

# Destination Wairarapa December 2013 General Manager's Report

## More Visitors, Staying Longer & Spending More

### Overview

#### Visitor Arrivals

The strong finish to the August quarter guest nights has continued through September-November. Guest night growth for the three months was up 11%, 21% and 13% respectively. This growth far outperformed the New Zealand and any of the regions in the competitor set.

The quarter included some improved benchmarks with November Guest Nights the best in 11 years and Guest Arrivals the best on record. September had record Guest Nights and October was also strong.

The strong growth in guest nights was lead by domestic visitors. November in particular was a record month. November was the fifth consecutive month of guest night growth while international has slipped slightly over the last two months.

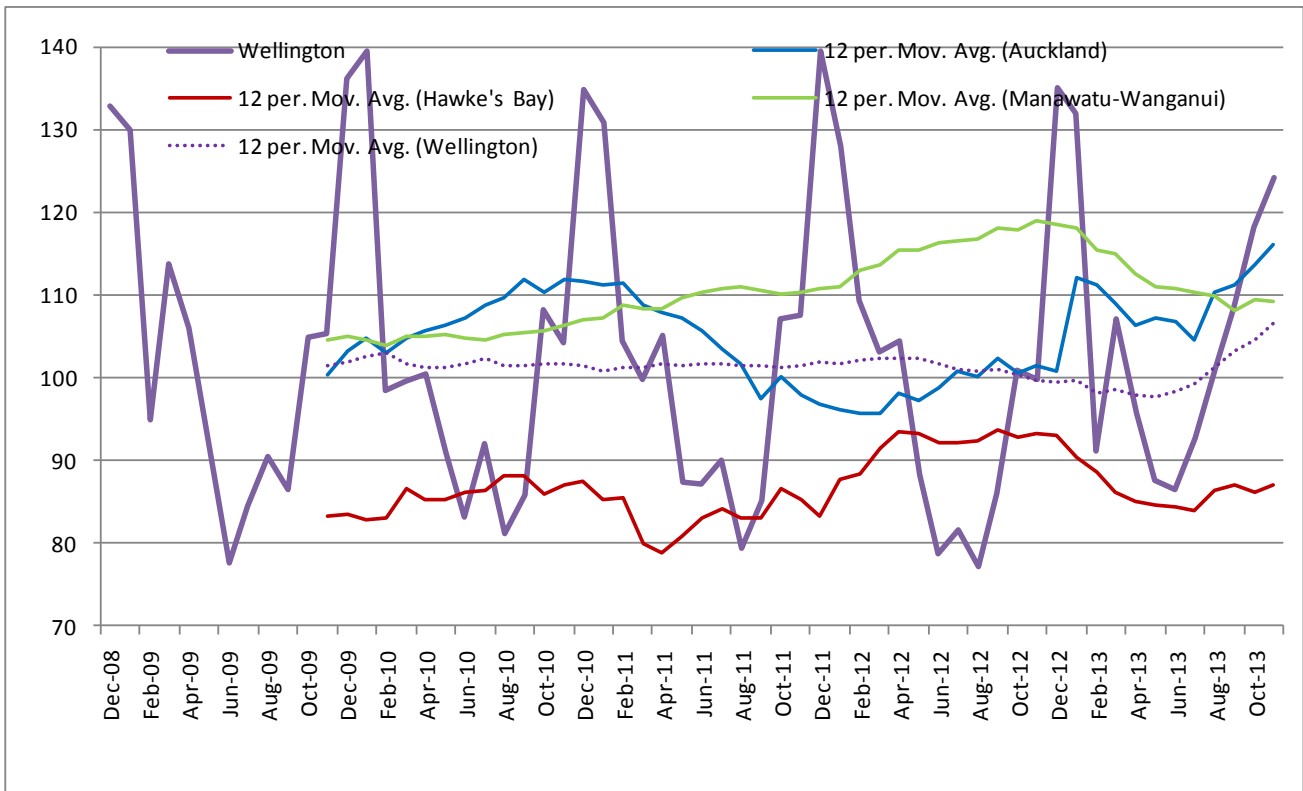
<b>Commercial Accommodation Monitor</b>						
Statistics New Zealand		<b>12 Months Ending November 2012 v 2013</b>				
	<b>Wairarapa</b>	<b>Manawatu</b>	<b>Greater Wellington</b>	<b>Hawkes Bay</b>	<b>Taupo</b>	<b>National</b>
<b>Guest Arrivals</b>						
2013	112,406	273,724	1,178,193	442,650	551,959	16,614,358
2012	108,297	272,761	1,138,375	446,499	546,198	16,119,079
Variance	3.7%	0.4%	3.4%	-0.9%	1.0%	3.0%
<b>Guest Nights</b>						
2013	206,074	455,208	2,408,532	959,120	965,358	32,600,248
2012	198,992	467,793	2,301,035	927,703	937,611	31,369,028
Variance	3.4%	-2.8%	4.5%	3.3%	2.9%	3.8%
<b>Occupancy</b>						
2013	22.3%	33.8%	59.1%	33.0%	36.4%	37.6%
2012	22.4%	33.2%	57.9%	31.1%	35.4%	36.1%
Variance	-0.1	0.6	1.2	1.9	1.0	1.5
<b>Length of Stay</b>						
2013	1.83	1.66	2.04	2.17	1.75	1.96
2012	1.84	1.72	2.02	2.08	1.72	1.95
Note: Greater Wellington excludes Wellington City						

