

**POSITIVELY**

**Wellington**

WellingtonNZ.com

**TOURISM**

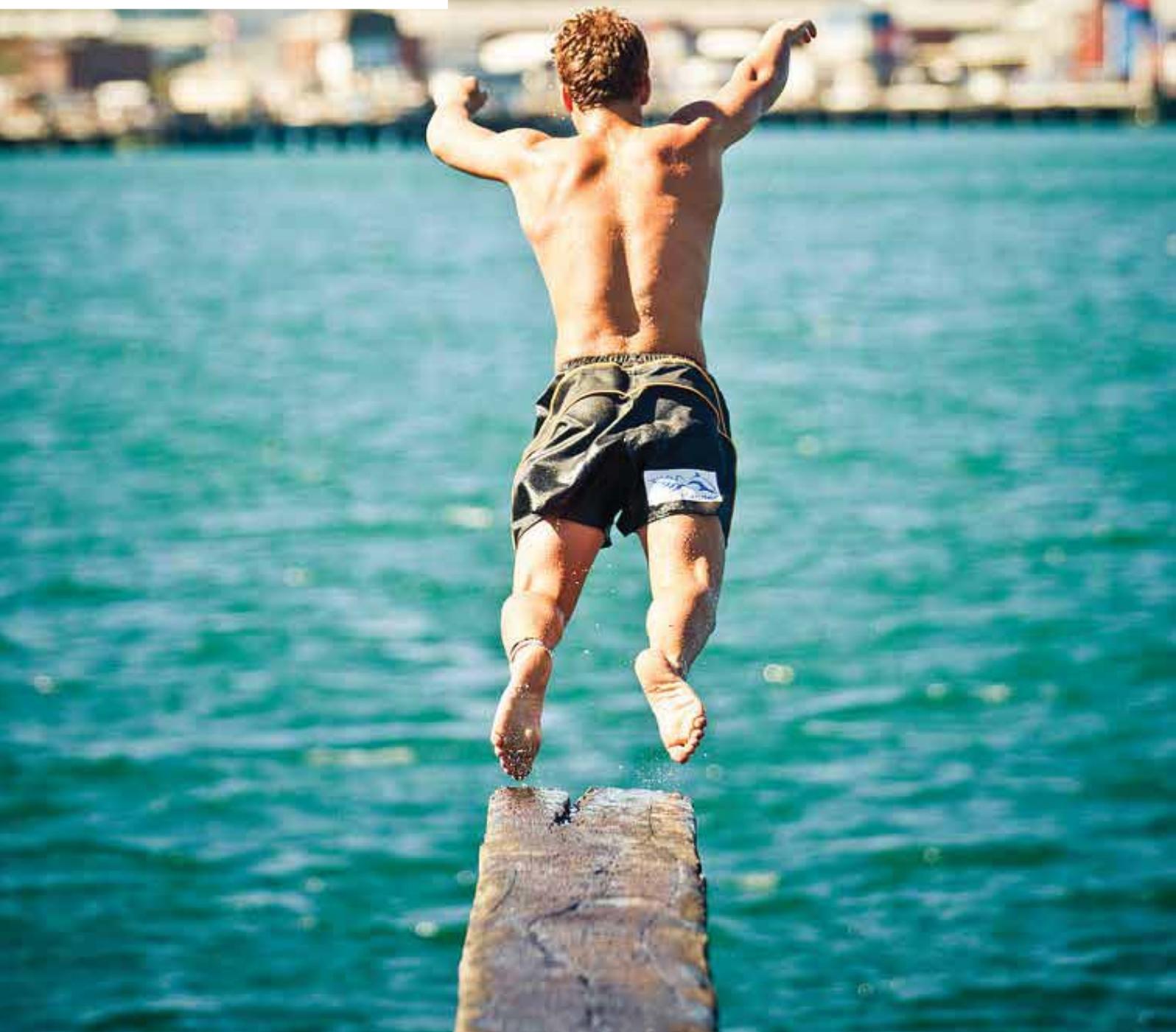


Partnership Wellington Trust  
**Annual Report** 2012/2013



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## From the Chair

In the past decade, Positively Wellington Tourism has overseen a 62% increase in domestic commercial guest nights spent in the capital of cool. Collaboration and partnership were key to Wellington remaining New Zealanders' most popular destination.

Visiting Wellington has become *the* away from home urban experience for New Zealanders over the last 15 years and Positively Wellington Tourism (PWT) has been pleased to contribute to this. The Tourism Industry Association's latest AA Mood of the New Zealand Traveller survey named Wellington as the most popular destination for Kiwis (as it has in seven of its last eight polls).

The visitor sector pulls \$1.4 billion a year into the Wellington economy, along with over 172,000 cruise ship passengers, 2.2 million commercial visitor nights and 1.5 million visits to Te Papa.

The tourism landscape is always changing, requiring PWT to lift its level of collaboration with key stakeholders over the last year. Our joint venture work in Australia with Tourism New Zealand, Air New Zealand and both local and regional partners allowed for stronger cut-through in the most competitive market we have seen in years. We also broadened our established working relationship with Wellington City Council and Grow Wellington to work collaboratively on the Destination Wellington programme, aimed at attracting new talent, business and investment to the Wellington region as well as visitors.

The financial result for the year was \$9,020 profit with Partnership Wellington Trust (the Trust) remaining in a solid financial position. Funds at year-end were \$511,303, reflecting a similar position to last year. The Trust's commitment to maximising Wellington City Council's investment through partnership activity continues to be a success and resulted in council funding accounting for 48.7% of the total marketing investment made through PWT activity.

The Trust's funding model, where investment by Wellington City Council through the Downtown Levy is boosted by project partnerships with surrounding regions and businesses, helps deliver a result where visitors spend over \$2,600 in the Wellington region per minute. I believe this confirms that the model is a success and works for both the tourism sector and the capital's economy.

It's been another fantastic year, but we can't rest on what we know best. We must push the boat out for visitors – particularly global ones. Going forward, we will build on the growth that has been achieved since the Trust formed in 1995, but also better integrate the tourism sector with local economic development and national initiatives. We will attract business, investors, students and talent by articulating the Wellington story and taking it to the world. In doing so, we'll achieve an even greater return on investment for the city.

I thank the great team at PWT who work hard and succeed in marketing Wellington to the world. Thanks also to our partners and to Wellington City Council whose commitment to tourism, events and creative industries ensure Wellington is a city that succeeds and continues to develop and thrive; and one I am proud to call home.



**Michael O'Donnell** CHAIR

## From the CEO

It's been a blockbuster year for tourism. Not only did the capital play host to a world premiere, but also to a record number of cruise passengers. Commercial guest nights increased 7.8%, while New Zealand's most visited regional tourism website attracted close to 2.5 million visits.

Positively Wellington Tourism (PWT) works hard to market the city as an attractive visitor destination. From tactical event marketing and PR activity, to the growth of our digital channels and hosting of trade, the organisation has achieved some great results throughout the 2012/13 year. Wellington's reputation as the country's culinary capital continues to grow and was reflected in a glowing review from the world's most successful travel information provider, Lonely Planet.

Work in the lead up to and during the world premiere of *The Hobbit: An Unexpected Journey* saw PWT build on relationships formed during Rugby World Cup 2011. More than 100 media were hosted in the capital during premiere week, including some of the biggest broadcasters on the planet. The event led to one of the busiest visitor weeks that Wellington has ever experienced.

A stellar summer period had visitors converging on Wellington. Commercial guest nights for both December and January increased 9.3% and 6.6%, respectively, while visitors from outside the Wellington region for the large-scale February events rounded out a strong summer period for the city.

PWT's high digital profile and increasing online presence continues to position the organisation as a media channel in its own right. With almost 2.5 million visits made to WellingtonNZ.com, the digital platform succeeds in encouraging bookings and driving consumer engagement.

We're still seeing the impact of Rugby World Cup 2011.

Last year's strong performance highlights the success of the tournament and although some results relating to international markets were static, the long summer period the city experienced combined with the strong event seasons, meant that any decreases were kept to a minimum.

We've seen substantial growth in some areas, particularly in the second half of the year. Australian international arrivals were up 7% to 69,824 from January to June 2013, in comparison to the same period last year.

The following pages highlight some of the key projects and results across our different business units, which in turn drove the organisation performance as reported in the Statement of Service Performance on page 35.

PWT showcases the capital in a way that doesn't just tell our city's story to people, it shares it with them - and in return they share in that story with us, and their networks.

A new year has seen several new faces join the Board and I'd like to thank both them and existing members for their contributions. Their vast experience in various sectors helps PWT continue to find and develop new opportunities to keep the organisation at the top of its game.



**David Perks** CEO

## Performance Overview

PWT is responsible for marketing the coolest little capital in the world as a destination. Below is an overview of the organisation's performance against key measurements. Highlights of some of the activity that helped us achieve these results can be found in the following pages, along with full measurements in the Statement of Service Performance on page 35.



### Organisational

- Wellington City Council funding was 48.7% of the total marketing investment made through PWT activity. Overhead costs were 8.6% of total activity costs.

### Australia Sales and Marketing

- A survey of Australian travellers saw 74% of respondents report that their awareness of Wellington as a visitor destination had increased when compared to the year before.
- Australian visitor arrivals were static, with a 0.7% decrease to 138,160. (Source: *International Visitor Arrivals*)
- Trans-Tasman airline capacity was maintained, with an increase of 0.3% to 979,056 seats. (Source: *Wellington International Airport*)

### Convention Bureau Sales and Marketing

- Leads and referrals made to partners grew 4.9% to 497.
- Wellington hosted 727,880 delegate days. The city maintained its conventions and incentives multi-day market share at 23% of the New Zealand total. (Source: *Convention Activity Survey – year-end March 2013*)

### Downtown Marketing

- Downtown Wellington weekend visitation was static, with a decrease of 0.9% (Source: *BNZ MarketView*)
- The combined reach of the KNOW Wellington audience increased to 122,400, up 53% on target.

