables	230,289	230,289	175,575	175,575

Notes to the Financial Statements

FOR THE YEAR ENDED 30th JUNE 2009

Financial Liabilities

	2009 Fair Value	2009 Carrying Amount	2008 Fair Value	2008 Carrying Amount
Trade payables	808,910	808,910	690,022	690,022

CREDIT RISK:

Credit risk is the risk that a third party will default on its obligations to Partnership Wellington Trust Inc. and therefore cause a loss.

Partnership Wellington Trust Inc. is not exposed to any material concentrations of credit risk other than its' exposure to the Wellington City Council.

Receivable balances are monitored on an ongoing basis with the result that Partnership Wellington Trust Inc. exposure to bad debts is not significant.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Balance Sheet.

Partnership Wellington Trust Inc.'s maximum exposure to credit risk at balance date is:

Financial Assets

	2009 \$	2008 \$
Total cash	1,032,363	791,790
Trade receivables	215,880	186,908
Other receivables	14,889	-
Total financial assets	1,263,132	978,698

17. RELATED PARTIES

The Trust is a Council controlled entity of Wellington City Council.

The Trust received funding from Wellington City Council of \$4,940,000 (2008:\$4,316,600).

The Trust also rents premises owned by Wellington City Council and has paid rent of \$110,985 (2008:\$112,121).

Except as stated there are no other related party transactions.

18. BOARD MEMBER REMUNERATION

The total value of remuneration paid or payable to each Board member during the year was:

	2009 \$	2008 \$
G Coughlan	20,000	20,000
J Milford	13,000	11,500
K Wicksteed	13,000	11,500
R Pretty	13,000	11,500
J Coughlan	13,000	7,333
P Monk	13,000	11,500
M O'Donnell	13,000	11,500
A Foster	-	1,667
Total Board member remuneration	98,000	86,500

Statement of Service Performance 2008/09

FOR THE YEAR ENDED 30th JUNE 2009

1. THE OBJECTIVES OF THE TRUST

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:

- a) 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.
- b) Enhance the profile of city tourism and retail businesses, promote strategic alliances and private sector partnerships.
- c) Further enhance the recognition of Wellington and give support to the Wellington region as a key and desirable visitor destination.
- d) Actively facilitate the coordination of marketing initiatives appropriate to the objects of the Trust.
- e) Ensure marketing initiatives are focused on increasing the sustainability of Wellington's commercial sector.
- f) Recognise and promote community focused initiatives.
- g) Enter into funding agreements and other contracts that are necessary or desirable to achieve the objects of the Trust.
- h) Generally to do all acts, matters and things that the Trustees consider necessary or conducive to further or attain the principal and additional objects of the Trust set out above.

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

2. THE NATURE AND SCOPE OF ACTIVITIES TO BE UNDERTAKEN

LEADERSHIP

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

ONLINE TOURISM DISTRIBUTION

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

I-SITE VISITOR CENTRE

- Operating an i-SITE Visitor Centre.

INTERNATIONAL MARKETING

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

CONVENTION BUREAU

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

NEW ZEALAND MARKETING

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

DOWNTOWN MARKETING

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

AUSTRALIAN MARKETING

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

EVENT MARKETING AND DEVELOPMENT

- Supporting event development and adding 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.

COMMUNICATIONS

- Leveraging marketing activity and key city messages by way of an active communications plan.

Statement of Service Performance 2008/09

FOR THE YEAR ENDED 30th JUNE 2009

RESEARCH

- Ensuring Wellington's tourism dataset and information base is industry leading and able to properly inform marketing and product development decision making.

PRODUCT DEVELOPMENT

- Supporting the development of new tourism attractions and the development of new and existing tourism businesses and services.

PARTNERSHIP/RELATIONSHIPS

- Maintaining a strong private/public sector funding approach to the Trust's work.
- Maintaining strong relationships with relevant public and private sector interests, most notably Wellington City Council.

3. KEY PERFORMANCE INDICATORS

The world travel sector has been affected by the changing face of the global economy. Wellington continued to build on its successes and return on the investments made, despite the challenging environment. International visitors to Wellington increased by 1.8% to 553,833 in 2008/09, compared to a decline of international visitor arrivals to New Zealand of 2.8%. International visitor spend in Wellington increased by 6.9% to \$2,051,603,621, compared to a national decline of 2.6%. (Sources: Ministry of Tourism International Visitor Survey and Statistics New Zealand International Visitor Arrivals).

A. GENERAL KPIs

Measure	Frequency of measure	Target 2008/09	Result
International direct arrivals to Wellington Airport	Monthly	Maintain 2007/08 numbers	There were 135,521 direct arrivals into Wellington Airport, a 4.3% increase on previous year (Source: International Visitor Arrivals).
International visitor nights	Monthly	Maintain 2007/08 numbers	International guest nights decreased by 3.5% to 703,550 in the year to May 09 when compared to the same period the year before (Source: Commercial Accommodation Monitor).
New Zealand market visitor numbers and nights	Monthly	NZ market numbers and nights 1% above 2007/08	Domestic guest nights to May 09 were 1,276,030, an increase on May last year of 2.3% (Source: Commercial Accommodation Monitor).
Partner hotel weekend occupancy (capacity aligned)	Monthly	1% above 2007/08	Weekend occupancy in our partner hotels was 69.04%, a 1.4% growth on last year (Source: PWT Hotel Monitor).
Downtown weekend visitation	Quarterly	2% above 2007/08	Sample weekend visitor spend decreased by 8% (\$816,485) in 2008/09 compared to the previous year. (Source: BNZ MarketView).
i-SITE revenue	Quarterly	Grow 2007/08 revenue by at least 5%	Total i-SITE revenue was \$3,237,522, a decrease of \$449,221 or 12%. Revenue generated at the i-SITE only (ie: not including online sales) was \$2,967,965, an increase of 0.2% on 07/08.