### Visitor Spend

This data measures indexed spend growth against the average month in 2008 and monthly transaction volumes.

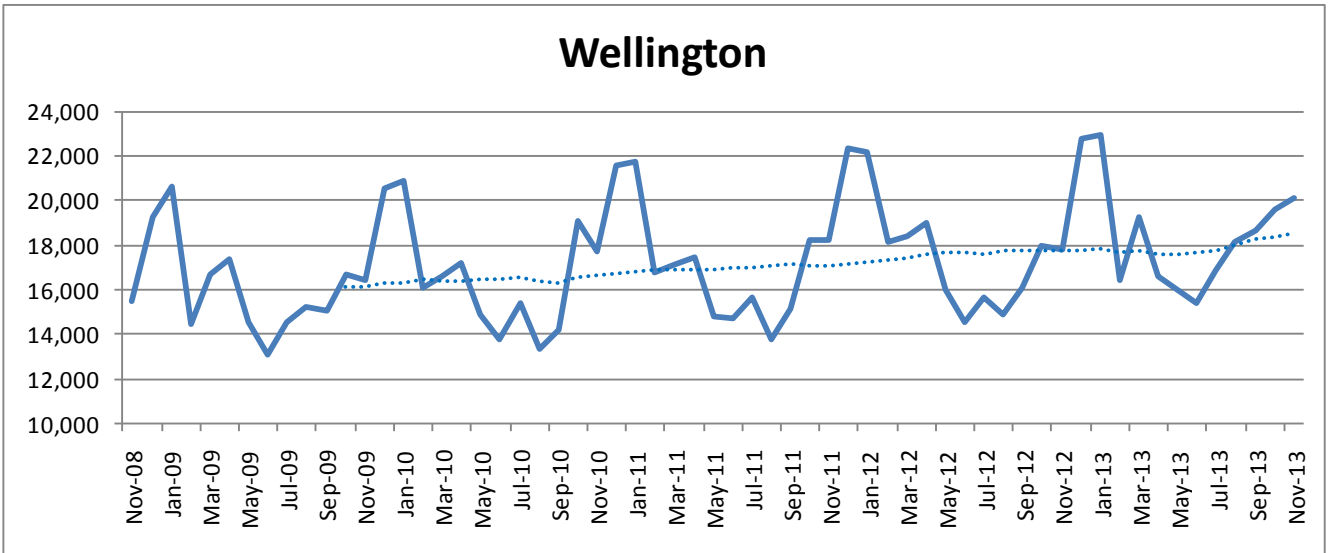
### Domestic Level of Spending

- November had the best guest nights in 11 years and that was reflected in record levels of domestic credit card spend.
  - October and November were record domestic spend months for the Wairarapa and for Auckland and Wellington visitors in the Wairarapa.
  - Great to see Manawatu spend return to a record October and November.