### International/Long Haul

- International guest nights decreased 12.6% to 670,748. (Source: *Commercial Accommodation Monitor*)
- Cruise passenger arrivals to Wellington grew 33.6% to 172,015 during the 2012/13 season. (Source: *CentrePort*)

### New Zealand and Event Marketing

- Commercial domestic guest nights increased by 7.8% to 1,409,757 (Source: *Commercial Accommodation Monitor*)
- The number of weekend rooms sold in PWT partner hotels grew 1%. (Source: *PWT Hotel Monitor*)

### Online and IT

- Visits to WellingtonNZ.com increased 25% to 2,497,065. (Source: *Google Analytics*)
- \$571,542 of sales was generated for Wellington tourism industry partners through WellingtonNZ.com in the year. (Source: *Bookit*)

### i-SITE Visitor Centre

- Total trading revenue in the year declined slightly, down 1.7% at \$3,378,000.
- 350,722 people visited the Wellington i-SITE in the year, a decrease of 4.6%.

Unless otherwise stated, growth rates are in comparison to the 2011/12 financial year.



# The Board



Michael O'Donnell CHAIR



David Perks CEO



Jo Coughlan



Howard Greive



Ed Sims



Sarah Gibbs



Chris Wilkinson



## Downtown

PWT's creative marketing campaigns and social media updates help Wellingtonians discover new places and keep up-to-date with the latest developments in the central city. The locals' enthusiasm for their city is a key part of what makes the capital so warm and welcoming to visitors. The people of Wellington sell this city better than anybody and Wellington's businesses and attractions continue to benefit.



## In the KNOW

The fortnightly KNOW Wellington eNews is a communications channel linking Wellington businesses and events to consumers. Various digital campaigns were developed and launched through the KNOW Wellington eNews that drove high acquisition and engagement levels – leading to a 19% increase in the subscriber database to 42,878. The current total audience of KNOW Wellington, which includes eNews and social media channels, is 122,400 – up 53% on target. This significant growth is the result of several successful digital campaigns run throughout the year, outlined below.

## Wish for the Best

Based on the city's iconic Bucket Fountain, PWT launched the Wellington Wishing Well - a digital campaign set to grant a New Zealander's wish every day for a month. Throughout October, users could wish for Wellington money-can't buy experiences. The aim of the campaign was to increase PWT's social media following and eNews sign ups, while promoting Wellington businesses. Overall, 61,825 wishes were made throughout the campaign's duration, with a daily average of close to 2,000 wishes. Almost 78,000 visits were made to WellingtonWishingWell.com, with 49% coming from outside of Wellington city.

## Cracker of a Campaign

Following on from the Wondrous Wellington Advent Calendar – which was a finalist in the TVNZ NZ Marketing Awards - PWT launched the Wellington Christmas Cracker. The digital campaign saw visitors to the website 'open' a virtual cracker to reveal that day's offer from one of the Wellington businesses who had signed up to treat the city. Emphasis was placed on data capture to increase eNews subscribers and social sharing, while also promoting Wellington businesses and driving traffic downtown. The annual Christmas campaign generated 77,743 visits and 40,981 vouchers were emailed out to users.

## Open for Business

The way businesses embrace and celebrate events is a big part of the Wellington experience. A business version of the KNOW Wellington eNews is distributed exclusively to downtown retail and hospitality businesses. It keeps organisations up-to-date on useful information such as major events, cruise ship arrivals, road closures and promotional opportunities with PWT. The strong engagement we have with local businesses is a key driver of the success of our digital campaigns and saw a record 66 stores take part in the annual 'Wellington is all dressed up for WOW' window dressing competition.

### SNAPSHOT

- KNOW Wellington eNews subscribers increased 19%.
- 32% increase in businesses participating in WOW's annual window dressing competition.



## Digital

PWT has the ability to talk to, and with, over 240,000 people at any one time through our various subscribed digital channels. These channels helped us drive almost 2.5 million visits to our website in 2012/13. Our high digital profile and strong online presence not only makes finding information on the coolest little capital a breeze, but also encourages bookings and drives consumer engagement.

### WellingtonNZ.com

WellingtonNZ.com is PWT's main digital platform and continues to be the most visited regional tourism website in the country. The site attracted 2,497,065 visits in 2012/13 - an increase of 25% year-on-year.

### Reaching New Heights

November 2012 was a record breaking month for WellingtonNZ.com, with visits reaching 309,824; beating the previous monthly record by 46%. A key driver of this traffic was the buzz surrounding the world premiere of *The Hobbit: An Unexpected Journey*. However, this record was quickly broken the following month when December visits hit a high of 369,157.

### Social Media

Wellington's social media following continued to increase, with both Facebook and Twitter accounts helping to increase our reach and drive consumer interest. Facebook fans grew by 123%, bringing the total of 'likes' to 71,542. Twitter fans grew by 22%, bringing the total following to 8,023.

### Online Revenue

As international online travel agents become more aggressive in the New Zealand market, we saw a decline in the percentage of sales generated through WellingtonNZ.com. Online revenue generated for Wellington tourism partners for the year was \$571,542.

#### SNAPSHOT

- Visits to WellingtonNZ.com increased 25% to almost 2.5 million.
- Highest monthly visits ever recorded - 369,157 in December 2012.
- Facebook fans grew by 123% to 71,542.
- Twitter followers grew by 22% to 8,023.

**"This is why I  
LOVE living in  
Wellington."**

- Debbie Moore, Wellington  
Wishing Well fan

## New Zealand Marketing

Domestic traffic to WellingtonNZ.com increased by 44% in the year, helping drive a 7.8% increase in commercial guest nights. As well as city brand and tactical campaigns, the New Zealand Marketing Team ran marketing programmes in partnership with the World of WearableArt™ Awards Show, Sevens Wellington, Visa Wellington On a Plate, AFL and Te Papa.



Above: Happy customers at Auckland's Depot restaurant after being spoiled by Wellington.

### Spoiling Auckland

In September we brought the Spoil Yourself in Wellington campaign to life in our biggest visitor market by 'Spoiling Auckland'. The experiential and digital campaign - run in partnership with Air New Zealand, Mojo and Whittaker's - saw our team descend on Auckland to surprise locals with a range of gifts from Wellington. The campaign resulted in record Auckland traffic and over 28,000 visits to the campaign landing page on WellingtonNZ.com. Over 16,000 people watched Wellington 'Spoiling Auckland' on YouTube and the initiative was also broadcast live on TVNZ's Breakfast.

### Visa Wellington On a Plate

August 2012 saw the fourth annual Visa Wellington On a Plate (VWOAP), with 20,500 festival-goers participating in 106 Festival Events and dining at 108 DINE restaurants over the 17 days. New spend by visitors outside of the Wellington region generated \$1.41 million in direct spending. In June, the ticketing campaign for VWOAP's fifth course focussed heavily on out-of-town visitation, with 10% of event ticket sales going outside of the region in the two weeks following the 2013 programme launch.

### Some Like it Hot

With a 'Kids Stay Free' hotel campaign in market, Game Masters on at Te Papa and plenty of other events on the summer schedule, the weather wasn't the only thing hitting record temperatures in Wellington over summer. December and January were both record months in terms of commercial guest nights, with an 8.7% growth in the domestic market across the two-month period. Wellington quadrupled the average national growth in December and our partner Hotel Monitor indicated a 7.8% increase in total rooms sold over the Kids Stay Free campaign stay period (15 Dec – 31 Jan).

### Winter Events Campaign

An online winter events campaign – including online banner ads, a Facebook application and PR - ran from April 28 – July 7. June also saw the launch of a TV and online campaign for Warhol: Immortal, in partnership with Te Papa. The two-week TV campaign delivered 16% above planned ratings, while the online component delivered almost 16 million impressions and over 6,200 clicks. Weekend rooms sold increased 25% in May and 5% in June.

### Content Marketing

To celebrate the city's nooks and many reasons to visit, a biannual Wellington mini magazine was introduced, with over 250,000 of each edition distributed in key markets through national and regional newspapers, North & South and partner hotels. The monthly Wellington eNews continues to keep the city's fans informed on the latest reasons to visit, with subscriptions increasing by 25% across the year.

#### SNAPSHOT

- 7.8% increase in domestic commercial guest nights.
- 44% increase in domestic visits to WellingtonNZ.com.
- 1% increase in weekend rooms sold.

## Australia



Collaborating with partners to deliver consumer marketing campaigns ensured the capital continued to be a destination of choice for trans-Tasman travellers. It also allowed for much stronger cut-through in what is an incredibly competitive market.

### Great Company

A two phase joint venture campaign with Tourism New Zealand, Air New Zealand and both local and regional partners was launched to profile the range of food and wine experiences found in Hawke's Bay, Wairarapa, Marlborough and Wellington. The campaign leveraged off New Zealand's close proximity to Australia and associations of the wider-Wellington region as a leading food and wine destination. Editorial, mobile billboards and online advertising were a key focus. Following phase one of the campaign, Australian arrivals to Wellington in January increased by 5.1% - over twice the average level of growth experienced by the rest of New Zealand. (Source: *International Visitor Arrivals*).

### Trading Up

Training trade product buyers and frontline staff remains a pivotal in-market activity as 50% of Australians continue to use travel agents. In May, PWT participated in Tourism New Zealand's Australian Mega Famil, upskilling 300 frontline travel trade. Partnering with ANZCRO, Grand Pacific Tours and Flight Centre to leverage large consumer channels has again proven vital, connecting awareness into action.

### Visiting Media Programme

Media hosting continues to play a key part in enforcing both marketing and destination messages through trusted third party endorsement. Positive Wellington stories were a regular feature in Australian media. Major coverage featured in The Australian, Time Out Australia, Daily Life and Voyeur Magazine. In June, to mark the fifth year and launch of Visa Wellington On a Plate, festival event - Stag Night - was previewed to 20 Sydney-based media. The event resulted in 78 articles and blogs broadcasting the culinary capital message to a cumulative audience of over 9 million Australians.

