

South Wairarapa District Council
April 2013
General Manager's Report

More Visitors, Staying Longer & Spending More

Overview

Visitor Arrivals

An 8% increase in guest arrivals and resulting guest nights was an excellent result for Wairarapa after a poor February. These increases didn't increase occupancy however, due to an increased number of guests in each room (room density).

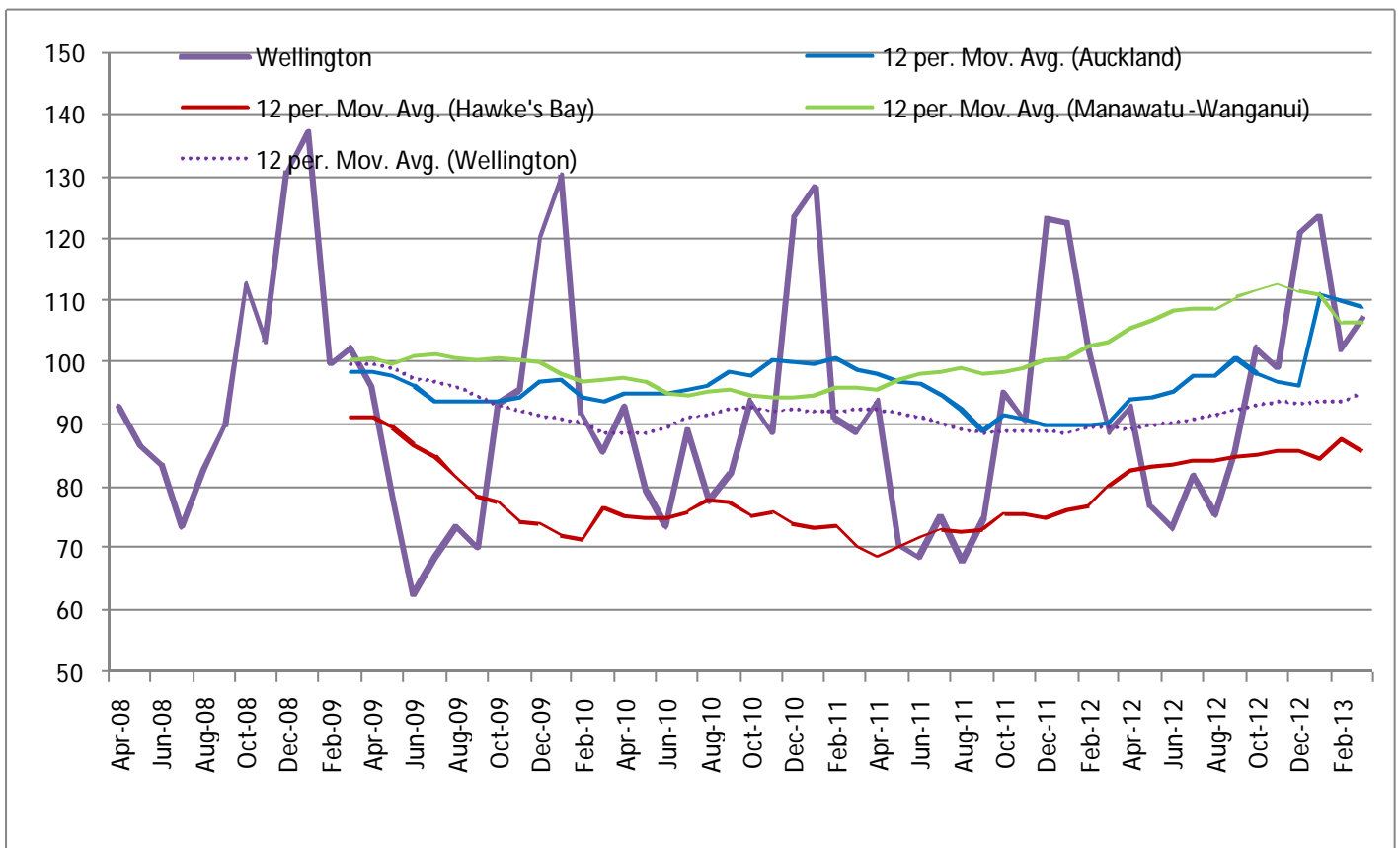
Commercial Accommodation Monitor							
Statistics New Zealand						March 2013	
	Wairarapa	Manawatu	Greater Wellington	Hawkes Bay	Taupo	National	
Guest Arrivals							
2013	12,864	28,644	112,470	50,847	58,949	1,792,576	
2012	11,915	30,462	114,793	44,142	53,330	1,662,542	
Variance	8.0%	-6.0%	-2.0%	15.2%	10.5%	7.8%	
Guest Nights							
2013	22,897	49,111	233,850	112,820	104,581	3,398,570	
2012	21,621	56,787	229,662	97,810	92,378	3,071,265	
Variance	5.9%	-13.5%	1.8%	15.3%	13.2%	10.7%	
Occupancy							
2013	27.1%	39.1%	67.2%	42.1%	47.0%	45.7%	
2012	28.2%	44.7%	70.5%	39.2%	43.9%	42.2%	
Variance	-1.1	-5.6	-3.3	2.9	3.1	3.5	
Length of Stay							
2013	1.8	1.7	2.1	2.2	1.8	1.9	
2012	1.8	1.9	2.0	2.2	1.7	1.9	
Note: Greater Wellington excludes Wellington City							
Wairarapa guest density 2.1 up from 1.8 last year							

