

Destination Wairarapa September 2013 General Manager's Report

More Visitors, Staying Longer & Spending More

Overview

Visitor Arrivals

Wairarapa has had an exceptional July and August to somewhat turn around a downward trend in guest nights. July had a 26.7% increase in guest nights from the previous July and August had a 14.4% increase.

Wairarapa's growth in July and August for Guest Arrivals and Guest Nights was better than any of the other centres in the data set.

A remarkable increase in international guest nights in the past 12 months has softened the result for Wairarapa. International guest nights have grown 11.5% in the past 12 months compared to a domestic decline of 4%.

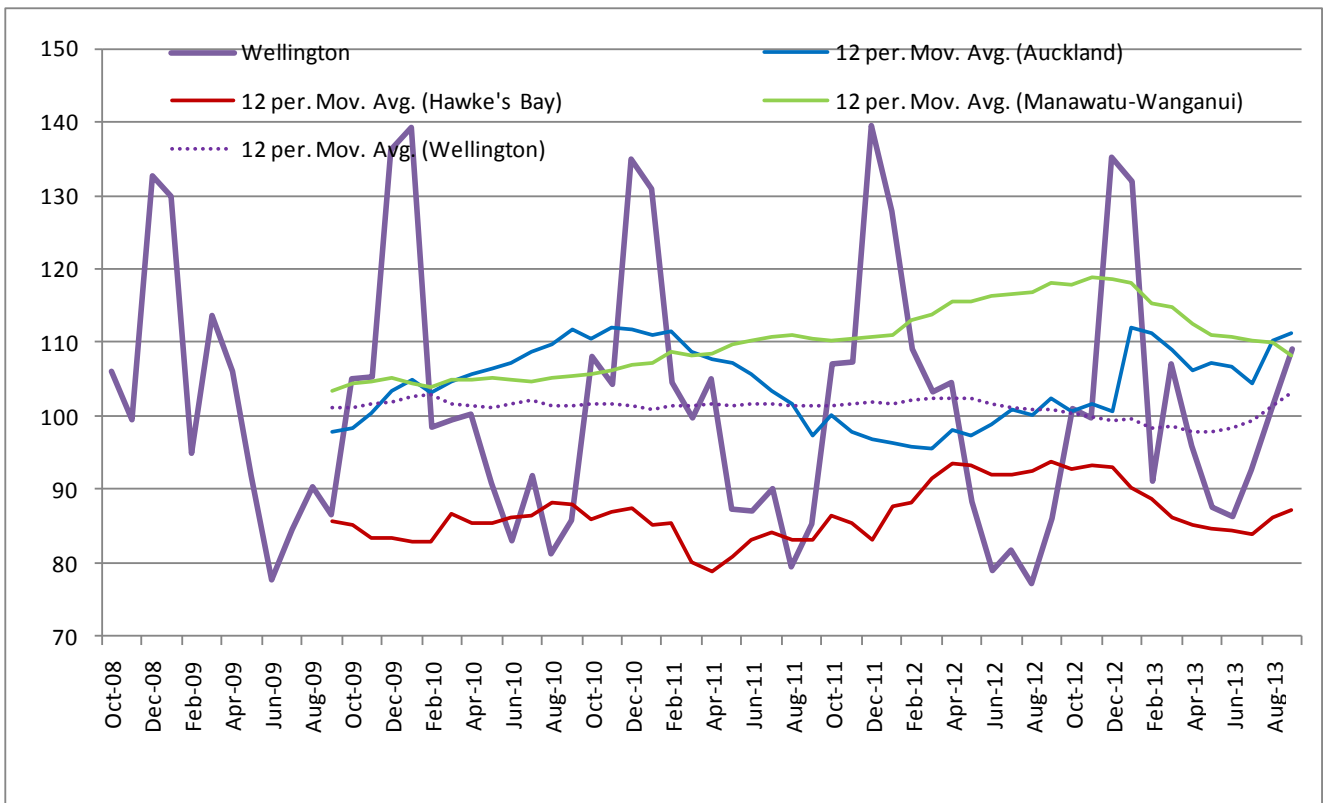
Commercial Accommodation Monitor						
Statistics New Zealand	12 Months Ending August 2012 v 2013					
	Wairarapa	Manawatu	Greater Wellington	Hawkes Bay	Taupo	National
Guest Arrivals						
2013	109,861	272,215	1,186,776	443,796	561,652	16,508,515
2012	109,623	270,296	1,143,669	461,217	548,099	16,158,977
Variance	0.2%	0.7%	3.6%	-3.9%	2.4%	2.1%
Guest Nights						
2013	199,307	449,514	2,433,157	956,893	963,653	32,283,162
2012	203,198	467,696	2,309,876	940,222	943,061	31,398,542
Variance	-2.0%	-4.0%	5.1%	1.7%	2.1%	2.7%
Occupancy						
2013	21.9%	33.2%	59.5%	32.3%	36.3%	37.2%
2012	22.7%	32.7%	58.6%	31.5%	35.5%	36.2%
Variance	-0.8	0.5	0.9	0.8	0.8	1.0
Length of Stay						
2013	1.81	1.65	2.05	2.16	1.72	1.96
2012	1.85	1.73	2.02	2.04	1.72	1.94
Note: Greater Wellington excludes Wellington City						