### Australian Arrivals

While Australian visitor arrivals were static across 2012/13, we saw substantial growth in the second half of the year. From January to June 2013, Australian international arrivals were up 7% to 69,824, in comparison to the same period last year.

### Aussie Rules

Around 4,500 Australian AFL fans visited Wellington to watch the first premiership points be won outside Australia. Their presence was noticed not just in Wellington, but also throughout the city's neighbouring regions as fans took the opportunity to extend their stays and explore more of the wider Wellington region.

### Survey Satisfaction

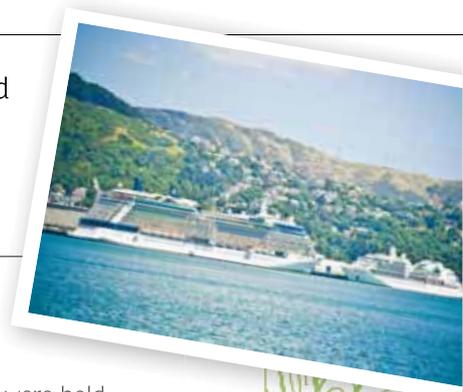
PWT's Australian survey received close to 7,000 responses – an increase of 76% from the previous year. Three quarters of respondents agreed that their awareness of Wellington as a visitor destination had increased, while 90% of those who had travelled to Wellington before said they would recommend the capital as a holiday destination to friends and family.

#### SNAPSHOT

- Australian visitor arrivals remained fairly static at 138,160.
- 48 Australian media and 124 trade were hosted.
- Trans-Tasman air capacity was maintained, with an increase of 0.3% to 979,056 seats.

## International

Alongside leveraging interest in *The Hobbit Trilogy* and welcoming a record number of cruise passengers, this year's international work focussed on maintaining relationships with traditional markets while allowing for new opportunities to be explored in targeted Asian markets.



### Working It

PWT represented the Wellington and Wairarapa International Marketing Alliance (IMA) at Tourism New Zealand's UK & Europe Product Workshop in London. A total of 57 meetings were held between Products Managers and decision makers from 12 European countries.

### Uncovering Asia

While maintaining relationships with traditional Western markets was a focus, so too was interacting with some of Tourism New Zealand's newer targets. PWT represented both the Wellington region and Wairarapa at KiwiLink South East Asia in March. The event saw 35 New Zealand companies converge on Bangkok for one-on-one meetings with 43 travel companies from six Asian countries. In addition, PWT attended Tourism New Zealand's first mission to Indonesia, where 77 Indonesian travel agents attended a training session on New Zealand. While continuing to raise awareness of Wellington in the burgeoning Chinese tourism sector, PWT attended the China semi-FIT training event, meeting and educating Chinese travel sellers about Wellington's tourism products. Held in Hong Kong, Beijing, Shanghai, Hangzhou and Guangzhou in November, a total of 276 frontline travel agents and product staff attended the event.

### Trading Up

In May, Wellington participated in Tourism New Zealand's mega-famil programme in Auckland. All 140 North American and European delegates were trained in the Wellington 'School of Cool' and 27 agents were hosted in the capital. In April, PWT attended the New Zealand tourism industry's annual trade show, TRENZ, meeting with over 80 travel buyers representing 18 countries. PWT also hosted the Wellington & Wairarapa Trade Day in Auckland in September. The event saw 23 tourism operators from Wellington, Hutt City, Wairarapa and Kapiti showcase the wider region to inbound tour operators, conference organisers and frontline travel industry.

### Mass Media

PWT assisted with 60 media itineraries and hosted over 170 long haul media including La Parisian, The Hollywood Reporter, NBC USA and the UK's ITV and The Guardian.

### Cruising Together

The capital played host to 90 cruise ships and over 172,000 passengers – up 33.6% on last season. Along with 15 double cruise ship days, Wellington also enjoyed its first ever triple day - where three ships, carrying around 6,000 passengers in total were in port simultaneously.

#### SNAPSHOT

- 138 product managers and frontline agents visited Wellington on famils.
- 706 frontline travel agents trained.
- 235 sales calls made with key decision makers.





## Conventions

Wellington hosts over 700,000 delegate days per year and PWT's Convention Bureau plays a pivotal role in this. While the overall domestic business events market retracted slightly, the capital maintained its share of New Zealand multi-day conferencing and meeting activity at 23%.

### Market Overview

Wellington hosted 727,880 delegate days this year, with the city's multi-day business events and conferences market share maintained at 23%. The instalment of customer relationship management system, Salesforce, allowed for better management, tracking and conversion of the 497 leads and referrals the Wellington Convention Bureau generated for partners.

### Trans-Tasman Conferencing

Through the Convention Bureau's joint venture investment with Positively Wellington Venues and Te Papa, the Wellington region secured \$2.9 million worth of Australian business.

### The Host with the Most

A total of 67 conference bookers were hosted during the year, 39 of whom were Australian. Bespoke itineraries for each of the qualified buyers were built and focussed on venue and accommodation visits, along with a range of unique Wellington experiences. From breakfast with an Academy Award-winning film editor in Miramar to post-dinner line dancing at Ohariu farm, conference bookers were shown anything is possible in the capital of cool.

### Trading Up

In June 2013, a total of 10 partners accompanied the Convention Bureau to represent the Wellington region at the annual MEETINGS event. The Bureau also showcased its services and members at Show Me Wellington, the Professional Conference Organisers Conference on the Gold Coast and the Australian Meetings and Incentives Expo (AIME) in Melbourne.

**"If I could sum up Wellington it would be welcoming, warming and a wonderful place to hold a conference."**

- Roger Buckley, CEO,  
Surveying and Spatial  
Sciences Institute

#### SNAPSHOT

- 497 leads and referrals to partners, up 4.9%.
- 67 conference bookers hosted.
- Wellington's market share of New Zealand multi-day business events and conferences was maintained at 23%.
- \$2.9 million worth of Australian business generated.

## i-SITE

Our i-SITE Visitor Centres in Civic Square and on Interislander's vessel Kaitaki are key planning tools for visitors to Wellington. Their on-the-ground services reflect the story we tell the world about the capital and help visitors get the most from their stay.



### Revenue Rules

The amount spent by visitors at the two i-SITE Visitor Centres decreased 1.7% to \$3,378,000. This result demonstrates a positive performance when taking last year's soaring revenue of 14.4% as a result of Rugby World Cup 2011 into consideration.

We saw substantial growth in the second half of the year, with the total trading revenue at the two i-SITE Visitor Centres increasing 9.9% to over \$1.8 million in the January – June 2013 period. The city's extended summer period, alongside a strong events calendar and Te Papa's blockbuster exhibitions all helped make this happen.

### An Army of Volunteers

Over 100 Wellington City Ambassadors (WCAs) welcomed a record 90 cruise ships and over 172,000 passengers to the capital. The volunteers were recruited, trained and placed at various contact points throughout the city including CentrePort, Wellington Cable Car, outside the i-SITE and on Brandon Street. The WCAs worked with our staff to ensure visitors had a great time while docked in the coolest little capital in the world.

### Open Doors

The Wellington i-SITE Visitor Centre welcomed 350,722 people through its doors. The city's major events continue to entice visitors to the i-SITE. Selling tickets to events sold by Dash Tickets and Circa Theatre shows, as well as offering Snapper services, has helped build awareness of the i-SITE and its services among locals.

### i-SITE Service

The visitor centre received a score of 96 in Qualmark's annual assessment – an increase of 3% on last year. The i-SITE continues to hold its gold rating for the 'Be. Accessible' programme.

#### SNAPSHOT

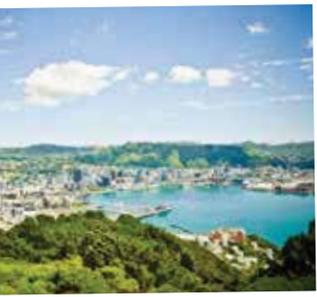
- An additional 43 volunteers became Wellington City Ambassadors.
- Total trading revenue at the two i-SITE Visitor Centres increased 9.9% from January to June 2013, in comparison to the same period last year.



**This is one great visitor centre. Well organised, orderly and perfectly located in the city.**

– TripAdvisor comment

## The Destination Wellington Programme



Established in September 2012, the Destination Wellington programme is a collaborative set of activities between Wellington City Council, PWT and Grow Wellington aimed at attracting new talent, business and investment to the Wellington region. PWT's role involves developing the Wellington 'story', then taking it to the world.

### Setting the Scene

The year focussed on setting key objectives and actions for delivering the Destination Wellington programme. A coordinated background document and action plan were developed which set out key objectives, evaluation methods, key performance indicators and processes for governance associated with delivering the programme. A communications plan was also prepared.

### Inside Story

PWT's first responsibility towards the delivery of the Destination Wellington programme was to work with research partners to identify the strengths of Wellington as a place to live, work, learn, do business and visit for consumers in other places. This research will inform the marketing activities PWT will now carry out, targeted at various business sectors and places where the opportunity to convert interest is greatest.

The research findings are summarised in a collection of words we call the Wellington 'story'. From these words a single unifying visual identity is being developed to reflect that story and provide the city with a strong single call to action. This will be used both offshore to support the task of bringing new people and investment to Wellington, and locally to reinforce the advocacy and passion for our city that Wellingtonians and Wellington businesses have in abundance.

This overarching story for Wellington is just the beginning. We need to visually bring the words to life for all to embrace, use and believe in – the Wellington 'story':

*Wellington is a city that generates its own positive energy.*

*Packed with creators, thinkers, dreamers, doers and lovers of life it's the one place in the country — in the world — where everything is possible.*

*Here you can make ideas happen, live in style, connect with nature, and find friends for life.*

*You can, quite literally, have it all.*

*Wellington is the place of the possible.*

*Often wild, sometimes calm, but always alive with an energy that is... Absolutely Positive.*

### Going Digital

A key outcome was the decision to develop a single digital portal to tell Wellington's story not only to visitors but also to businesses, investors, students and talent. After undertaking research into the target markets and Wellington's positioning, a Wellington-based digital agency was selected to deliver the core digital project. Set to go live in early 2014, the platform will be delivered through WellingtonNZ.com, the capital's current destination website.