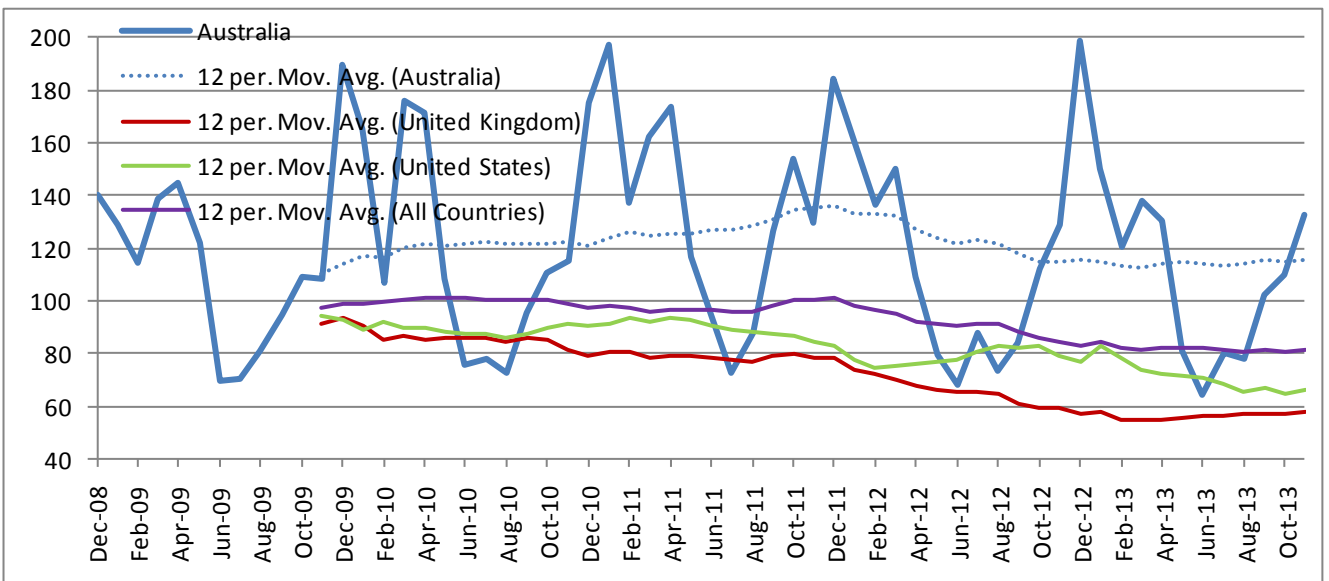
### Domestic Volume of Transactions

- Not surprisingly October and November were record transaction months for domestic total and Auckland and Wellington.
- October and November were record spending months for:
  - F&B
  - F&B Retail
  - Non Tourism
  - Other Retail
- Accommodation had record transactions in October and November but spend on accommodation continues to be down which reflects discounting and/or purchases at properties which don't report to the CAM.



### International Level of Spending

- November was a record spending month for Australians and it was encouraging to see the USA having the best November for 2 years and as forecast the UK returning with the best November spend in 3 years.



### Winning Conferences

#### **Conference & Incentives New Zealand**

Destination Wairarapa attended the conference bid meeting in Nelson. Unfortunately the Wairarapa bid was not successful with the conference being awarded to Rotorua.

#### **Tourism New Zealand Business Events Team**

TNZ have established a Business Events Team who will focus on assisting for pitches to win a small set of niche industry conferences which attract high end international visitors to New Zealand. The niches include:

- Aviation
- Agriculture
- Earth Science
- High Value Foods

Destination Wairarapa arranged for a two day familiarisation of the region to see our venues, experience our products and meet our people.

Destination Wairarapa has already engaged TNZ Business Events with the organisers of one conference to firstly try and win the bid and then try and draw in international delegates.

A preliminary document has been submitted for another international conference and a list of prospective bids has been received from TNZ Business Events.

### **Established Products and Markets**

#### ***Australia & the Classic New Zealand Wine Trail (CNZWT) –***

To support the new Classic NZ Wine Trail brochure, the [www.classicwinetrail.co.nz](http://www.classicwinetrail.co.nz) website has been rebuilt. Again this was a team effort across Marlborough, Wellington, Wairarapa and Hawkes Bay regions.

#### ***Wellington, Manawatu, Auckland, Hawkes Bay –***

The consolidating of the 2014 Visitor Guide with the Wine Map is complete. The response from other regions has been positive with questions and comments suggesting there will be a few regions following the new format. We believe the new format is more user friendly and the map style works better for our driving orientated region.

October to December has been the start of the peak event season and Destination Wairarapa has been engaged with event organisers and over arching marketing initiatives:

- Labour Weekend – Sir Bob Charles Classic
- Kokomai
- Remembrance Day airshow
- Scarecrow Festival
- Wairarapa Garden Tour
- Toast Martinborough
- Rimutaka Cycle Trail launch



Destination Wairarapa again ran a sales visit through the major northern entrance points of Taupo and Napier. Calls were made at i-SITEs and major accommodation providers to promote the journey south through the Wairarapa.

### **Media Results:**

NZ Today Feb/Mar 2014 had two excellent stories:

- Biggles in the Hood (Vintage Aviator) - 7 pages
- Wind Swept Wairarapa Coast - 10 pages

Dominion Post 22 Jan 2014 had a Liz Light story Eat, drink, cycle.

Motorhomes Caravans & Destinations had a two page story on Stonehenge Aotearoa

Motor Caravanner December had a two page story on the whole of the Wairarapa around the new 'Motorhome Friendly' town of Featherston.

Meeting Newz November/December carried a 4 page story on the TECNZ conference and the expectation of growth and featuring several conference venues

Tourism New Zealand's website carried an article on glamping including Gypsy River Camping

Dominion Post 29 Jan 2014 double page 'Rare Alignment of the Stars' on Pink Floyd, Rugby and Martinborough Fair

WellingtonNZ.com e-news letter had a story on Harvest and cycling which goes out to 50,000+ subscribers

Dominion Post 18 December 2014 Summer Stunner 12 page tabloid

### **Trade**

Hosted and worked with Renaissance Tours, an inbound operator specialising in ground activities for cruise ships, They have a visit for a loyalty programme which will see them bring 500 passengers to the South Wairarapa on Wed 12<sup>th</sup> Nov 2014.