Visitor Spend

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

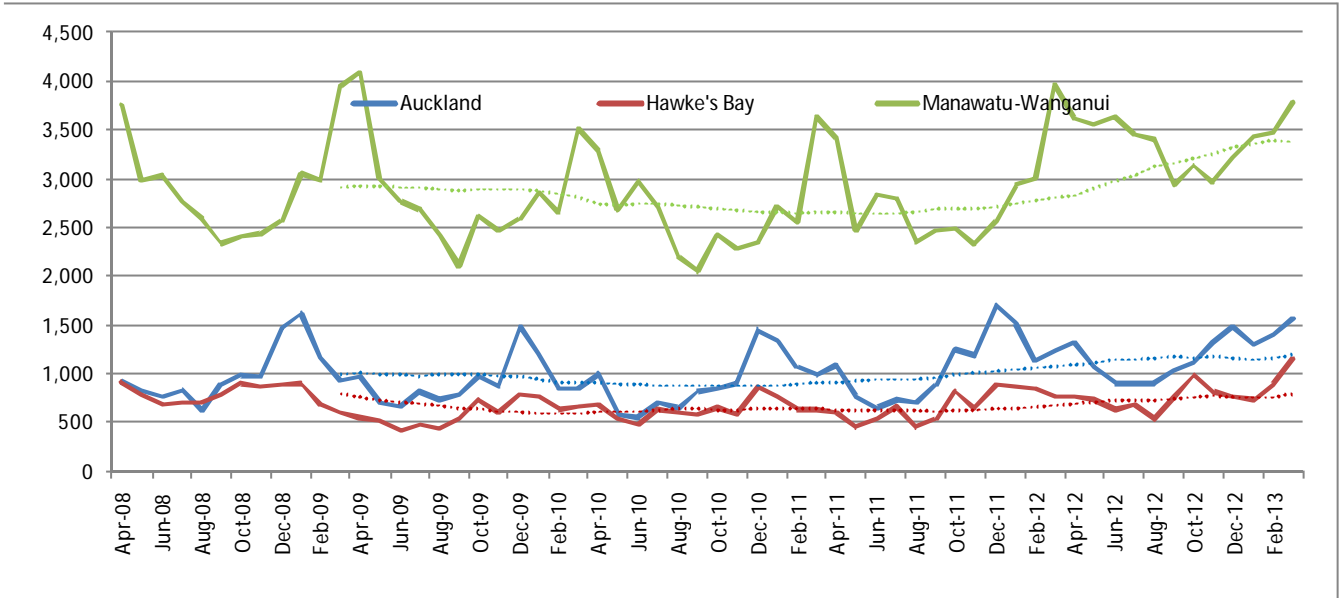
Domestic Level of Spending

- Spending by domestic markets in Wairarapa has been trending upward since mid 2010
- Wellingtonian spend in summers has been in decline year after year but winters have shown some growth. Spending overall by Wellingtonians in Wairarapa has generally trended upward month after month for the past year.
- The biggest growth in spend has come from Manawatu visitors who are consistently spending more over the last year than they were in the average month in 2008.
- Auckland had a sharp increase in spending in January but this was against a decrease in transactions. This could be from greater volume of transactions on higher spend items such as accommodation for WINGS. The trend line remains high although March spend has returned to more normal levels