## Communications

Wellington is a city with plenty of tales to tell. Across the year, media coverage of PWT and Wellington as a visitor destination reached a cumulative audience of over 18 million. Leveraging WellingtonNZ.com, major events and marketing campaigns ensures the capital's profile stays fresh and helps drive visitation.

### Domestic Destination Profile

A total of 493 media clippings were influenced by PWT activity – reinforcing and spreading awareness of Wellington as the coolest little capital in the world and the cultural, events and culinary capital of New Zealand. The clippings had a combined advertising space rate of \$1,686,172, with a cumulative audience of over 18.2 million.

### Industry Profile

Awareness of Wellington's tourism successes, activities and results are vital to the continued support of stakeholders, industry reputation and reinforcement of the Wellington brand. A total of 185 media clippings referencing PWT were published or broadcast to a cumulative audience of close to nine million throughout the Wellington stakeholder region. Coverage included the capital's record cruise season, Wellington Open Day 2013, visitor night growth, value of events to the city and website records.

### The Host with the Most

A total of 22 domestic journalists were hosted through the year. Their visits focussed on a range of Wellington experiences including major events and exhibitions like the World of WearableArt™ Awards Show and Warhol: Immortal.

### New Developments

Ahead of *The Hobbit: An Unexpected Journey* world premiere, a large amount of work was put into improving the look and enhancing content of our media site, WellingtonNZ.com/Media. A new Film Stories section was added, along with a Film Tourism folder on our image library. The premiere itself was photographed, with high resolution images shared with international media, PR partners and loaded on our image library. In addition, PWT's Positively Informed eNews template was reviewed, with a new major events section introduced in response to partner feedback.

### Visa Wellington On a Plate

The coolest little culinary festival in the world continues to reinforce Wellington's position as both the culinary and events capital of New Zealand. In 2012, domestic media coverage of the festival's fourth serving reached a cumulative audience of over 12.5 million and had an advertising space rate of \$868,142. A total of 364 media clippings were produced - an increase of 58.3% compared to 2011. In June, in the lead up to the fifth annual VWOAP, major coverage featured in KiaOra, Cuisine, MiNDFOOD, Sunday Star Times, The Press, Herald on Sunday and The Dominion Post.

#### SNAPSHOT

- 22 domestic media hosted.
- 28.8% increase in cumulative audience of Visa Wellington On a Plate.
- 57 media releases distributed.





## The Hobbit: PWT'S Journey

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The spotlight was on the coolest little film-making capital in the world as the scene was set for the blockbuster world premiere of *The Hobbit: An Unexpected Journey*. PWT worked hard to build Wellington's reputation as a key film location and the centre of film and screen production in New Zealand.

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### A Warm Welcome

Provision of useful, relevant, timely and inspiring visitor information is at the heart of what we do. To ensure locals and visitors were able to make the most of the world premiere event, PWT developed a number of digital tools and media resources. These were promoted alongside The Hobbit Artisan Market and the city's art installations through all available channels.

A window dressing competition with downtown businesses was executed and a photographer was hired to shoot the premiere. This enabled us to provide free-to-use imagery to international media not at the event.

### Film Map Proves Popular

A Wellington Film Map was developed to help guide visitors around the cinematic sights of the capital city. Around 55,000 hard copies of the map were produced and distributed through Wellington's i-SITE Visitor Centre and PWT's partner hotels. The film map was also available online; over 12,800 views were made to the landing page.

### Campaigns & Competitions

To promote Wellington as a film destination, PWT ran digital campaigns in both New Zealand and Australia. Film Me WLG invited Australians to audition online for the ultimate film tourism experience in Wellington, while New Zealanders were given a cinema of seats to one of the first screenings of the film at Embassy Theatre. The domestic campaign received 21,395 views, 9,960 entries and generated close to 2,500 new eNews subscribers. The competition in Australia received 175 video entries and over 17,000 social interactions.

### The Hobbit Host with the Most

International media coverage of the premiere in Wellington is estimated to have been well into the hundreds of millions. PWT worked in partnership with Tourism New Zealand to host media from across the globe, including some of the biggest broadcasters on the planet. Entertainment Tonight's Debbie Matenopoulos and her producer Andy Reyes raved about Wellington and New Zealand, Channel 9 Australia's Richard Wilkins was in town, and Chinese actress and social media superstar, Yao Chen, walked the red carpet.

### Merriment

- Wellington's Middle of Middle-earth celebrations helped drive record traffic to WellingtonNZ.com in November. Year-on-year growth was 107%, with the site's monthly visitation hitting an all-time high of 309,824.
- In the two months from the announcement of Wellington as the Middle of Middle-earth to the end of PWT's film campaigns, WellingtonNZ.com received over 520,000 visits - 64% were new visits.
- Hotel occupancy across the city was at 99.7% on the night of the world premiere of *The Hobbit: An Unexpected Journey* and 95% from Monday 26 – Thursday 29 November.

**"I never thought I would see a premiere like this again."**

– Sir Peter Jackson

## Financial Statements

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## Independent Auditor's Report

To the readers of Partnership Wellington Trust Incorporated  
financial statements for the year ended 30 June 2013

### Audit

Grant Thornton New Zealand Audit  
Partnership  
Level 15, Grant Thornton House  
215 Lambton Quay  
PO Box 10712  
Wellington 6143  
T +64 (0)4 474 8500  
F +64 (0)4 474 8509  
[www.granthornton.co.nz](http://www.granthornton.co.nz)

The Auditor-General is the auditor of Partnership Wellington Trust Incorporated ("the Trust"). The Auditor-General has appointed me, Kerry Price, using the staff and resources of Grant Thornton, to carry out the audit of the financial statements and statement of service performance of the Trust on her behalf.

We have audited:

- the financial statements of the Trust on pages 18 to 34, that comprise the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of movement in trust funds and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Trust on pages 35 to 40.

## Opinion

In our opinion the financial statements of the Trust on pages 18 to 34:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Trust's:
  - financial position as at 30 June 2013; and
  - financial performance and cash flows for the year ended on that date.
- the statement of service performance of the Trust on pages 35 to 40:
  - complies with generally accepted accounting practice in New Zealand; and
  - fairly reflects the Trust's service performance achievements measured against the performance targets adopted for the year ended 30 June 2013.

Our audit was completed on 13 August 2013. This 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 our responsibilities, and we explain our independence.

## Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and statement of service performance are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and statement of service performance. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and statement of service performance, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation

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of the Trust's financial statements and statement of service performance that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board of Trustees;
- the adequacy of all disclosures in the financial statements and statement of service performance; and
- the overall presentation of the financial statements and statement of service performance.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance. Also we did not evaluate the security and controls over the electronic publication of the financial statements and statement of service performance.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

## Responsibilities of the Board of Trustees

The Board of Trustees is responsible for preparing the financial statements and a statement of service performance that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect the Trust's financial position, financial performance and cash flows; and
- fairly reflects its service performance achievements.

The Board of Trustees are also responsible for such internal control as it determines is necessary to enable the preparation of financial statements and a statement of service performance that are free from material misstatement, whether due to fraud or error. The Board of Trustees are also responsible for the publication of the financial statements and statement of service performance, whether in printed or electronic form.

The Board of Trustee's responsibilities arise from the Local Government Act 2002.

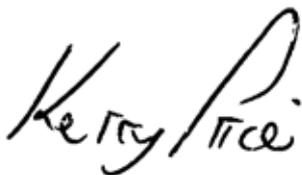
## Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you based on our audit. Our 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 External Reporting Board.

In addition to the audit, we have carried out assignments in the areas of taxation assignments, which are compatible with those independence requirements. Other than the audit and these assignments, we have no relationship with, or interests in, the Trust.



Kerry Price

**Grant Thornton New Zealand Audit Partnership**

On behalf of the Auditor-General  
Wellington, New Zealand

## Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2013	NOTE	Actual	Budget	Actual
		2013 \$	2013	2012 \$
<b>INCOME</b>				
Wellington City Council funding	20	6,469,768	5,940,000	5,940,000
Interest income		87,304	75,000	82,205
Visitor Centre income	1,20	3,283,957	3,570,000	3,349,064
Rental income	1	94,516	96,800	89,355
Partner income		1,541,115	1,655,000	1,620,897
Cruise shuttle operations		194,469	126,700	126,655
WLG Pop-up Restaurant Melbourne		-	-	99,332
Other income		100,118	96,500	69,433
<b>TOTAL INCOME</b>		<b>11,771,247</b>	<b>11,560,000</b>	<b>11,376,941</b>
<b>EXPENDITURE</b>				
Personnel costs	2	2,669,732	2,704,000	2,578,025
Depreciation & amortisation expenses		183,761	143,200	205,182
Visitor Centre cost of sales	1	2,749,273	2,908,652	2,783,191
Marketing, publications and cruise shuttle operations		5,322,015	4,968,946	4,961,884
Premises expenses		455,529	461,468	432,194
Operating expenses	3	381,917	371,584	413,985
<b>TOTAL EXPENDITURE</b>		<b>11,762,227</b>	<b>11,557,850</b>	<b>11,374,461</b>
<b>SURPLUS/(LOSS) FOR THE YEAR BEFORE TAX</b>		<b>9,020</b>	<b>2,150</b>	<b>2,480</b>
Income tax expense	10	-	-	-
<b>SURPLUS/(LOSS) FOR THE YEAR</b>		<b>9,020</b>	<b>2,150</b>	<b>2,480</b>
Other comprehensive income		-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>9,020</b>	<b>2,150</b>	<b>2,480</b>