Statement of Service Performance 2008/09

FOR THE YEAR ENDED 30th JUNE 2009

Measure	Frequency of measure	Target 2008/09	Result
Partner Funding	Annually	Funding within 5% of 2007/08 levels	Partner funding in 08/09 was \$1,451,669, a 13% decrease from 07/08 levels of \$1,668,641.
Partners	Annually	Number of partners within 5% of 2007/08 levels	We have 124 partners in the 08/09 year, a 44% increase on 07/08 levels of 86 partners.
Cost effectiveness	Annually	Partnership funding at no less than 35% of WCC funding	Partnership funding in 08/09 was 29% of WCC funding, compared to 38% in 2007/08.
Grow visitors to WellingtonNZ.com monthly	Monthly	40% above 2007/08 levels	Comparable figures are only available for January to June. 2008/09 saw a 43% increase to 594,761 over this period when compared with 07/08 (414,882). Full year visits were 1,077,393. (Source: Nielsen Netratings)

B. FINANCIAL KPIs

The following financial indicators were monitored and approved by the Board.

- Interest income
- Net cost of Visitor Centre
- Net cost of joint venture marketing
- Total overhead expenses
- Cashflows

Financial and operating measures were reported to Wellington City Council on a quarterly basis including the following:

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

4. TRUST PERFORMANCE

Governance related performance targets and other measures by which the Trust's performance were judged in relation to the Trust's objectives:

- Contribute to the development of Wellington city's vision 'Creative Wellington – Innovation Capital'
- Add value to Wellington
- Operate within budgeted funding levels
- Protect the asset base of the Trust
- Be a good equal opportunity employer
- Act lawfully in all matters
- Operate within the boundaries of our Trust Deed
- Develop and review strategic and business plans

The Board of Positively Wellington Tourism met 11 times in the financial year. The Board delegates the day-to-day operations of the Trust to the CEO and the management team who report monthly to the Board.

A review of trustee performance was not completed in December by the Chair. The Board will be reviewing the Institute of Directors' evaluation model during 2009/10.

The Board operated an Audit, Finance and Risk subcommittee, which met twice in the financial year. A Remuneration subcommittee was also formed for operation in the 2009/10 financial year.

Statement of Service Performance 2008/09

FOR THE YEAR ENDED 30th JUNE 2009

5. STAFF

As at year end 30 June 2009 there were 21 FTEs in the marketing office.

Staffing levels at the i- SITE will be approximately 8-10 FTEs, with seasonal adjustments to deal with seasonal demand and extended trading periods. As at year end 30 June 2009 there were 8.4 FTEs.

6. ANY SIGNIFICANT PRESENT OR EXPECTED OBLIGATIONS OR CONTINGENT LIABILITIES TO THIRD PARTIES

The Trust has no contingent liabilities as at 30 June 2009.

The Trust has a six year rental agreement for its office space in Grand Plimmer Tower which expires in October 2013. The annual rental is \$148,720 + GST with one right of renewal for three years at the Trust's discretion.

The Trust has exercised a right of renewal on the rental agreement for its Visitor Centre space in the WCC CAB Building, which expired in August 2006. The renewal of the lease is to August 2009. The annual rental is \$100,370 + GST.

Partnership Wellington Trust has one three-year lease on a vehicle that expires in 2012. The annual cost of the lease is \$10,415 + GST.

The Trust also has a range of employment agreements with its employees, eg: part and full time, contract and casual.

The Trust has a policy for the ratio of total Trust Assets to Total Liabilities of 1.2:1.

Total assets at 30 June 2009 were \$1,488,987

Total liabilities at 30 June 2009 were \$963,097

Total assets to total liabilities at 30 June 2009 was 1.5 :1.

Trust assets include cash in the bank, debtors and other receivables, stock, short term investments and fixed assets.

Trust liabilities include creditors and other payables, employee entitlements, income in advance and tax payable.

7. NEW ZEALAND EQUIVALENTS TO INTERNATIONAL REPORTING STANDARDS

The Trust adopted New Zealand equivalents to International Financial Reporting Standards (NZIFRS) at balance date 30 June 2007. This was in line with Council's timeframe.

The Board requires a minimum cash reserve of \$250,000 to be held by the Trust.

The Trust does not distribute surplus.

8. COMPENSATION

The Trust received funding/compensation from the Wellington City Council of \$4,940,000 in the financial year ended 30 June 2009.

The funding deed is for a period of three years and is extended annually for a further year.

9. SUCH OTHER MATTERS AS ARE AGREED BY COUNCIL AND THE TRUSTEES

Nil

Signed:



Glenys Coughlan, Chair

Date: 13 August 2009

I LOVE THIS CITY, THE HILLS, THE HARBOUR
WIND THAT BLASTS THROUGH IT. I LOVE
THE LIFE AND PULSE AND ACTIVITY, AND
WARM DECREPITUDE... THERE'S ALWAYS
HERE THAT ONE MUST WALK WHICH IS S
AND PRECARIOUS, REQUIRING VIGILANCE