### **Visiting Friends and Relatives -**

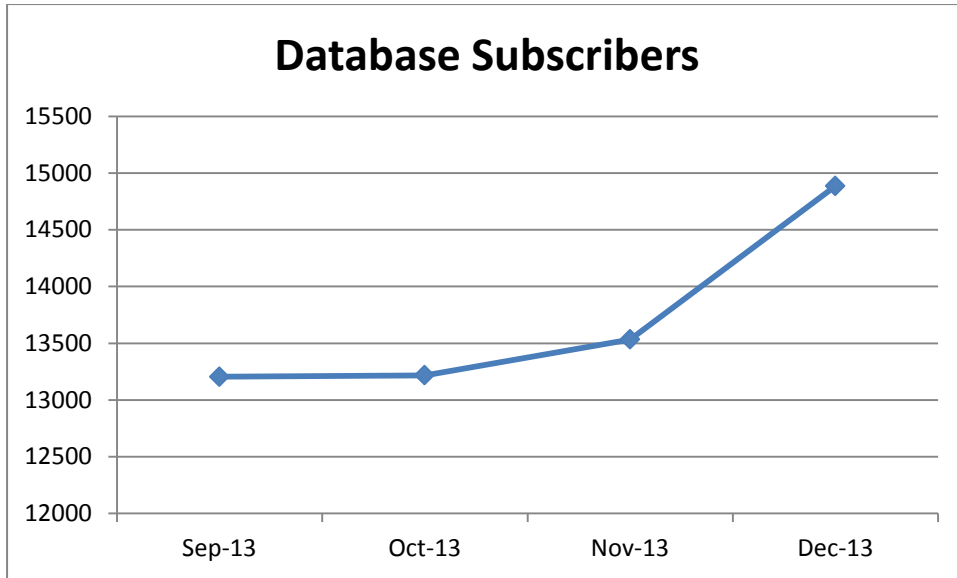
Our series of *Close to Home* articles in The Times Age has continued:  
(Wairarapa Times Age ½ page every second Saturday)

- Fishing at Lake Ferry
- Parkvale Mushrooms
- Rewanui Walk
- TK Markets

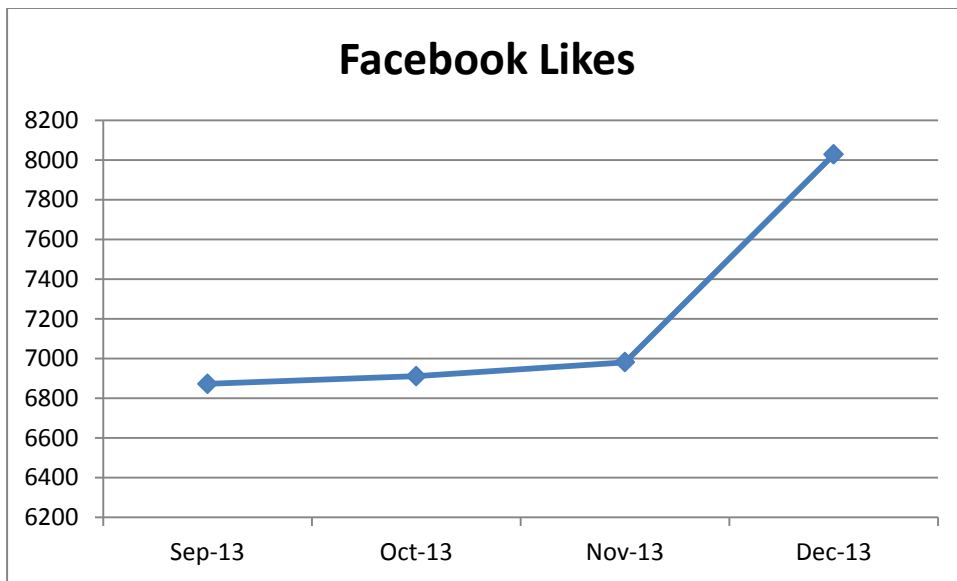
### **Website/Online**

The new [www.wairarapanz.com](http://www.wairarapanz.com) was launched with outstanding results. The engagement by users in the site far outstrips the previous site. Sign ups to the Destination Wairarapa email database through the website has increased 1,847 (13%) since the launch of the site.

Like the new visitor guide we have had great feedback from the industry. The site is far more visual and gives users the opportunity to book at every turn.