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

## Statement of Movement in Trust Funds

FOR THE YEAR ENDED 30 JUNE 2013	NOTE	Actual	Budget	Actual
		2013 \$	2013 \$	2012 \$
ACCUMULATED FUNDS				
Funds at beginning of year		502,283	489,941	499,803
TOTAL COMPREHENSIVE INCOME				
Surplus/(loss) for the year		9,020	2,150	2,480
Other comprehensive income		-	-	-
TOTAL COMPREHENSIVE INCOME		9,020	2,150	2,480
Total accumulated funds				
		511,303	492,091	502,283
TOTAL TRUST FUNDS				
		511,303	492,091	502,283

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 30 JUNE 2013	NOTE	Actual	Budget	Actual
		2013 \$	2013 \$	2012 \$
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	4	1,378,153	227,822	621,424
Short term deposits	4	400,000	400,000	400,000
Trade debtors and other receivables	5	494,473	255,000	355,831
Prepayments		36,035	8,000	9,208
Resident Withholding Tax paid		28,026	-	25,793
Inventories	6	694	-	-
Total current assets		2,337,381	890,822	1,412,256
<b>Non Current Assets</b>				
Intangible assets	12	6,364	27,400	22,021
Property plant & equipment	11	115,979	140,400	249,603
Total non current assets		122,343	167,800	271,624
Total assets		2,459,724	1,058,622	1,683,880
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade creditors and other payables	7	1,706,015	351,531	862,350
Income in advance		76,914	95,000	159,870
Current tax payable	10	-	-	-
Employment entitlements	8	165,492	120,000	159,377
Total current liabilities		1,948,421	566,531	1,181,597
Total liabilities		1,948,421	566,531	1,181,597
NET ASSETS		511,303	492,091	502,283
<b>TRUST FUNDS</b>				
<b>Accumulated funds</b>				
Total trust funds		511,303	492,091	502,283

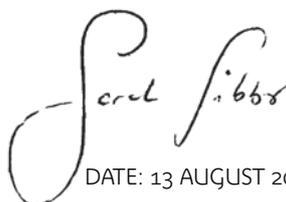
These financial statements are approved by the Board on 13 August 2013.

CHAIR: Michael O'Donnell

TRUSTEE: Sarah Gibbs



DATE: 13 AUGUST 2013



DATE: 13 AUGUST 2013

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

## Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2013	NOTE	Actual 2013 \$	Budget 2013 \$	Actual 2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Wellington City Council funding		6,469,768	5,940,000	5,940,000
Interest income		87,304	75,000	82,205
Visitor Centre income		3,283,957	3,570,000	3,349,064
Rental income		94,516	96,800	89,355
Partner income		1,541,115	1,655,000	1,620,897
Other income		294,587	223,200	295,420
Payments to suppliers		(8,532,395)	(8,779,991)	(8,925,210)
Payments to employees		(2,447,585)	(2,704,000)	(2,370,002)
Income taxes paid		-	-	-
Net cash inflow/(outflow) from operating activities	9	791,267	76,009	81,729
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Receipts from sale of property, plant & equipment		-	-	-
Purchase of intangible assets		-	-	-
Purchase of property plant and equipment		34,538	49,000	88,675
Net cash inflow/(outflow) from investing activities		34,538	49,000	88,675
Net increase/(decrease) in cash		756,729	27,009	(6,946)
Cash balance at the start of the year		1,021,424	600,813	1,028,370
Total cash at the end of the year		1,778,153	627,822	1,021,424
Total cash is represented by:				
Cash and cash equivalents		1,378,153	227,822	621,424
Short term deposits		400,000	400,000	400,000
Total cash at the end of the year		1,778,153	627,822	1,021,424

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

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### REPORTING ENTITY

These financial statements comprise the separate financial statements of the Partnership Wellington Trust Incorporated (the Trust), for the year ended 30 June 2013.

The Trust was incorporated under the Charities Trusts Act 1957.

The principle objective of the Trust 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 were authorised for issue by Members of the Trust Board on 13 August 2013.

### BASIS OF PREPARATION

#### (a) 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 (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards as appropriate for Public Benefit entities.

The Trust is defined as a Public Benefit entity as its primary objective is to provide services to the community for social benefit and the Trust has been established with a view to supporting that primary objective rather than financial return.

#### (b) Basis of measurement

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

#### (c) Presentation currency

The financial statements are presented in New Zealand dollars (\$), which is the Trust's functional currency.

#### (d) Judgements and estimations

The preparation of financial statements in conformity with NZ IFRS requires judgements, 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 underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

#### (e) Changes in accounting policy and disclosures

There has been no change in accounting policies and disclosures in the financial statements presented.

#### (f) New NZ IFRS standards and interpretations issued but not yet adopted

At the date of authorisation of these financial statements, certain new standards and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Trust.

Management anticipates that all pronouncements will be adopted in the first accounting period beginning on or after the effective date of the new standard. Information on new standards, amendments and interpretations that are expected to be relevant to the financial statements of the Trust are provided below.

#### (i) NZ IFRS 9 - Financial reporting requirements for certain entities frozen

The XRB issued a 'position statement' that all NZ IFRSs with a mandatory effective date for annual periods beginning on or after 1 January 2012 will be applicable only to profit-oriented entities, which are not in a position to apply differential reporting exemptions.

The result is that the financial reporting requirements for public benefit entities and non-large for-profit entities are effectively frozen from 2012 year-ends onwards. This exemption from new pronouncements is provided in light of pending changes to the Statutory Financial Reporting Framework in New Zealand.

#### (ii) Alternative disclosure where standards issued but not yet effective have no impact on recognition or measurement accounting policies

A number of new standards and interpretations have been issued but are not yet effective for the current year-end. The reported results and financial position of the Parent and Group is not expected to change on adoption of these pronouncements as they do not result in any changes to the Parent and Group's existing accounting policies. Adoption will, however, result in changes to information currently disclosed in the financial statements.

The Parent and Group do not intend to adopt any of the new pronouncements before their effective dates.

#### (g) 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.

#### (h) 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 NZ IFRS, using accounting policies that are consistent with those adopted by Partnership Wellington Trust Inc. for the preparation of financial statements.

## SIGNIFICANT ACCOUNTING POLICIES

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

### (a) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

### (b) Trade and other receivables

Trade and other receivables are measured at cost less any impairment losses.

A provision for impairment is established where there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of the receivable.

Receivables with a short duration are not discounted.

### (c) Inventories

Inventories are stated at the lower of cost and net realisable value (being the net selling price), with due allowance for any damaged and obsolete stock items.

Cost is based on the first-in-first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Net selling price is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

Any write down in the cost of inventory to net realisable value is recognised in the Statement of Comprehensive Income.

### (d) Property, plant and equipment

Property, plant and equipment is measured at cost, less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

#### (i) Additions

The cost of acquiring or replacing part of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Trust and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

#### (ii) Disposal

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Comprehensive Income.

#### (iii) Depreciation

Depreciation is charged on a straight-line basis on all property, plant and equipment over the estimated useful

life of the asset. Depreciation is charged to the profit or loss in the Statement of Comprehensive Income.

The following depreciation rates have been applied to each class of property, plant and equipment:

Leasehold improvements	20%
Furniture and office equipment	33%
Computers	33%

The residual value of property, plant and equipment is reassessed annually.

### (e) Intangibles

Intangible assets acquired by the Trust, which have finite useful life, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the Statement of Comprehensive Income on a straight-line basis over the estimated useful life of the asset. The following depreciation rates have been applied to each class of intangible assets:

Computer software	33%
Website	33%

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

### (f) Trade and other payables

Trade and other payables are measured at amortised cost using the effective rate interest method.

### (g) Provisions

A provision is recognised when the Trust has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market rates and, where appropriate, the risks specific to the liability. Provisions are not recognised for future operating losses.

A provision for onerous contracts is recognised when the expected benefits from the contract are lower than the unavoidable costs of meeting contract obligations.

### (h) Employee entitlements

#### Short term benefits

Employee benefits that the Trust expects to be settled within 12 months of balance date are measured at nominal value based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned, but not yet taken at balance date, and sick leave.

The Trust recognises a liability for sick leave. The amount is calculated based on the unused sick leave entitlements that can be carried forward at balance date, to the extent that the Trust anticipates that it will be used by staff to cover those future absences.

The Trust recognises a liability and expense for bonuses where they are contractually obliged or where there is a past practice that has created a constructive obligation.

**(i) Income tax**

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect to prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantially enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses (if any). Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the consumption of taxable surplus.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Trust expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a transaction recognised in other comprehensive income or directly in equity.

**(j) GST**

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

**(k) Financial instruments**

Financial instruments comprise trade and receivables, cash and cash equivalents, investments and trade and other payables. The Trust does not hold or issue derivative financial instruments i.e. hedging instruments).

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are measured initially at fair value plus transaction costs, except for those carried at fair value through profit or loss, which are measured at fair value. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date for similar financial instruments of similar maturity and credit risk.

**Financial assets**

The subsequent measurement of financial assets depends on their classification. The Trust currently holds financial assets in one classification:

**(i) Loans and receivables**

Financial assets that are non-derivative with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

Financial instruments classified as loans and receivables include: trade debtors and other receivable balances, cash and cash equivalents and short-term deposits.

The classification depends on the purpose for which financial assets were acquired. Management determines the classification of financial assets at initial recognition and re-evaluates this designation at each reporting date.

**Financial liabilities**

All financial liabilities held by the Trust are designated as "loans and receivables", being non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest rate method.

The Trust has no off-balance sheet financial instruments.

**Impairment of financial assets**

All financial assets are subject to review for impairment at least once each reporting date. Accounts receivable are reviewed for impairment when accounts are past due or when other objective evidence is received that a specific counterparty will default. Impairment of trade receivables are presented in the Statement of Comprehensive Income, within expenses.

**(l) Impairment**

The carrying amounts of Trust assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of Comprehensive Income.

The estimated recoverable value of assets is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indicators exist, the Trust estimates the asset's recoverable amount, to measure the reversal of any previous period impairment charges. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been

determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversals of impairment are recognised in the Statement of Comprehensive Income.