Visitor Spend

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

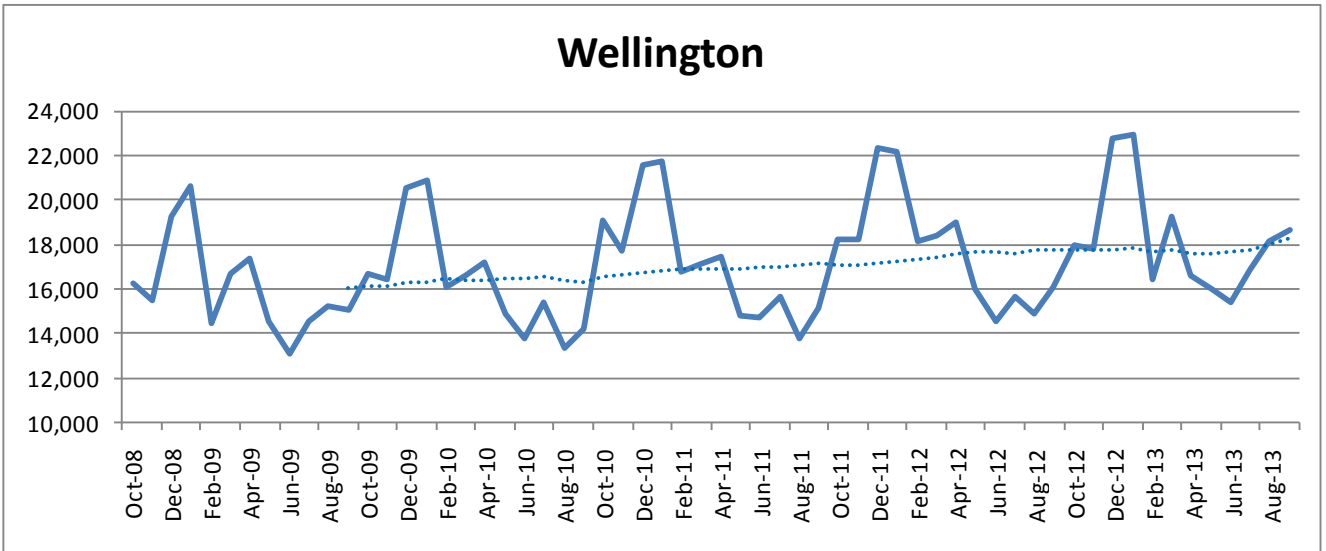
Domestic Level of Spending

- While domestic guest nights have been down in the Wairarapa, we are seeing record levels of domestic credit card spend.
 - July, August and September were record credit card spending months by Wellingtonians in the Wairarapa.
 - August was a record for Auckland and Hawkes Bay and September was very strong too.
 - Canterbury had a record equalling August but there was a softening of spending levels from Manawatu for the quarter



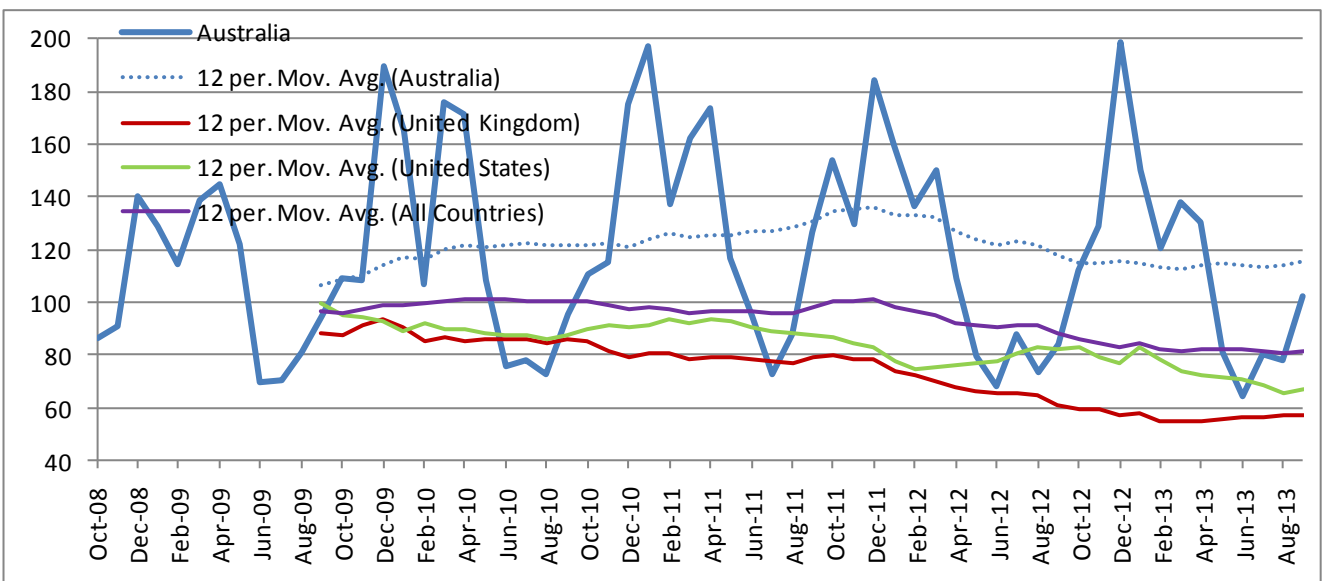
Domestic Volume of Transactions

- Wellingtonians have had record transaction volumes over the past four months reflecting high volumes of visitors buying lots of smaller priced items such as lunch and a coffee.
- The purchase of lower priced items was reflected in the industry credit card data where F&B services had record September revenue levels from international and domestic consumers.
- Retail spending was good July-September with credit card data showing it was the strongest first quarter from domestic visitors on record.