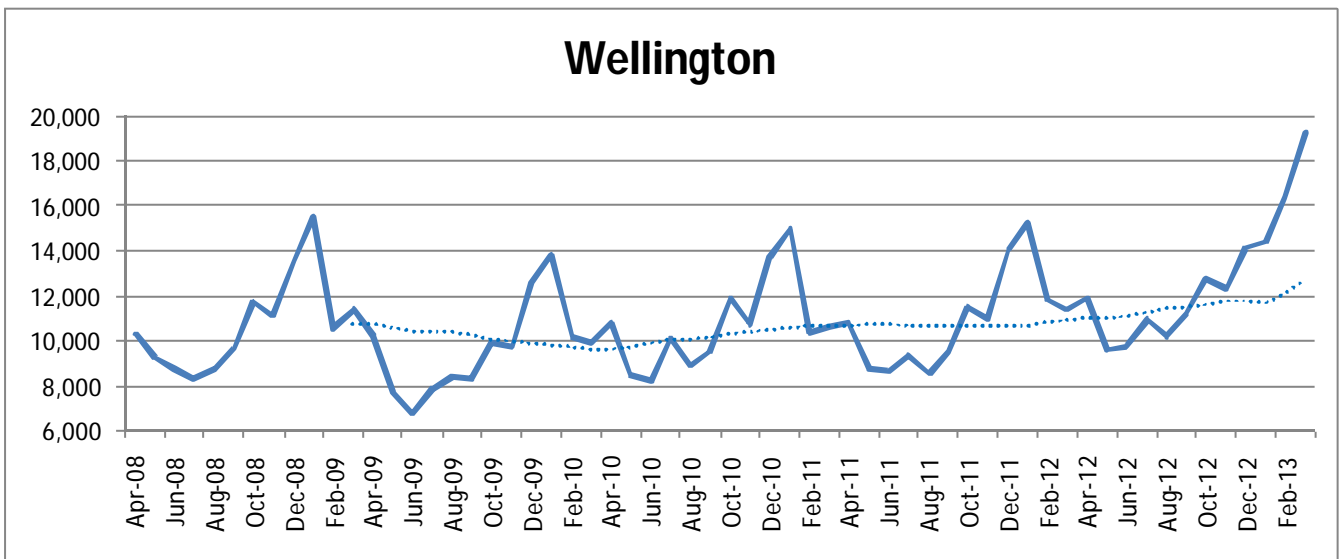


Domestic Volume of Transactions

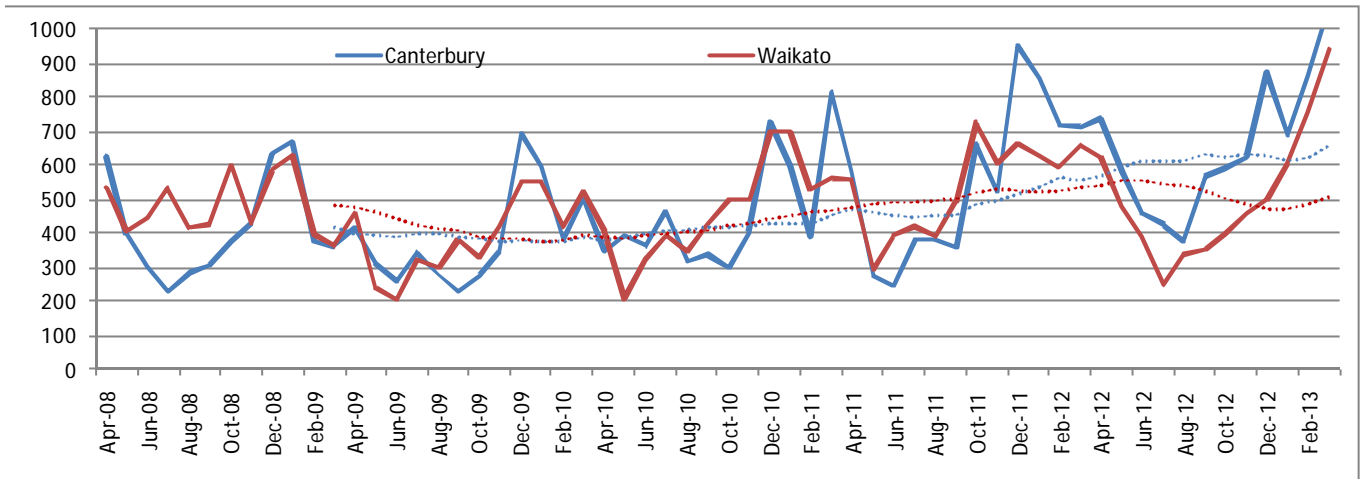
- All markets are increasing in the volumes of transactions made in Wairarapa
- Wellington continues to have the greatest volume of transactions followed by Manawatu, Auckland and Hawkes Bay
- A flattening of the summer and winter troughs for Wellington and Manawatu is very encouraging and Wellington's spend pattern is showing similar growth