**(m) Revenue**

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of consideration received. The Trust assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the Trust's own account is recognised as gross revenue in the Statement of Comprehensive Income.

The following specific recognition criteria must be met before revenue is recognised:

**Wellington City Council Funding**

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

**Donations and grants**

Donations and grants are recognised in the Statement of Comprehensive Income when received and all obligations associated with the donations and grants have been met. Where grants have been given for specific services, income will be recognised in the same period in which the specific service is provided. At balance date any unexpended specific funding is treated as a liability (income in advance).

**Sale of goods**

Revenue from the sale of goods is recognised in the Statement of Comprehensive Income when the significant risk and rewards of ownership have been transferred to the buyer, usually on delivery of the goods. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or where there is continuing management involvement with the goods.

**Rendering of services**

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract at the reporting date. Under this method, revenue is recognised in the accounting periods in which the services are provided.

**Interest**

Interest revenue is recognised as the interest accrues (using the effective interest method).

**Rental income**

Income from the rental of property is recognised in the Statement of Comprehensive Income on a straight line basis over the term of the lease.

**(n) 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.

<b>1 Visitor Information Centre</b>		
	2013 \$	2012 \$
Trading income	3,283,957	3,349,064
Partner Income Interislander i-Site	5,000	12,000
Rent received	94,516	89,356
Wellington City Council funding	46,000	46,000
Total income	3,429,473	3,496,420
Less:		
Cost of sales	2,749,273	2,783,191
Gross profit	680,200	713,229
Less expenses:		
Employee expenses	510,584	506,472
Depreciation	131,163	130,088
Operating lease expense	116,592	109,142
General operating expenses	127,398	123,174
Total expenses	885,737	868,876
Net Operating Surplus/(Deficit)	(205,537)	(155,647)

<b>2 Personnel Costs</b>		
	2013 \$	2012 \$
Salaries, wages and incentives	2,447,585	2,370,002
Recruitment and contract fees	8,464	3,587
Employer contributions to Kiwisaver	43,066	35,919
Training courses	20,560	22,254
Board of Trustee fees	95,000	95,000
Accident Compensation levies	12,278	12,718
Wellness reimbursements	7,821	7,170
General personnel costs	34,958	31,375
Total personnel costs	2,669,732	2,578,025

<b>3 Operating Expenses</b>		
	2013 \$	2012 \$
Audit fees for financial statement audit	19,583	13,431
Other fees paid to audit firm	-	-
Bank charges	30,634	28,858
Communications	70,362	68,834
Computer maintenance and software licences	135,865	147,011
Conferences	8,608	4,651
Printing and stationery	25,886	36,163
Consultancy	20,533	22,031
Membership and subscriptions	25,023	28,639

**FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
Vehicle expenses	19,015	21,137
Bad debts	-	(17)
Allowance for doubtful debts	-	-
Other general operating expenses	26,408	43,247
<b>Total other expenses</b>	<b>381,917</b>	<b>413,985</b>

**4 Cash at Bank**

	2013 \$	2012 \$
Cash and cash equivalents	1,378,153	621,424
Short term deposits	400,000	400,000
<b>Total cash</b>	<b>1,778,153</b>	<b>1,021,424</b>

The carrying value of cash and cash equivalents and short term deposits approximates their fair value.

Cash at bank earns interest at floating rates on daily deposit balances.

Short term deposits are made for varying periods of between six months and one year depending on the immediate cash requirements of the Trust, and earn interest at the respective short-term deposit rates.

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.

**5 Trade Debtors and Other Receivables**

	2013 \$	2012 \$
Trade debtors and other receivables	181,283	254,214
Related party receivables	-	-
GST receivable	313,190	101,617
Gross trade debtors and other receivables	494,473	355,831
Less allowance for doubtful debts	-	-
<b>Total debtors and other receivables</b>	<b>494,473</b>	<b>355,831</b>

Trade debtors and other receivables are non-interest bearing and receipts are normally on 30-day terms. Therefore, the carrying value of trade debtors and other receivables approximates their fair value.

As at 30 June 2013 and 2012, all overdue receivables have been assessed for impairment and appropriate allowances applied. All trade receivables are subject to credit risk exposure.

The ageing profile of receivables at year-end is detailed below:

<b>2013 receivable ageing analysis</b>	Gross \$	Impairment \$	Net \$
Not past due	48,395	-	48,395
Past due 31-60 days	15,018	-	15,018
Past due 61-90 days	115,909	-	115,909
Past due > 91 days	1,961	-	1,961
<b>Total</b>	<b>181,283</b>	<b>-</b>	<b>181,283</b>

**FOR THE YEAR ENDED 30 JUNE 2013**

<b>2012 receivable ageing analysis</b>	Gross \$	Impairment \$	Net \$
Not past due	227,693	-	227,693
Past due 31-60 days	12,463	-	12,463
Past due 61-90 days	12,850	-	12,850
Past due > 91 days	1,208	-	1,208
Total	254,214	-	254,214

<b>Allowance for doubtful debts</b>	2013 \$	2012 \$
Opening balance	-	-
Doubtful debts collected	-	-
Current year allowance movement	-	-
	-	-

**6 Inventories**

	2013 \$	2012 \$
Wellington i-SITE Visitor Centre	694	-
Total	694	-

No inventories are pledged as security for liabilities (2012: Nil).

**7 Trade Creditors and Other Payables**

	2013 \$	2012 \$
Trade creditors	1,194,505	370,199
Related party payables	-	-
Accrued expenses	511,510	492,151
Total creditors and other payables	1,706,015	862,350

Trade creditors and other payables are non interest bearing and are normally settled on 30-day terms. Therefore the carrying value approximates their fair value.

**8 Employee Entitlements**

	2013 \$	2012 \$
Accrued salaries and wages	20,320	20,616
Accrued remuneration incentives	26,039	24,697
Annual leave	119,133	114,064
Sick leave	-	-
Total employee entitlements	165,492	159,377

**9 Reconciliation of Surplus for the Year to Net Cash Flows from Operating Activities**

	2013 \$	2012 \$
Surplus/(deficit) for the year	9,020	2,480
Add/(deduct) non-cash items:		
Depreciation and Amortisation	183,761	205,182
Total non-cash items	183,761	205,182

**FOR THE YEAR ENDED 30 JUNE 2013**

Add/(deduct) items classified as investing or financing activities:		
Loss on sale of assets	56	235
Total items classified as investing or financing activities	56	235
Add/(deduct) movements in working capital items:		
Debtors and other receivables	(138,642)	3,515
Prepayments	(26,827)	77
Inventories	(694)	-
Creditors and other payables	843,667	(124,262)
Current tax payable	(2,233)	(406)
Income in advance	(82,956)	(24,566)
Employee entitlements	6,115	19,474
Net movements in working capital items	598,430	(126,168)
Net cash inflow/ (outflow) from operating activities	791,267	81,729

**10 Income Tax Expense**

	2013 \$	2012 \$
<b>(i) Components of the income tax expense</b>		
Current year tax expense	-	-
Prior year tax adjustment	-	-
Change in deferred tax on temporary differences	-	-
Deferred tax adjustment on change in tax rate	-	-
Total tax expense	-	-
Income tax recognised in other comprehensive income	-	-
Tax expense	-	-
	2013 \$	2012 \$
<b>(ii) Reconciliation of effective rate tax</b>		
Surplus before tax	9,020	2,480
Income tax expense	-	-
Surplus for the year	9,020	2,480
Income tax at domestic tax rate	2,977	818
Plus/ (less) tax effect of:		
Non-taxable income	(2,135,023)	(1,960,200)
Non-deductible expenditure	2,133,387	1,959,773
Prior year tax adjustment	-	-
Change in deferred tax on temporary differences	-	-
Deferred tax adjustment on change in tax rate	-	-
Income tax	-	-
Deferred tax asset on losses not recognised	1,340	391
Income tax recognised in other comprehensive income	-	-
	-	-

**FOR THE YEAR ENDED 30 JUNE 2013**

	2013 \$	2012 \$
<b>(iii) Reconciliation of deferred tax asset</b>		
Deferred tax on temporary differences	-	-
Opening deferred tax asset/ (liability)	-	-
Current year deferred tax expense	-	-
Closing deferred tax asset/ (liability)	-	-
Deferred tax derives from temporary differences attributable to the following balance sheet items:		
Trade debtors and other receivables	-	-
Trade creditors and other payables	-	-
Property, plant and equipment	-	-
Intangibles	-	-
Total temporary differences	-	-
Income tax @ 33%	-	-

A tax loss of \$6,771 (2012 \$10,833) is available to carry forward and offset against future liabilities, subject to the requirements of the Income Tax Act 2007 continuing to be met.

	2013 \$	2012 \$
<b>(iv) Reconciliation of current tax payable</b>		
Opening balance	-	-
Current year tax expense	-	-
Tax refunded/(paid)	-	-
Current tax payable/ (receivable)	-	-

**11 Property, Plant And Equipment**

Movements for each class of property, plant and equipment are as follows:	Furniture and office equipment	Leasehold Improvements	Computers	Total
<b>Cost</b>				
Balance at 1 July 2011	407,983	175,077	92,089	675,149
Additions	63,235	7,898	13,512	84,645
Disposals	-	-	(2,589)	(2,589)
Balance at 30 June 2012	471,218	182,975	103,012	757,205
Balance at 1 July 2012	471,218	182,975	103,012	757,205
Additions	7,457	-	22,370	29,827
Disposals	(505)	-	(1,949)	(2,454)
Balance at 30 June 2013	478,170	182,975	123,433	784,578
<b>Accumulated depreciation and impairment losses</b>				
Balance at 1 July 2011	184,663	104,807	57,542	347,012
Depreciation expense	117,308	23,597	21,986	162,891
Eliminate on disposal	-	-	(2,301)	(2,301)
Impairment losses	-	-	-	-
Balance at 30 June 2012	301,971	128,404	77,227	507,602

PARTNERSHIP WELLINGTON TRUST INC

**FOR THE YEAR ENDED 30 JUNE 2013**

Balance at 1 July 2012	301,971	128,404	77,227	507,602
Depreciation expense	120,993	23,850	18,553	163,396
Eliminate on disposal	(450)	-	(1,949)	(2,399)
Impairment losses	-	-	-	-
Balance at 30 June 2013	422,514	152,254	93,831	668,599
Carrying amounts				
At 30 June 2012	169,247	54,571	25,785	249,603
At 30 June 2013	55,656	30,721	29,602	115,979

There are no restrictions over the title of the Trust's property, plant and equipment, nor are any pledged as security for liabilities.