Growth of the Wairarapa Facebook database has seen a 16% increase in 'likes' since the end of the September quarter. Facebook is giving us better access to the important Auckland market.

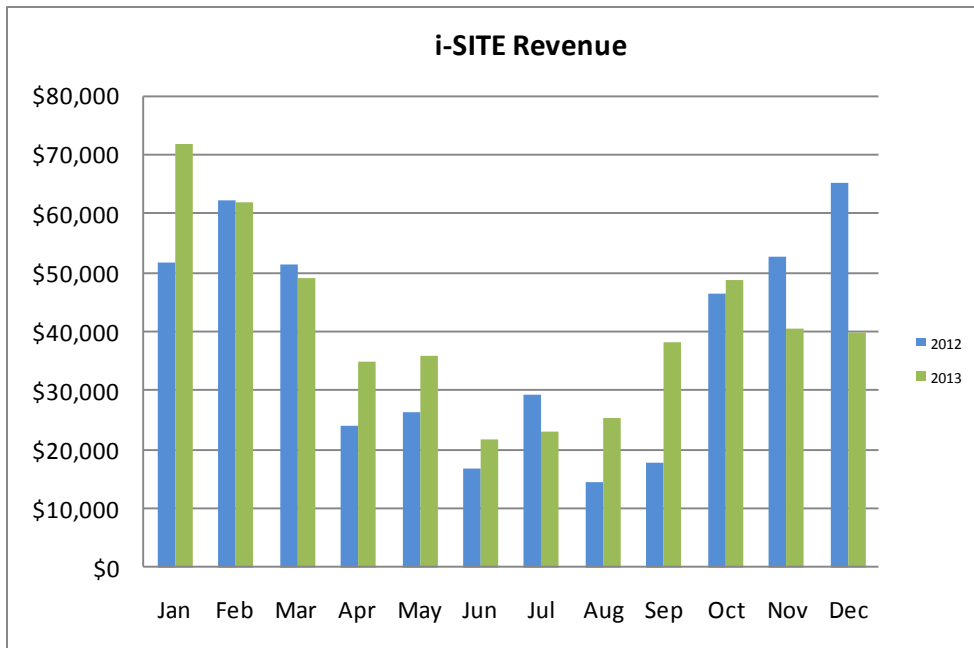


#### **i-SITE Visitor Centres**

##### **Highlights:**

- **i-SITE Total Sales**

November and December 2013 have had significant drops in revenue through the i-SITE Visitor Centres. Despite this, the i-SITE gross revenue for the 2013 calendar year (\$490,674) was up 7.1% on 2012.



- **i-SITE Profit Reports**

Profits (excluding retail) for the quarter ending December 2013 (\$7,723) were down 18% on the same quarter last year.

- **i-SITE Foot Count**

The year ending December saw the i-SITEs with 52,762 visitors which is 13.8% up on the previous year.

- October 4,324 – up 5%
- November 4,188 – down 11%
- December 6,256 – up 25%

**Product Development**

- A new bird watching tour has been developed along the cycle trail
- Brown Tourist Signs in Masterton
- New Zealand Cycle Trail – Destination Wairarapa took Brent Register to visit the Western Lake Road section of the Rimutaka Cycle Trail and discuss safety of cyclists and land owners' property
- Destination Wairarapa is assisting a new transport provider in exploring opportunities
- Garden Tour covering the whole region

**David Hancock**  
**General Manager**

## General Manager's Financial Report

### Financials YTD 31 December 2013

- The YTD financial statements are attached and summarised below:

<b>Destination Wairarapa</b>						
<b>Profit &amp; Loss Summary</b>						
	<b>December 2013</b>			<b>Full Year</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>Revenue</b>	<b>\$72,886</b>	<b>\$66,706</b>	<b>\$6,180</b>	<b>\$428,316</b>	<b>\$417,582</b>	<b>\$10,734</b>
<b>Expenditure</b>						
Corporate Support	\$39,124	\$35,729	-\$3,395	\$195,934	\$199,375	\$3,441
Marketing	\$26,658	\$6,145	-\$20,513	\$98,290	\$104,120	\$5,830
i-SITEs	\$15,544	\$18,365	\$2,821	\$100,407	\$112,796	\$12,389
<b>Total Expenses</b>	<b>\$81,326</b>	<b>\$60,239</b>	<b>-\$21,087</b>	<b>\$394,631</b>	<b>\$416,291</b>	<b>\$21,660</b>
<b>Net Surplus/Deficit</b>	<b>-\$8,440</b>	<b>\$6,467</b>	<b>-\$14,907</b>	<b>\$33,685</b>	<b>\$1,291</b>	<b>\$32,394</b>
<b>PROJECTS</b>						
<b>Opening Rimutaka Cycle Trail funds in Retained Earnings</b>				<b>\$39,912</b>	<b>\$39,912</b>	<b>\$0</b>
<b>Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,732</b>	<b>\$0</b>	<b>-\$1,732</b>
<b>Closing Rimutaka Cycle Trail funds in Retained Earnings</b>				<b>\$38,180</b>	<b>\$0</b>	<b>\$38,180</b>

- Revenue YTD is up \$10,734
  - Visitor Guide down **-\$19,500**
  - Membership is up \$10,400
  - Additional funding support for TECNZ Conference up \$14,000
- Marketing is under spent due to significant efficiencies made in using social media marketing tools and timing of costs to come for media and trade hosting. This marketing spend will increase as we continue with a busy media hosting season.