International Level of Spending

- Apart from September 2011 (RWC), September 2013 was the strongest spending levels from Australians on record
- Spending continues to trend downwards for the USA and the UK although there was an uncharacteristic increase in September from the USA.
- Macro market knowledge tells us that the UK is recovering with advance bookings so we might look for some recovery from this market through summer.



Winning Conferences

Warehouse New Zealand

Destination Wairarapa successfully facilitated Warehouse New Zealand having their conference in the Wairarapa in August. 500 delegates took up every guest room in Masterton which would have had flow on effect for other accommodation providers further down the valley.

Sitting 500 delegates in 10 seat rounds required the use of Wairarapa College's school hall which was a venue which impressed the PCOs running the event.

Destination Wairarapa through discussions with Sport Wellington Wairarapa was able to identify a conflict of dates with the Douglas Villa Soccer Tournament. Douglas Villa moved their event to the week later helping to fill accommodation for two weekend in a row.

Conference & Incentives New Zealand

The same bid group of Tui Brewery, Tranzit Coachlines, Copthorne Solway Park and Destination Wairarapa are attempting to win the CINZ conference for 2014. Destination Wairarapa has pitched with the group for the Carterton Events Centre to be included as a venue for this conference.

Destination Wairarapa will attend the bid meeting in Nelson.

Established Products and Markets

Classic New Zealand Wine Trail (CNZWT) –

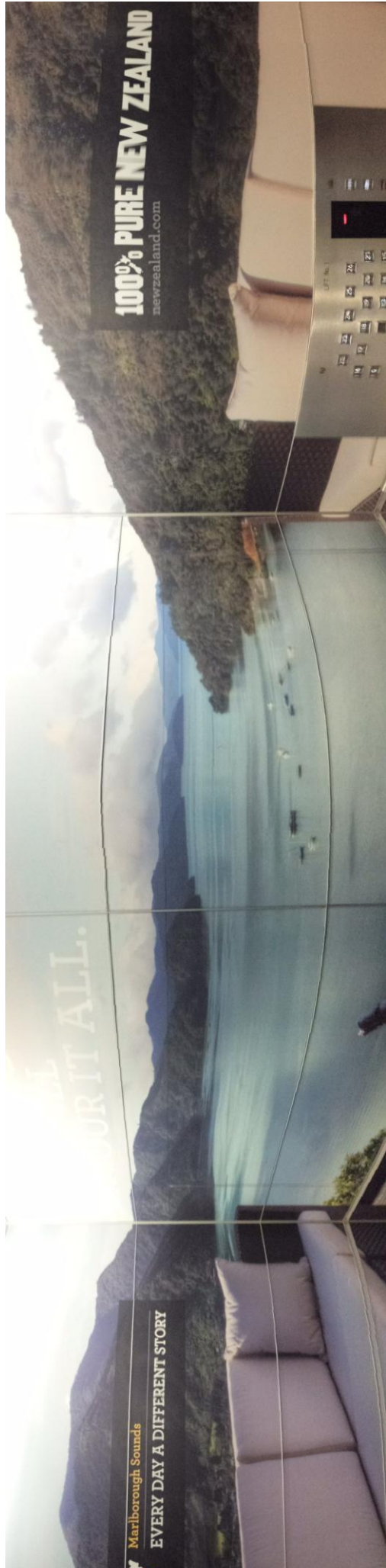
A new Classic NZ Wine Trail brochure has been printed and delivered. This was a team effort across Marlborough, Wellington, Wairarapa and Hawkes Bay regions. A new website is also being progressed.

David and Barbara supported Positively Wellington Tourism and Tourism NZ's campaign activity in Australia - we manned 'activations' i.e. face to face events in targeted buildings in CBD Melbourne, Brisbane and Sydney.



Elevator doors in major office blocks were wrapped with images of Marlborough, Wellington and Wairarapa. Inside the elevator was a panorama (next page) of one of the regions.

Activation featured mini tastings of Martinborough Pinot Noir plus Savignon Blanc and Whittakers chocolate from the other partner regions. Most importantly it provided us the chance to talk one on one to potential visitors about Wellington and the other supporting regions. Air New Zealand also provided staff to add value to the event. The campaign was supported by a prize draw and online content on newzealand.com and our site.



100% PURE NEW ZEALAND
newzealand.com

FOR IT ALL.

Marlborough Sounds
EVERY DAY A DIFFERENT STORY

Wellington, Manawatu, Auckland, Hawkes Bay –

The 2014 Visitor Guide – Wine Map combo was in development in this period. A new format has required a big heave to sell and compile the advertising but is expected to be easier in future years.