**12 Intangible Assets**

Movements for each class of intangible asset are as follows:	Software	WellingtonNZ Website	Texture Website	Total
Cost				
Balance at 1 July 2011	55,695	381,496	76,635	513,826
Additions	4,030	-	-	4,030
Disposals	-	-	-	-
Balance at 30 June 2012	59,725	381,496	76,635	517,856
Balance at 1 July 2012	59,725	381,496	76,635	517,856
Additions	4,711	-	-	4,711
Disposals	-	-	-	-
Balance at 30 June 2013	64,436	381,496	76,635	522,567
Accumulated amortisation and impairment losses				
Balance at 1 July 2011	52,445	324,464	76,635	453,544
Amortisation expense	2,787	39,503	-	42,290
Disposals	-	-	-	-
Balance at 30 June 2012	55,232	363,967	76,635	495,834
Balance at 1 July 2012	55,232	363,967	76,635	495,834
Amortisation expense	2,839	17,529	-	20,368
Disposals	-	-	-	-
Balance at 30 June 2013	58,071	381,496	76,635	516,202
Carrying amounts				
At 30 June 2012	4,493	17,529	-	22,021
At 30 June 2013	6,365	-	-	6,364

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 externally acquired and not internally generated.

**13 Financial Instruments**

**(a) Carrying value of financial instruments**

The carrying amount of all material balance sheet assets and liabilities are considered to be equivalent to their fair

value instruments.

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.

All financial assets held by the Trust are classified as "loans and receivables" and carried at cost less accumulated impairment losses.

All financial liabilities held are measured at amortised cost using the effective interest rate method.

The Trust has no off balance sheet financial or derivative financial instruments.

## (b) Risk management analysis

The Trust is exposed to various risks in relation to financial instruments. The main types of risk relevant to Trust operations are credit risk and liquidity risk. The Trust has a series of policies to manage the risk associated with financial instruments. Policies have been established which do not allow transactions that are speculative in nature to be entered into.

### (i) Credit risk

Credit risk is the risk that a third party defaults on its obligation to the Trust, causing the Trust to incur losses. The Trust has no significant concentration of credit risk in relation to accounts receivable. The Trust does not expect the non-performance of any obligations at balance date. The carrying value of trade debtors, other receivables, cash and cash equivalents and short-term bank deposits represents the Trust's maximum exposure to credit risk at balance date.

The Trust at balance date has trade debtors and other receivable balances past due at the reporting date, however management have determined no provision (i.e. impairment) is required. All receivable amounts are reported to be received in due course (refer to note 5).

### (ii) Liquidity risk

Liquidity risk represents the Trust's ability to meet its contractual obligations as they fall due. The Trust manages liquidity risk by managing cash flows and ensuring that adequate credit lines are in place to cover potential shortfalls.

The table below analyses the Trust's financial instruments into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

2013 Contractual cash flows of financial instruments held	Carrying amount	Contractual cash flows	Less than 1 year	1 - 2 years	2 - 6 years
<b>Assets</b>					
Cash and cash equivalents	1,378,153	1,378,153	1,378,153	-	-
Short term deposits	400,000	417,000	417,000	-	-
Trade debtors and other receivables	494,473	494,473	494,473	-	-
	2,272,626	2,289,626	2,289,626	-	-
<b>Liabilities</b>					
Trade creditors and other payables	1,706,015	1,706,015	1,706,015	-	-
Current tax payable	-	-	-	-	-
Operating leases	-	406,000	222,173	146,665	37,162
Capital commitments	-	-	-	-	-
	1,706,015	2,112,015	1,928,188	146,665	37,162
<b>Net liquidity position</b>	<b>566,611</b>	<b>177,611</b>	<b>361,438</b>	<b>(146,665)</b>	<b>(37,162)</b>
<b>2012</b>					
Contractual cash flows of financial instruments held	Carrying amount	Contractual cash flows	Less than 1 year	1 - 2 years	2 - 6 years
<b>Assets</b>					
Cash and cash equivalents	621,424	621,424	621,424	-	-
Short term deposits	400,000	417,600	417,600	-	-
Trade debtors and other receivables	355,831	355,831	355,831	-	-
	1,377,255	1,394,855	1,394,855	-	-

**FOR THE YEAR ENDED 30 JUNE 2013**

Liabilities					
Trade creditors and other payables	862,350	862,350	862,350	-	-
Current tax payable	-	-	-	-	-
Operating leases	-	793,564	372,230	223,572	197,762
Capital commitments	-	-	-	-	-
	862,350	1,655,914	1,234,580	223,572	197,762
Net liquidity position	514,905	(261,059)	160,275	(223,572)	(197,762)

**14 Related Party Transactions**

Related parties arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Trust.

**(a) Parent and ultimate controlling party**

The parent and ultimate controlling party of the Trust is the Wellington City Council.

**(b) Transactions with related parties**

Wellington City Council	2013 \$	2012 \$
Council Funding	6,469,768	5,940,000
Services provided by the Council	10,619	50,488
Rent paid for Council premises	115,446	109,142
Accounts payable to the Council	424	-
Accounts receivable from the Council	15,098	-

The Trust has identified no other related party transactions, other than transactions with key management personnel and Board of Trustees.

**(c) Key management personnel**

The Trust has a related party relationship with its Board Members and other key management personnel.

	2013 \$	2012 \$
Key management personnel compensation	385,960	371,500
Board of Trustees Fees	95,000	95,000

Key management personnel includes the Chief Executive and Senior Management.

Total remuneration paid to key management personnel is made up of short-term employee benefits and no other post-employment benefits, termination benefits or long-term benefit arrangements have been expensed in the years reported.

From time to time the Trust may engage the services of another entity where a Board member also has a relationship with that entity. The value of transactions with entities considered to be related parties during the year was \$61,253 (2012: \$53,336). Balances outstanding to related parties at balance date was \$10,000 (2012: \$4,526).

**(d) Related party transactions**

The Trust's related party transactions during the year were made on normal commercial terms and on an arms length basis, and no amounts owed by related parties have been written off or forgiven during the year.

**15 Board Member Remuneration**

The total value of remuneration paid or payable to each Board member during the year was:	2013 \$	2012 \$
J Milford	10,000	20,000
G Coughlan	-	-
H Greive	15,000	7,500
R Pretty	7,500	15,000
J Coughlan	15,000	15,000

P Monk	7,500	15,000
M O'Donnell	17,500	15,000
K Wicksteed	-	7,500
S Gibbs	7,500	-
E Sims	7,500	-
C Wilkinson	7,500	-
Total Board member remuneration	95,000	95,000

## 16 Capital Management

The Trust's capital is its equity (Trust Funds), representing net assets of the Trust represented by Accumulated Funds. The Local Government Act 2002 requires the Trust to manage its revenues, expenses, assets, liabilities, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

The objective of managing the Trust's equity is to ensure the Trust effectively achieves its objectives and purpose in accordance with the Trust Deed, whilst remaining a going concern.

## 17 Operating Lease Commitments

The Trust leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months.

The future aggregate minimum lease payments payable under non-cancellable leases are as follows:	2013 \$	2012 \$
Payable not later than one year	222,173	372,230
Payable later than one, not later than two years	146,665	223,572
Payable later than two, not later than five years	37,162	197,762
Payable later than five years	-	-
Total	406,000	793,564

Minimum operating lease payments expensed in the period included premises rental of \$321,128 (2012: \$300,824).

## 18 Capital Commitments

The Trust has no major budgeted capital commitments for the 2013/2014 financial year.

## 19 Contingencies

The Trust has no contingent liabilities at balance date (2012: None).

## 20 Events After the Balance Date

There are no events after the balance that impact the financial position, performance, cash flows and note disclosures provided in these financial statements.

## 21 Explanation of Major Variances Against Budget

Explanation for significant variances from the Trust's budgeted figures in the 2012/2013 Statement of Intent are as follows:

(a) Statement of Comprehensive Income

Wellington i-SITE Visitor Centre sales were \$286,000 behind budget and \$65,000 behind the previous year sales, due to the continued decline of international visitors to Wellington, which can still be attributed to the global financial position and is anecdotally a similar story around the country.

The additional Wellington City Council funding is for the marketing and brand development of the Destination Wellington programme.

(b) Statement of Changes in Equity

There is minimal difference between actual and last year.

(c) Statement of Financial Position

End of year Financial Position closed at a similar position to last year.

(d) Statement of Cash Flows

Increase in year end cash position will be applied to July creditors payments.

## Statement of Service Performance 2012/13

### FOR THE YEAR ENDED 30 JUNE 2013

## 1. Objectives of the Trust

The Trust Deed outlines:

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

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

- 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) Improve recognition of Wellington and give support to the Wellington region as a key and desirable visitor destination.
- d) Drive the co-ordination of marketing initiatives appropriate to the objects of the Trust.
- e) Ensure marketing initiatives are focussed on increasing the sustainability of Wellington's commercial sector.
- f) Recognise and promote community focussed 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 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 the 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/Digital Tourism Distribution

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

### i-SITE Visitor Centre

- Operating an i-SITE Visitor Centre in the city is a core function and this function is extended to providing an i-SITE service onboard the Interislander vessel Kaitaki. The purpose of providing these services is to motivate visitors to stay longer and do more whilst in Wellington, leaving our city with the greatest of experiences.
- Provide i-SITE visitor services in other parts of Wellington city, particularly in respect of information provision for the growing number of cruise ship visitors.