**DESTINATION WAIRARAPA INC.**

**INCOME STATEMENT FOR THE PERIOD 31/12/2013**



	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
	<b>31/12/2013</b>	<b>31/12/2013</b>	<b>YTD</b>	<b>YTD</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>REVENUE</b>				
Retail Sales & Other Commissions	883	800	3,516	3,600
Less Cost of Sales	(1,061)	(600)	(1,873)	(2,250)
Accommodation Commissions	3,223	3,300	12,782	14,500
Escape Planner - Net Revenue	435	1,000	9,565	29,000
Wine Map Revenue	4,638	-	5,380	-
Other Revenue	560	-	17,064	-
Grants - Masterton District Council	21,667	21,667	128,750	130,002
Grants - Carterton District Council	4,338	4,338	25,651	26,025
Grants - South Wairarapa District Council	10,000	9,667	58,129	57,999
Donation - THF	21,035	21,035	126,210	125,806
Membership	6,959	5,200	41,233	30,800
Interest Received	210	300	1,908	2,100
<b>Operational Revenue</b>	<b>72,886</b>	<b>66,706</b>	<b>428,316</b>	<b>417,582</b>
<b>EXPENDITURE</b>				
<b>Corporate Support</b>				
Salaries	18,840	18,067	108,852	108,567
Personnel Expenses incl Training	294	100	1,352	2,100
Board Fees	5,902	5,903	10,730	11,806
Board Members' Expenses	268	75	291	150
Membership Expenses incl TDG	387	-	2,328	2,700
Subscriptions & Membership	33	-	6,824	3,850
Vehicle Operating Costs	850	875	5,410	5,250
Rent & Rates	1,952	1,275	7,990	7,650
Electricity	86	125	1,372	750
Telecoms incl Mobiles	786	583	5,045	3,498
Information Technology	615	1,060	2,578	6,360
Office Supplies incl Furnishings	1,020	125	2,902	750
Kitchen Supplies	52	50	207	300
Equipment Rental	91	115	545	690
Bank Fees - National Bank	50	60	351	360
Accounting Fees	2,083	2,083	12,500	12,498
Merchant & Bank Fees - BNZ	330	383	1,608	2,298
Insurance	815	392	2,706	2,352
ACC Levies	-	183	1,506	1,098
Fringe Benefit Tax	493	583	3,618	3,498
Audit Fees	1,470	867	5,820	5,200
Other Fees	1,002	-	1,067	-
Depreciation	1,324	2,200	7,911	13,400
Interest Expense	383	625	2,421	3,750
<b>Total Corporate Support Expenses</b>	<b>39,124</b>	<b>35,729</b>	<b>195,934</b>	<b>199,375</b>

**DESTINATION WAIRARAPA INC.**

**INCOME STATEMENT FOR THE PERIOD 31/12/2013**



	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>	<b>Budget</b>
	<b>31/12/2013</b>	<b>31/12/2013</b>	<b>YTD</b>	<b>YTD</b>
<b>Marketing</b>				
Contract Staff	3,075	2,250	15,099	13,500
CNZWT Marketing	-	-	51	2,800
International Marketing Alliance	10	-	24,224	24,650
Advertising	-	-	944	2,500
Domestic Marketing	328	1,000	3,158	6,000
Distribution	1,069	1,000	4,297	6,000
Web Site & E-Marketing	1,460	1,795	4,684	10,770
Visitor Guide	18,920	-	21,920	21,000
Relationship Marketing	61	100	303	900
Branding & Imagery	488	-	728	2,000
Exhibitions & Events	317	-	2,441	4,000
Trade	409	-	634	2,000
Media	110	-	1,108	1,000
Conferences	412	-	16,966	7,000
<b>Star Project</b>	-	-	1,732	-
<b>Total Marketing Expenses</b>	<b>26,658</b>	<b>6,145</b>	<b>98,290</b>	<b>104,120</b>
<b>I-Sites</b>				
Wages	12,812	15,000	80,442	90,000
Personnel incl Training & Conferences	-	-	1,614	1,500
Travel & Transport	-	-	87	200
Rent & Rates	1,895	2,150	11,844	12,896
Electricity	155	400	2,144	2,800
Telecoms	469	400	2,742	2,710
Photocopier	-	150	496	900
Office Supplies incl Furnishings	46	150	441	900
Kitchen Supplies	168	115	530	690
Repairs & Maintenance	-	-	65	200
<b>Total I-Site Expenses</b>	<b>15,544</b>	<b>18,365</b>	<b>100,407</b>	<b>112,796</b>
Operating Expenditure	81,326	60,239	394,631	416,291
Operating Surplus (Deficit)	(8,440)	6,467	33,685	1,291