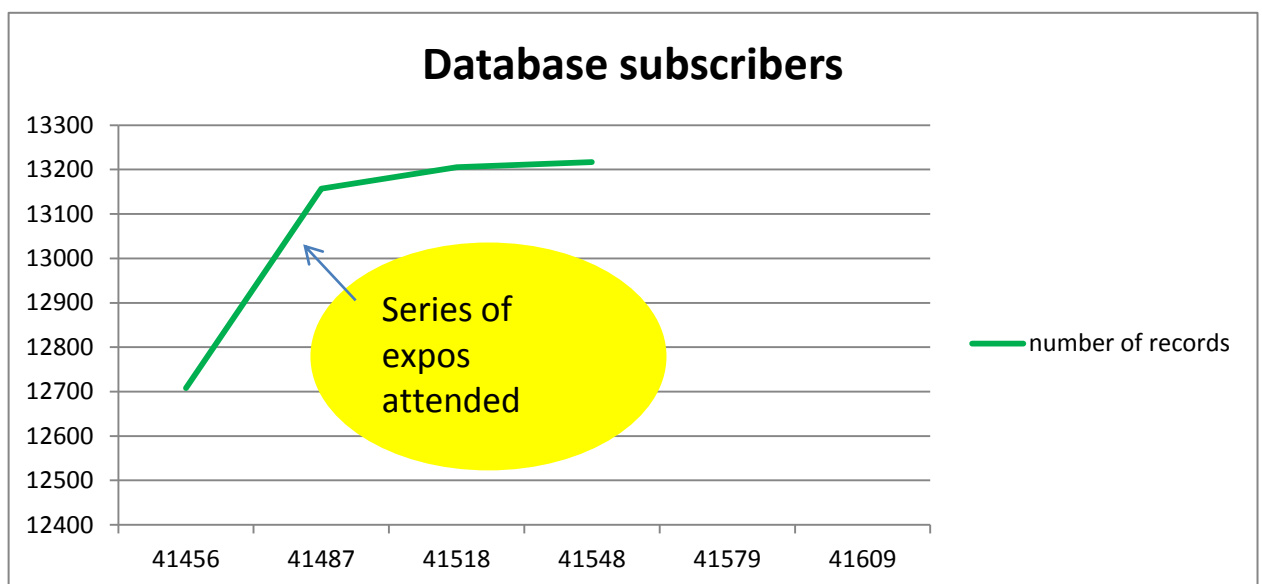
We exhibited at the Wellington Lifestyle Expo with support from Olivo and Fantail Grove as tasting partners.

Sara attended a Wines from Martinborough Tasting event in Wellington.

Barbara attended a joint Wairarapa Wines/Wines from Martinborough public tasting in Auckland. This was the first such event in Auckland for many years and was very well received.

All Destination Wairarapa team have been involved in promoting the Rimutaka Cycle Trail launch – including developing our own online content and contributing to the content of Wellington and Hutt Valley websites and the joint brochure material.

Domestic activity has included extensive promotion of Kokomai focusing on Labour Day weekend visitation. The Sir Bob Charles Gold tournament was also promoted. Activity included Facebook advertising & posts and emails to our database. In September we supported the Carterton Daffodil Festival, Fathers Day and School holiday offers from members.



Media Results:

Some recent results - plus please see hard copy of excellent article on Castlepoint in the latest AA Directions magazine.

<http://www.stuff.co.nz/travel/destinations/nz/8989982/The-good-oil-on-Martinborough>

<http://www.stuff.co.nz/dominion-post/news/9066401/Big-test-for-a-Great-Ride-over-the-hill>

<http://www.listener.co.nz/lifestyle/food/recipes/lauraine-jacobs-striking-gold/>

Sara and Barbara attended a series of on line webinars for a new software programme being rolled out by Tourism NZ to simplify the management of media itineraries.

When in Auckland Barbara met with the editor of House and Garden magazine. We are hope to secure a major feature on a Wairarapa garden next year before the 2014 Pukaha Garden tour.

Katie has been heavily involved in the media management and coverage of Kokomai.

Australia –

Undertaken through Classic New Zealand Wine Trail

Trade

Barbara attended and supported those members who exhibited at the Wellington Wairarapa Trade Day. It's likely the format for future trade engagement will change and Barbara provided feedback on Destination Wairarapa's behalf to the debrief.

Barbara invited a domestic tour company to the trade day and as a result a tour was secured for the 2014 Pukaha Mount Bruce Garden Tour ex Auckland. 30 rooms have been booked at Peppers Parihua and as the group will stay 3 nights they will take in other attractions too. There is large potential domestic tour group interest in the tour for 2014.

Sara and Barbara attended the annual RTONZ / TNZ Mega Meet which is designed for RTOs to receive an update on all Tourism NZ's activity; trade, marketing, online, media. Was hugely timely for Sara to gain an insight into the industry.

