

# POSITIVELY WELLINGTON TOURISM ANNUAL REPORT 2006/07 REVIEW

## 1. Introduction

Positively Wellington Tourism (PWT) has submitted its audited annual report for the year to 30 June 2007.

## 2. Key Issue

PWT has reported a deficit of \$100,000 this year which compares to a budgeted result of breakeven. The deficit this year was mostly due to some programs originally due for expenditure in the 2005/06 year being deferred until the 2006/07 year. PWT reported a surplus of \$283,000 in the 2005/06 year.

## 3. Performance

### a. Financial

#### Statement of Financial Performance

\$ '000	FY Actual	2005/06 Actual
Income	6,304	5,877
Expenditure	6,404	5,594
Operating surplus	(100)	283

#### Statement of Financial Position

\$ '000	FY Actual	2005/06 Actual
Current assets	1,594	1,353
Non-current assets	176	127
Current liabilities	1,379	990
Non current liabilities	-	-
Equity	391	491
Current ratio	1.2:1	1.4:1
Equity ratio	22%	33%

#### Statement of Cash Flows

\$ '000	FY Actual	2005/06 Actual
Operating	351	300
Investing	(246)	(102)
Financing	-	-
Net	105	198
Closing balance	1,107	1,002

*Note: the Trust's financial statements have been prepared using NZ IFRS and comparatives for the previous year have been restated to NZ IFRS accordingly*

## b. KPIs

Measure	Frequency of measure	Target 2006/07	Result
International market share (numbers and nights)	Quarterly	Maintain market share in US, UK and Australian markets	Wellington's market share of international <b>nights</b> declined slightly at YE March 2007 from 8.5% to 7.8% compared to the same period the previous year (International Visitor Survey).  Wellington's market share of international <b>numbers</b> declined slightly at YE March 2007 from 10.2% to 9.7% compared to the same period the previous year (International Visitor Survey).
International visitor numbers and nights	Monthly	Maintain 2005/06 numbers and nights	International guest <b>nights</b> at year end June 2007 grew 4.7% year on year. (Commercial Accommodation Monitor)
New Zealand market visitor numbers and nights	Monthly	Domestic numbers and nights 1% above 2005/06	Domestic guest <b>nights</b> at year end June 2007 increased 11.7% year on year. (Commercial Accommodation Monitor).
Partner hotel occupancy (capacity aligned)	Monthly	1% above 2005/06	Partner hotel <b>occupancy</b> declined by 1% to the year-ended March 2007. However the raw <b>rooms sold</b> over the same period grew by 19% (PWT Hotel Monitor).
Downtown market growth*	Quarterly	Maintain 2005/06 levels	Downtown <b>visitor spend</b> was maintained at 2005/06 levels in the year-ended May 2007 (BNZ MarketView).
i-SITE turnover	Quarterly	Maintain 2005/06 turnover	Turnover 05/06 \$3,292,632 Turnover 06/07 \$3,679,755 Increase of \$387,123 or 12%

## 4. Key items from the year

- The domestic campaign "Have a love affair with Wellington" launched in June 2005 and continued into the 2006/07 year, has proved to be very successful.
- Domestic guest nights were up 11.7% for the year. PWT marketing and PR support of Wellington events including World of Wearable Arts, NZ International Sevens, Cuba Street Carnival and the Golden Oldies World Rugby Festival playing an important role in this growth.

- There was continued softening in the international visitor market in the face of the strong kiwi dollar and rising fuel prices with numbers down 10.7%. However, inroads are being made to the Australian market with guest nights up 3.5% for the year. PWT joined the Tourism NZ “Whats on” campaign launched in September 2006.
- The official tourism website WellingtonNZ.com received more than 2 million visits during the year, a 20% increase on the previous year.
- Hosting two large familiarisation visits by Australasian conference organisers generated in excess of \$5 million of future business.
- Further progress on developing strategies to attract daily long haul air services to Wellington with total project funding of \$455,000 now secured.

## **5. Governance**

During the financial year, Philip Shewell stepped down as Chairman after six years in the role. Nicki Stewart also ended her tenure during the year while Peter Monk, John Milford and Ruth Pretty began theirs. During this coming financial year, the terms of another two appointees expire. The current trustees are:

Glenys Coughlan (Chair)  
 Cr Andy Foster  
 Peter Monk  
 Ruth Pretty  
 Ian Wells  
 Kim Wicksteed

## **6. Comments Regarding Council**

In its Report, the Trust acknowledges the strong support provided by Council in providing funding and other assistance and support to help it achieve its goals.

## **7. Future Plans/Issues**

- To take the Wellington i-SITE Visitor Centre to the next level including investigating possible expansion and/or relocation
- To realise the possibilities offered by developing e-commerce activity without jeopardising their charitable trust status
- Continuing to “lead the charge” on securing daily long haul air services out of Wellington
- Continuing support for the development of the three significant new tourism products planned for Wellington, the Karori Wildlife Sanctuary’s Visitor and Education Centre, the Marine Education Centre and the Carter Observatory refurbishment and re-launch
- Working in partnership with the Regional Economic Development Agency to develop a regional tourism strategy

## **8. Conclusion**

We believe that PWT's efforts have contributed significantly to Councils' objective of continuing to develop and position Wellington as a premier tourist, visitor and events destination.