\* STAR Total \$38,180

# DESTINATION WAIRARAPA INC.

BALANCE SHEET AS AT 31 DECEMBER 2013



<b>CURRENT ASSETS</b>	\$	\$
Cash Float	400	
Bank - National	18,410	
National Bank - Call Account	71,991	
BNZ Trust Account.	37,723	
Inventory I-Sites	2,350	
Receivables	298	
Receivables Other	2,942	
Donation Not Yet Received	126,210	
<b>Total Current Assets</b>	<b>260,324</b>	
<b>NON-CURRENT ASSETS</b>		
Fixed Assets	134,452	
Less Accumulated Depreciation	(80,958)	
<b>Fixed Assets</b>	<b>53,494</b>	
<b>TOTAL ASSETS</b>		<b>313,818</b>
<b>LIABILITIES</b>		
Accounts Payable	4,112	
Income in Advance	1,753	
BNZ Trust Account (Commission)	37,723	
Payroll Liability	39,906	
Loans - BNZ	2,990	
Toyota Finance	31,908	
<b>TOTAL LIABILITIES</b>		<b>118,392</b>
<b>EQUITY</b>		
Opening Retained Earnings	59,041	
Contingency Reserve	70,000	
Asset Replacement Reserve	32,700	
Surplus / (Deficit) for the year 2013/14	33,685	
<b>Total Equity</b>		<b>195,426</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>313,818</b>

**DESTINATION WAIRARAPA  
STATEMENT OF CASH FLOWS  
AS AT 31 DECEMBER 2013**



**Cash Flows from Operating Activities**

<u>Cash was provided from:</u>	<b>\$</b>
Donation - Trust House	-
Donation - Others	10,000
Receipts from Customers	46,436
Grants Received - TLA	212,531
Interest Received	1,908
	<hr/> 270,875

Cash was applied to:

Payments to suppliers and employees	372,531
Interest Paid	2,421
	<hr/> 374,952

**Net Cash Inflows / (Outflows) from Operating Activities** **(104,077)**

**Cash Flows from Financing Activities**

Cash was applied to:	
Repayment of borrowings	2,114
Finance Lease Repayments	8,018
	<hr/> 10,132

**Net Cash Inflows/ (Outflows) from Financing Activities** **(10,132)**

**Net (Decrease) / Increase in Cash Held** **(115,129)**

Opening Cash Balance 243,653

Closing Cash Balance 

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**128,524**

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Closing Cash is made up of:

Cash Floats	400
Funds at Bank	56,133
Short Term Deposits	71,991
	<hr/> <b>128,524</b> <hr/>