Visiting Friends and Relatives -

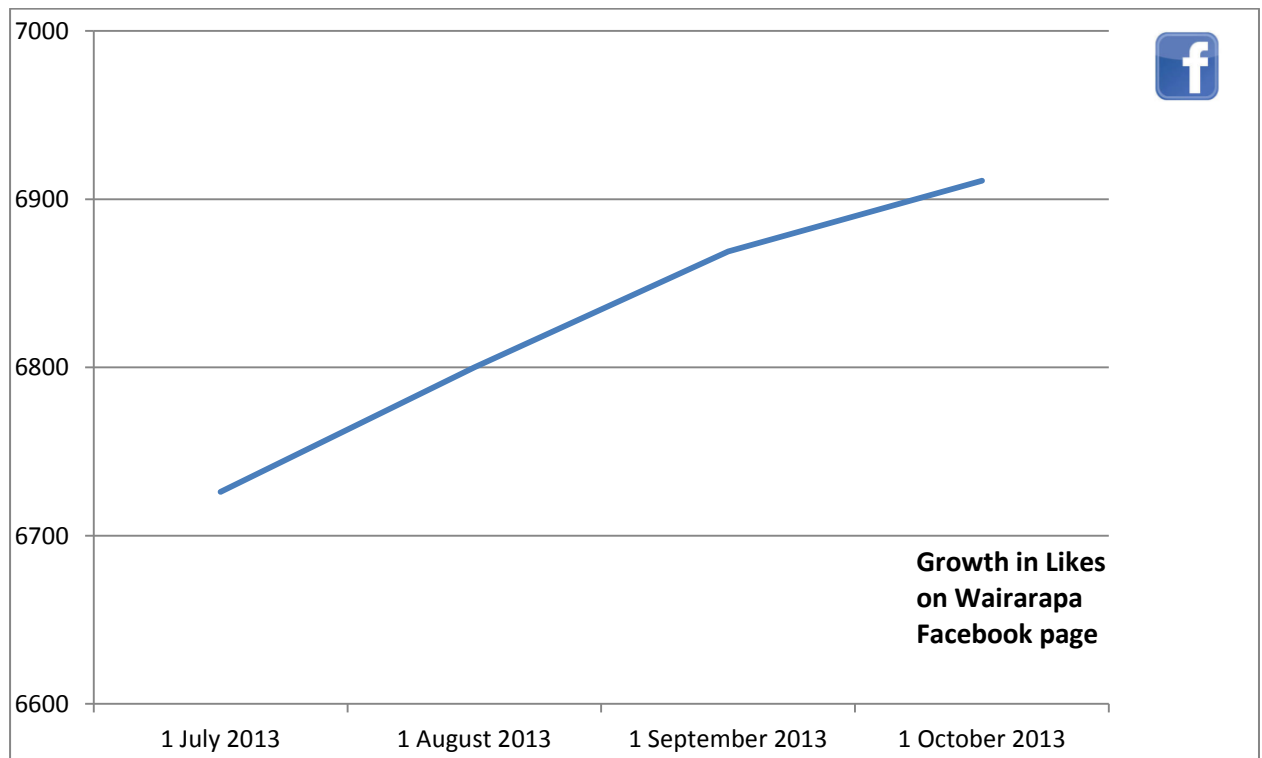
Our series of *Close to Home* articles in The Times Age has continued: (Wairarapa Times Age ½ page every second Saturday)

- Featherston – Cross Creek, ANZAC Hall, sculpture
- Pukaha Mount Bruce night tour
- Guarnard Hunt – Castlepoint
- Grape to Glass Tour – Murdoch James
- Tandem Biking – Greytown
- Assisi Gardens
- Go to Market – Farmers, New Rags, TK

Sara and Katie are now sharing the development of articles for the “Close to Home’ fortnightly column in the Times Age.

Website/Online

The major focus in this period has been getting the website up and running. It was a huge effort by the Destination Wairarapa team with a massive writing and loading effort to get up and running. The site can be developed and loaded easily by us which is a massive advantage.

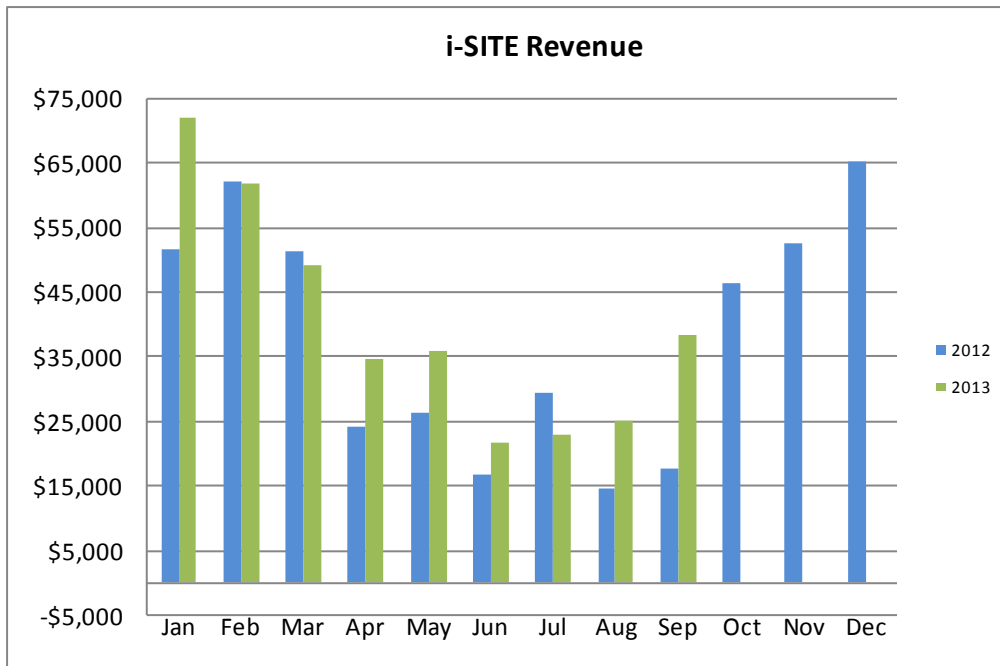


i-SITE Visitor Centres

Highlights:

- **i-SITE Total Sales**

i-SITE gross revenue (\$86,514) for the July-September quarter was up 40.6% on the same quarter last year.



- **i-SITE Profit Reports**

Profits (excluding retail) for the quarter ending June 2013 (\$7,780) were up 45.9% on the same quarter last year.

- **i-SITE Foot Count**

The year ending September saw the i-SITEs with 51,825 visitors which is 8.7% up on the previous year.