### International Marketing

- Coordinating the international marketing activities of those attractions in which Wellington City Council (WCC) have invested and from which a stated outcome is that international visitors will be attracted to buy tickets/ access to those attractions, at the same time supporting the commercial performance of these attractions and assisting in Council's vision of Wellington being a vibrant and internationally competitive city.
- Market Wellington as a compelling visitor destination in target long haul markets – those which are already important and notably to Asian markets, in activity

which complements the work we carry out with Wellington International Airport to further the goals of the Long Haul strategy.

- Work with Wellington International Airport and airlines to ensure better connectivity in long haul markets by working on the development of long haul air services, either via Australia or direct to Wellington.

### Convention Bureau

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

### New Zealand Marketing

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

### Downtown Marketing

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

### Australia Marketing

- Marketing Wellington at both consumer and trade levels in the Australian market and maximising the opportunity to leverage Wellington City Council's investment in this market through working with strategic partners such as Tourism New Zealand, neighbouring regions, Wellington International Airport Limited (WIAL), airlines and local industry partners who have shared objectives.

- Ensuring better connectivity with Australia by encouraging increased air capacity, new route development and competition.

**Event Marketing and Development**

- Support event development and add value to the event programme with targeted marketing and promotions support.
- Working closely with Wellington City Council on event development and jointly establishing and applying criteria to further develop the city’s understanding of the economic, social and other benefits of events.
- Provide support and services to key event organisations (such as Sevens Wellington and World of WearableArt™ Awards Show, Te Papa Tongarewa and promote events such as Visa Wellington on a Plate).

**Communications**

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

**Research**

- Ensuring Wellington’s tourism dataset and information base is consistent with industry practice in order to

properly inform marketing and product development decision-making both for the Trust and as an information source for other agencies and private enterprise.

- To work with the New Zealand tourism sector to improve the quality of information available to inform our marketing investment decisions.

**Product Development**

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

**Partnership/Relationships**

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

**3. Key Performance Indicators**

Commercial guest nights increased 7% in the eleven months to May 2013, while New Zealand’s most visited regional tourism website attracted close to 2.5 million visits.

Work in the lead up to and during the world premiere of The Hobbit: An Unexpected Journey allowed PWT to leverage and build on relationships formed during Rugby World Cup 2011. More than 100 media were hosted in the capital during premiere week, including some of the biggest broadcasters on the planet. The event led to one of the busiest visitor weeks that Wellington has ever experienced.

We’re still seeing the impact of Rugby World Cup 2011. Last year’s strong performance highlights the success of the tournament and although some of our results were static, the extended summer period the city experienced combined with the strong event seasons, meant that any decreases were kept to a minimum.

It’s also important to note that in certain areas we’ve seen substantial growth particularly in the second half of the year. This is evident when looking at Australian international arrivals – up 7% to 69,824 from January to June 2013, in comparison to the same period last year.

**a. General KPIs**

**MEASURING PERFORMANCE**

Measure	Frequency of Measure	Target 12/13	Result
Organisational		Maintain Wellington City Council funding at 50% or less of Wellington’s marketing activity investment.	Wellington City Council funding was 48.7% of our total marketing investment made through PWT activity in the 2012/13 year.
		Maintain overhead costs as less than 12% of total activity costs including partnership investments.	Overhead costs were \$1,012,599 which was 8.6% of total activity costs.

		Continue review of shared services under the umbrella being led by Wellington City Council.	Discussions continue with WCC regarding the shared services and operational framework in which Positively Wellington Tourism operates.
Australia Sales and Marketing		Recognition of Wellington as a visitor destination in targeted regions of Australia has risen over levels measured (after one full year of activity) in March 2012.	A survey of Australian travellers found that 74% of respondents felt their knowledge of what Wellington has to offer as a visitor destination remained the same (74%) when compared to the same survey in 2012.
		Increase Australian visitor arrivals through Wellington International Airport over 2011/12 levels by 7%.	Australian visitor arrivals to Wellington Airport decreased -0.67% to 138,160 for the YE June 2013 period compared to the same period in 2012. This is the result of increased travel in 2011 because of Rugby World Cup. (Source: <i>International Visitor Arrivals</i> )
		Airline capacity maintained at least at 2011/12 levels and negotiations advanced to grow capacity further.	Trans-Tasman capacity increased by 0.29% to 979,056 seats. (Source: <i>Wellington International Airport</i> )
Convention Bureau Sales and Marketing	Quarterly	3% increase in leads/referrals generated to Convention Bureau partners relative to 2011/12.	Leads/referrals generated increased 4.9%.
		Grow Wellington's conventions and incentives market share within the New Zealand market to 22% of the national share of the multi-day conference market.	Wellington's conventions and incentives multi-day market share for the year ended March 2013 was 23%. (Source: <i>Convention Activity Survey</i> )
Downtown Marketing	Quarterly	Downtown weekend visitation maintained at 2011/12 levels.	Downtown Wellington weekend visitation declined 0.85% compared with 2011/12. (Source: <i>BNZ MarketView</i> )
		Increase reach of KNOW Wellington eNews (including social media channels) to Wellington residents from 28% of residents to 45% (80,000).	The current total audience of KNOW Wellington is 122,400, +53% on target.
International	Monthly	Maintain international visitor numbers to Wellington relative to 2011/12.	Commercial international guest nights for the July 2012-May 2013 period declined -13.34% to 631,164 compared to 2011/12. (Source: <i>Commercial Accommodation Monitor</i> )

		Resulting from provision by WCC of an incentive fund and attendance at Routes Asia 2012 we will meet with all airlines for whom there is a business case to take up the incentive fund and provide each with a business proposition.	In March 2013, PWT and WIAL attended Routes Asia. Meetings were held with eight potential airline partners and bespoke business cases were prepared for each. Follow up is now being undertaken with all airlines.
		Grow Wellington's cruise passenger visitors in 2012-13 by 22% relative to 2011/12.	Cruise passenger arrivals to Wellington grew by 33.6% to 172,015 passengers during the 2012/13 season. (Source: CentrePort)
New Zealand and Event Marketing	Monthly	Increase domestic visitor nights in Wellington city by 2% relative to 2011/12.	Commercial domestic guest nights increased by 7.05% to 1,292,102 in the eleven months to May 2013. (Source: Commercial Accommodation Monitor)
	Monthly	Increase weekend rooms sold in partner hotels by 2% relative to 2011/12.	Weekend room nights sold increased 1% for the year ended June 2013 compared to 2012. (Source: PWT Hotel Monitor)
Online and IT	Monthly	10% growth in visitors to WellingtonNZ.com relative to 2011/12.	Visits to WellingtonNZ.com increased 25% to 2,497,065. (Source: Google Analytics)
		Generate \$680,000 of bookings through WellingtonNZ.com.	\$571,542 of sales were generated for Wellington tourism industry partners through WellingtonNZ.com in the year. (Source: Bookit)
Product Development		Create and implement a visitor information and marketing plan for the Kelburn precinct working with the cluster of attractions in that part of the city.	Research on visitors to the top of the cable car and Kelburn precinct was completed in April. The results of this research has helped to inform the development of the visitor information and marketing plan which began in the June quarter and will be completed in quarter one 2013/14.
i-SITE Visitor Centre	Quarterly	Maintain i-SITE revenue relative to 2011/12.	Trading revenue in the year decreased by 1.7% to \$3,378,000 compared to 2011/2012
		Increase proportion of sales of Wellington product by 5% relative to 2011/12.	Proportion of sales of Wellington product decreased 1.3% to 29.4% of total i-SITE sales.
		Visitors to the i-SITE maintained at 2011/12 levels.	350,722 people visited the i-SITE in the year, a decrease of 4.6% on 2011/12.
Destination Wellington		Brand development and marketing <ul style="list-style-type: none"> <li>Undertake stage 1 and 2 research.</li> <li>Develop the Wellington 'story'.</li> </ul>	Following the completion of research phases 1 and 2, the creative planning phase of the Destination Wellington programme commenced towards the end of the third quarter. Research from phases 1 and 2 informed the creative development of the Destination Wellington marketing and brand development

	Media and communications • Develop Destination Wellington communication strategy.	Draft communications strategy under development.
	Digital • Develop the digital platform to tell the Wellington 'story'.	User experience agency Optimal Usability has been contracted to provide expert advice on the best approach for delivery of the digital platform for the Destination Wellington programme.

#### 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

#### 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

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

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

The Board operated an Audit, Finance and Risk subcommittee, which met three times in the financial year. The Remuneration subcommittee met once in the financial year.

#### 5. Staff

As at year end 30 June 2013 there were 24 FTEs in the marketing office.

Staffing levels at the i-SITE will be approximately 9 - 11 FTEs, with seasonal adjustments to between 15 and 20 individual staff employed to cover high consumer demand periods and extended trading hours. As at year end 30 June 2013 there were 10 FTEs.

#### 6. Any significant present or expected obligations or contingent liabilities to third parties

The Trust has no contingent liabilities as at 30 June 2013.

The Trust has a six year rental agreement for its office space in Plimmer Towers which expires in October 2013. The annual rental is \$215,682 + GST with one right of renewal for three years at the Trust's discretion.

The Trust has a three year rental agreement for its Visitor Centre space in the WCC CAB building which expires in August 2015. The annual rental is \$116,019 + GST.

Partnership Wellington Trust has one three-year lease on a vehicle which expires in 2015. The annual cost of the lease is \$8,472 + 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 2013 were \$2,459,724

Total liabilities at 30 June 2013 were \$1,947,275

Total assets to total liabilities at 30 June 2013 were 1.3:1.

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 \$6,469,768 in the financial year ended 30 June 2013.

The base 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



Michael O'Donnell, Chair

Date: 13 August 2013