# DESTINATION WAIRARAPA - FIXED ASSET DEPRECIATION SCHEDULE

As at 31 DECEMBER 2013



ASSETS	DATE	COST	ACCUM	OPENING	ASSET		GAIN	DEPN	DEPN	DEPN	CLOSING
		PRICE	DEPN	BOOK VALUE	Additions	Disposal Cost	(LOSS) on Sale	RATE % DV	Opening Assets	Additions Disposals	BOOK VALUE
<b>Furniture &amp; Equipment</b>											
Martinborough Sign	Oct-07	209	112	97				12.50 DV	6		91
Coffee Table	Oct-07	234	126	108				12.50 DV	7		101
Display Stand & Panels	Oct-07	309	165	144				12.50 DV	9		135
Wairarapa Banners	Oct-07	312	167	145				12.50 DV	9		136
Wall Display Unit	Oct-07	322	171	151				12.50 DV	9		142
Marketing Panel	Oct-07	338	181	157				12.50 DV	10		147
Chairs	Oct-07	388	207	181				12.50 DV	11		170
Blinds	Oct-07	459	331	128				20.00 DV	13		115
Brochure Stand	Oct-07	646	345	301				12.50 DV	19		282
Signage	Oct-07	1,294	692	602				12.50 DV	38		564
Wairarapa Display Panels	Oct-07	1,870	1,001	869				12.50 DV	54		815
Joinery - Display Stands	Oct-07	6,536	3,497	3,039				12.50 DV	190		2,849
PABX System	Oct-08	5,133	4,353	780				36.00 DV	140		640
Midback Chairs (4)	Feb-09	859	522	337				19.20 DV	32		305
2 Drawer Filing Cabinet Black	Feb-09	496	301	195				19.20 DV	19		176
Form Midback Chair (2)	Feb-09	656	399	257				19.20 DV	25		232
Vortex Sofa & Chairs	Feb-09	512	312	200				19.20 DV	19		181
Vortex Tub Chair	Feb-09	296	180	116				19.20 DV	11		105
Desk - Light Maple	Feb-09	346	210	136				19.20 DV	13		123
Chair - Hero Black Knight	Feb-09	99	60	39				19.20 DV	4		35
Coffee Table	Feb-09	230	140	90				19.20 DV	9		81
Counter	Feb-09	7,960	3,425	4,535				12.00 DV	272		4,263
Signage	Jun-09	880	674	206				30.00 DV	31		175
Hero Chair Black Knight	Jun-09	119	69	49				19.20 DV	5		44
Essence Guest Chairs (2)	Jun-09	283	164	119				19.20 DV	11		108
Desks Tawa (3)	Jun-09	824	411	413				15.60 DV	32		381
Work Station Tawa (1)	Jun-09	399	199	200				15.60 DV	16		184
4 Drawer Mobiles (5)	Jun-09	969	562	406				19.20 DV	39		367
Bookcases Tawa (2)	Jun-09	532	309	223				19.20 DV	21		202
Cupboard Tawa	Jun-09	426	247	179				19.20 DV	17		162
Cubit Coffee Table	Jun-09	230	133	97				19.20 DV	9		88
Laptop	Jun-09	2,280	2,224	56				60.00 DV	17		39
IBM Equipment (2nd Hand)	Jun-09	3,470	3,166	304				40.00 DV	61		243
Work Station Tawa (1)	Jun-09	399	199	200				15.60 DV	16		184
PABX System 2	Jul-09	2,990	2,488	502				36.00 DV	90		412
Prints (3)	Aug-09	1,813	1,112	701				21.60 DV	76		625
Brochure Stand	Sep-09	1,019	407	611				12.50 DV	38		573
15" Monitor & Wall Bracket	Dec-09	1,219	1,168	51				60.00 DV	15		36
IBM Equipment (2nd Hand)	Feb-10	2,124	1,742	382				40.00 DV	76		306
Mobile Phones (2)	Feb-10	2,665	2,537	128				60.00 DV	38		90
Vortex 2 Seater Sofa	May-10	589	291	297				19.50 DV	29		268
Banner	Jun-10	1,964	975	989				20.00 DV	99		890
Banner Stand	Jun-10	1,690	840	850				20.00 DV	85		765
Display Units	Oct-10	1,430	438	992				12.50 DV	62		930
Signage (Sign Factory)	Nov-10	1,184	720	464				30.00 DV	70		394
Computer Toshiba Tecra	Dec-10	1,715	1,411	304				50.00 DV	76		228
Phillips LCD 22"	Dec-10	304	220	84				40.00 DV	17		67
Computer Toshiba Tecra A11	Feb-11	1,475	1,183	292				50.00 DV	73		219
Disk Drive 500GB HDD's (2)	Jun-11	995	756	239				50.00 DV	60		179
Server & Equipment	Jun-11	12,768	5,736	7,032				25.00 DV	879		6,153
Camera - Canon EOS1100	Dec-11	999	539	460				40.00 DV	92		368
Acer LCD 22" (4)	Jan-12	936	486	450				40.00 DV	90		360
Computer - 15.6" Samsung	Jun-12	1,440	749	691				50.00 DV	173		518
Signage (Sign Factory)	Sep-13	-	-	-	920			30.00 DV	-	92	828
<b>Total Furniture &amp; Equipment</b>		<b>79,632</b>	<b>49,058</b>	<b>30,574</b>	<b>920</b>	<b>-</b>	<b>-</b>		<b>3,332</b>	<b>92</b>	<b>28,070</b>
<b>Vehicles</b>											
Toyota Corolla ETU339	Oct-11	17,387	7,954	9,433				30.00 DV	1415.00	-	8,018
Toyota Corolla EJM659	Oct-11	17,387	7,954	9,433				30.00 DV	1415.00	-	8,018
Toyota Camry ESF771	Dec-11	19,126	8,081	11,045				30.00 DV	1657.00	-	9,388
<b>Total Vehicles</b>		<b>53,900</b>	<b>23,989</b>	<b>29,911</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>4,487</b>	<b>-</b>	<b>25,424</b>
<b>Total for : Destination Wairarapa</b>		<b>133,532</b>	<b>73,047</b>	<b>60,485</b>	<b>920</b>	<b>-</b>	<b>-</b>		<b>7,819</b>	<b>92</b>	<b>53,494</b>