- July 2,583 – up 58%
- August 3,025 – up 104%
- September 2,990 – up 14%

Product Development

- Successful submissions to Council Annual Plans included:
 - Mataikona Rocks being investigated by MDC for significance as tourist attraction
 - SWDC will consider financial assistance of Brown Tourist Signs on a case by case basis with preference given to the list provided by Destination Wairarapa
 - SWDC will review the speed limit on Western Lake Road
 - MDC agreed to a financial contribution to the Tourism Export Council conference as did Trust House
- A new cycle transport service being developed
- A new sightseeing business being developed
- New Zealand Cycle Trail – opened 23 October 2013

David Hancock
General Manager

General Manager's Financial Report

Financials YTD 30 September 2013

- The YTD financial statements are attached and summarised below:

Destination Wairarapa						
Profit & Loss Summary						
	September 2013			Full Year		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue	\$64,921	\$74,206	-\$9,285	\$201,658	\$208,014	-\$6,356
Expenditure						
Corporate Support	\$33,534	\$37,702	\$4,168	\$98,016	\$101,359	\$3,343
Marketing	\$8,951	\$38,105	\$29,154	\$52,175	\$69,065	\$16,890
i-SITEs	\$16,501	\$19,014	\$2,513	\$49,219	\$56,952	\$7,733
Total Expenses	\$58,986	\$94,821	\$35,835	\$199,410	\$227,376	\$27,966
Net Surplus/Deficit	\$5,935	-\$20,615	\$26,550	\$2,248	-\$19,362	\$21,610
PROJECTS						
Opening Rimutaka Cycle Trail funds in Retained Earnings				\$39,015	\$39,015	\$0
Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Expenses	\$0	\$0	\$0	\$0	\$0	\$0
Closing Rimutaka Cycle Trail funds in Retained Earnings				\$39,015	\$39,015	\$0

- Revenue YTD is down \$6,356 largely due to revenue from visitor guide not coming through yet
 - Membership is up \$5,000 YTD
- Marketing is under spent due to visitor guide expenses not having come through yet
- STAR funding from Ministry of Economic Development has now been moved through MBIE to be available for use on the development of the Rimutaka Cycle Trail. This money is held in retained earnings and will be seen coming through the P&L in months to come.

Destination Wairarapa Incorporated

Financial Statements 2013

DESTINATION WAIRARAPA INCORPORATED
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2013

	<i>Note</i>	2013 \$	2012 \$
INCOME			
Grants		416,988	408,811
Donations		257,422	254,923
Membership Income		62,044	57,561
Other revenue		100,374	93,621
Interest received		4,005	6,220
Total Revenue		840,833	821,136
Operating Expenses	1	(824,993)	(861,708)
NET SURPLUS/(DEFICIT)		15,840	(40,572)

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements.

DESTINATION WAIRARAPA INCORPORATED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

<i>Note</i>	2013 \$	2012 \$
Net Surplus/(Deficit) for Year	15,840	(40,572)
Other comprehensive income	-	-
Total comprehensive income for the period	15,840	(40,572)

DESTINATION WAIRARAPA INCORPORATED
STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

<i>Note</i>	2013 \$	2012 \$
Equity at start of the year	145,902	186,474
Total comprehensive income	15,840	(40,572)
Equity at end of the year	161,742	145,902

Refer to Note 10 for a possible future obligation

DESTINATION WAIRARAPA INCORPORATED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	<i>Note</i>	2013	2012
		\$	\$
<u>Current Assets</u>			
Funds at Bank		233,347	233,566
Accommodation Trust Account		9,906	12,783
Cash Floats		400	400
Inventories		2,892	2,827
Receivables & Prepayments	2	4,024	5,248
Taxation paid		-	-
Total Current Assets		<u>250,569</u>	<u>254,824</u>
<u>Non-Current Assets</u>			
Property, Plant & Equipment	3	<u>60,485</u>	<u>93,879</u>
Total Non-Current Assets		<u>60,485</u>	<u>93,879</u>
TOTAL ASSETS		<u>311,054</u>	<u>348,703</u>
<u>Current Liabilities</u>			
Payables and Accruals	4	39,195	64,930
Income in Advance		35,641	34,147
Finance Leases		16,562	18,736
Loans		4,140	3,748
Employee Entitlements	5	<u>29,446</u>	<u>28,549</u>
Total Current Liabilities		<u>124,984</u>	<u>150,110</u>
<u>Non-Current Liabilities</u>			
Finance Leases		23,364	47,413
Loans		<u>964</u>	<u>5,278</u>
Total Non-Current Liabilities		<u>24,328</u>	<u>52,691</u>
<u>Equity</u>			
Retained Earnings	6	59,042	35,902
Contingency Reserve		70,000	70,000
Asset Replacement Reserve		<u>32,700</u>	<u>40,000</u>
Total Equity		<u>161,742</u>	<u>145,902</u>
TOTAL LIABILITIES & EQUITY		<u>311,054</u>	<u>348,703</u>

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements.

DESTINATION WAIRARAPA INCORPORATED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	<i>Note</i>	2013	2012
		\$	\$
Cash Flows from Operating Activities			
Cash was provided from:			
Donations		257,422	254,923
Grants Received		416,988	408,811
Receipts from Customers		165,135	213,053
Interest Received		4,005	6,220
Tax refund		-	-
		843,550	883,007
Cash was applied to:			
Payments to Suppliers and Employees		819,713	792,398
Interest Paid		7,090	7,109
Tax Paid		-	-
		826,803	799,507
Net Cash Flows from Operating Activities	7	16,747	83,500
Cash Flows from Investing Activities			
Cash was applied to:			
Purchase of Plant, Property and Equipment		-	67,345
		-	67,345
Cash was provided from:			
Sale of Plant, Property and Equipment		-	6,696
		-	6,696
Net Cash Flows From Investing Activities		-	(60,649)
Cash Flows from Financing Activities			
Cash was provided from:			
Finance Lease		-	62,853
Loans		-	12,000
		-	74,853
Cash was applied to:			
Finance Lease repayments		15,921	12,107
Loan repayments		3,922	2,974
		19,843	15,081
Net Cash Flows from Financing Activities		(19,843)	59,772
Net (Decrease) / Increase in Cash Held		(3,096)	82,623
Opening Cash Balance		246,749	164,126
Closing Cash Balance		243,653	246,749

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements.

This Balance is made up as follows:

Cash Floats	400	400
Funds at Bank	243,253	246,349
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	243,653	246,749

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements.

DESTINATION WAIRARAPA INCORPORATED

Statement of Accounting Policies

Reporting Entity

The Destination Wairarapa Incorporated is an incorporated society established to promote inbound tourism to the Wairarapa region.

Measurement Base

The measurement base adopted is that of historical cost.

Accounting Policies

The following particular accounting policies which materially affect the measurement of financial results and financial position have been applied. The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP).

Differential Reporting

Destination Wairarapa by virtue of its size for both total revenue and number of employees, qualifies under Framework of Differential Reporting.

Accordingly, it has taken partial advantage of the differential reporting exemptions as allowed for FRS-9: Information to be Disclosed in Financial Statements, FRS-31: Disclosure of Information about Financial Instruments and SSAP-22: Related Party Disclosures.

New Zealand International Financial Reporting Standards (NZ IFRS)

The Board have taken the opportunity available under ARSB's Release 9 to delay the adoption of NZ IFRS. These accounts have been prepared in accordance with GAAP in operation before NZ IFRS was adopted.

Changes in Accounting Policy

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

Receivables

Receivables are stated at estimated realisable value, after making provision for doubtful debts.

Inventories

Inventories are valued at the lower of cost, on a weighted average basis, and net realisable value.

Plant, Property and Equipment

Property, plant and equipment and motor vehicles are recorded at cost and depreciated over their expected useful lives.

Depreciation

Depreciation is calculated on a diminishing value basis or straight line basis on all fixed assets at a rate which will write off the cost (or valuation) of the assets to their estimated residual value over their useful lives.

The depreciation rates for property, plant and equipment are as follows:

Furniture, Equipment and Plant	12.5% - 60%
Motor Vehicles	30%

When the components of an item of property, plant and equipment have different useful lives or provide benefits to the entity in different patterns, thus requiring different depreciation rates and methods, the cost of the item is allocated to its component and each component is accounted for separately.

Tax

Destination Wairarapa Incorporated is exempt from income tax as a regional promotional body.

Goods and Services Tax

These accounts are prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable.

The amount of GST owing to or from the Inland Revenue Department at balance date, being the difference between Output GST and Input GST, is included Accounts Receivable or Accounts Payable (as appropriate).

Where GST is irrecoverable as an input tax, then it is recognised as part of the related asset or expense.

Financial Instruments

Destination Wairarapa is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, investments, receivables and payables. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to the financial instruments are recognised in the Statement of Financial Performance.

Except for items covered by a separate accounting policy, all financial instruments are shown at their estimated fair value.

Leases

Finance Leases

Leases which effectively transfer substantially all the risks and benefits incidental to the ownership of the leased item to the Society Group are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets and the corresponding lease liabilities are recognised in the statement of financial position. The leased assets are depreciated over the period the Society is expected to benefit from their use.

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease expenses are recognised on a systematic basis over the period of the lease.

Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Society invests as part of its day-to-day cash management.

Operating activities include cash received from all income sources of the Society and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of the Society.

Charitable Donations, Grants and Membership Income

Are recognised over the year to which they relate.

Other Revenue

Consists of commissions, advertising revenue and contributions by outside organisations to projects run by Destination Wairarapa. Revenue is recognised in the year to which it relates

DESTINATION WAIRARAPA INCORPORATED

Notes to the Financial Statements

For the year ended 30 June 2013

1 Operating Expenses

Details of operating expenses are:

	<i>Note</i>	<u>2013</u>	<u>2012</u>
		\$	\$
Cost of Sales		4,440	8,401
Administration & Financial		71,021	76,799
Advertising & Marketing		193,398	211,517
Website Development		7,300	-
Audit Fees (for annual audit)		12,285	8,350
Depreciation	3	23,681	27,899
Interest		7,090	7,109
Property Expenses		44,112	46,596
Personnel Costs		415,132	409,691
Other Staff Costs		25,724	41,016
Trustee Fees & Expenses		20,810	24,330
		<u>824,993</u>	<u>861,708</u>

2 Receivables and Prepayments

	<u>2013</u>	<u>2012</u>
	\$	\$
Trade Debtors	2,839	288
Provision for Doubtful Debts	-	-
	<u>2,839</u>	<u>288</u>
Prepayments	-	-
GST Receivable	1,185	2,577
Sundry	-	2,383
	<u>4,024</u>	<u>5,248</u>

3 Property, Plant and Equipment

	<u>2013</u>	<u>2012</u>
	\$	\$
Furniture, Equipment & Plant		
At Cost	79,632	100,628
Accumulated Depreciation	(49,058)	(49,478)
Furniture, Equipment and Plant – Net Carrying Value	<u>30,574</u>	<u>51,150</u>
Motor vehicles		
At Cost	53,900	53,900
Accumulated Depreciation	(23,989)	(11,171)
Motor Vehicles – Net Carrying Value	<u>29,911</u>	<u>42,729</u>
Total Net Carrying Amount	<u>60,485</u>	<u>93,879</u>

Depreciation by Asset Class

	<u>2013</u>	<u>2012</u>
	\$	\$
Furniture, Equipment & Plant	10,863	16,728
Motor Vehicles	12,818	11,171
	<u>23,681</u>	<u>27,899</u>

4 Payables and Accruals

	<u>2013</u>	<u>2012</u>
	\$	\$
Accrued Expenses	29,289	50,707
Capital Payables	-	1,440
Accommodation Deposits	9,906	12,783
	<u>39,195</u>	<u>64,930</u>

5 Employee Entitlements

	<u>2013</u>	<u>2012</u>
	\$	\$
Accrued Pay	3,600	2,500
Annual Leave	25,846	26,049
	<u>29,446</u>	<u>28,549</u>

6 Retained Earnings

Retained Earnings

	<u>2013</u>	<u>2012</u>
	\$	\$
Balance at 1 July	35,902	186,474
Transfer to Contingency Reserve	-	(70,000)
Less transfer to Asset Replacement Reserve	-	(40,000)
Plus transfer from Asset Replacement Reserve	7,300	-
	<hr/>	<hr/>
	43,202	76,474
Plus Total Comprehensive Income	15,840	(40,572)
Balance at 30 June	59,042	35,902
	<hr/>	<hr/>
Contingency Reserve	70,000	70,000

Asset Replacement Reserve

Balance at 1 July	40,000	
Plus Transfer from Returned Earnings		40,000
Less Transfer to Retained Earnings to be used for redevelopment of the Website	(7,300)	-
Balance at 30 June	32,700	40,000
	<hr/>	<hr/>
Total Equity 30 June	161,742	145,902

Refer to Note 10 for a possible future obligation.

7 Reconciliation of Net Surplus to Net Cash Flow from Operating Activities for the year ended 30 June 2013

The reconciliation of Net Surplus to net cash inflows from Operating Activities is as follows:

	<u>2013</u>	<u>2012</u>
	\$	\$
Net Surplus/(Deficit) for Year	15,840	(40,572)
Add /(Less) non-cash items:		
Depreciation	23,681	27,899
Loss /(Profit) on disposal of asset	(590)	2,192
	<u>23,091</u>	<u>30,091</u>
Add (less) Movements in Working Capital Items:		
(Increase)/Decrease in Inventories	(65)	(4)
(Increase)/Decrease in Receivables & Prepayments	1,224	59,071
Increase/(Decrease) in Employee Entitlements	897	(10,495)
Increase/(Decrease) in Payables and Accruals	(25,734)	42,609
Increase/(Decrease) in Income in advance	1,494	2,800
	<u>(22,184)</u>	<u>93,981</u>
Net Cash Flow from Operating Activities	<u>16,747</u>	<u>83,500</u>

8 Commitments and Contingencies

The Society had the following operating lease commitments as at 30 June 2013.

Non-Cancellable Operating Lease Commitments	<u>2013</u>	<u>2012</u>
	\$	\$
Less than 12 months	2,736	2,736
Between 1 year and 2 years	-	2,736
Between 2 years and 5 years	-	-
More than 5 years	-	-
Total	<u>2,736</u>	<u>5,472</u>

The Society had no Capital Commitments as at 30 June 2013 (2012: Nil).

The Society had no Contingent Liabilities as at 30 June 2013 (2012: Nil)

9 Related Party Transactions

Masterton District Council

Masterton District Council has appointed one Trustee to the governing board of Destination Wairarapa. The council has provided funding of \$255,000 for the year ending 30 June 2013 (2012: \$238,900). Destination Wairarapa transacts with Masterton District Council in respect of services provided in the normal course of council activities.

Carterton District Council

Carterton District Council has appointed one Trustee to the governing board of Destination Wairarapa. The council has provided funding of \$50,299 for the year ending 30 June 2013 (2012: \$49,738).

South Wairarapa District Council

South Wairarapa District Council has appointed one Trustee to the governing board of Destination Wairarapa. The council has provided funding of \$111,689 for the year ending 30 June 2013 (2012: \$120,173). Destination Wairarapa transacts with South Wairarapa District council in respect of services provided in the normal course of council activities.

Trust House Limited

Trust House Limited has appointed two Trustees to the governing board of Destination Wairarapa. The company has, through Trust House Foundation provided funding of \$252,422 for the year ending 30 June 2013 (2012: \$249,923). Destination Wairarapa paid Trust House Limited \$25,000 for accounting services for the year ending 30 June 2013 (2012: \$25,000).

Transactions with Trustees

A number of the Trustees own or manage accommodation businesses in the Wairarapa and transact with Destination Wairarapa as a result. All of these transactions are completed on normal commercial terms.

10. Post Balance Date Event

Destination Wairarapa received funding from the Ministry of Business Innovation & Employment (MBIE) for specific spending on a STAR project. At year end an amount of \$39,913 (2012: \$47,203) of this funding was still unspent.

Since balance date MBIE has approved the use of the STAR funding to finance the development and operation of the new Wellington Wairarapa Cycle Trail.