- March spend out of Wellington was at an all time high with 19,275 transactions and the second consecutive record month

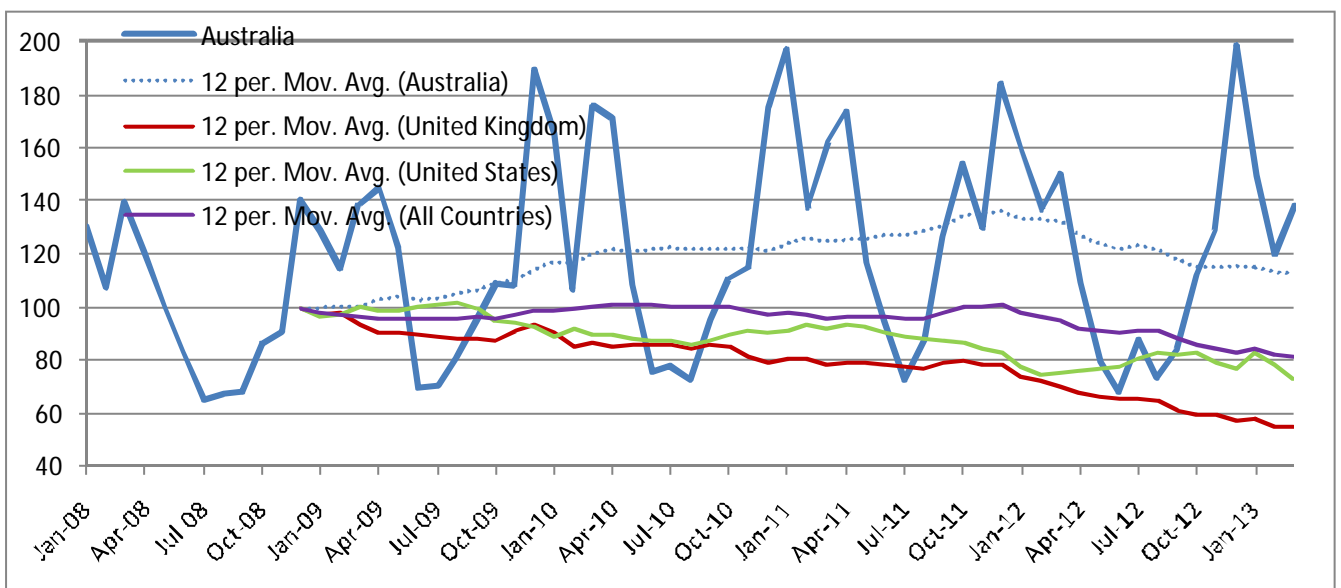


- We will continue to monitor Canterbury and Waikato spend in Wairarapa as they edge closer to the levels of Hawkes Bay and what this might mean for product development in the future.



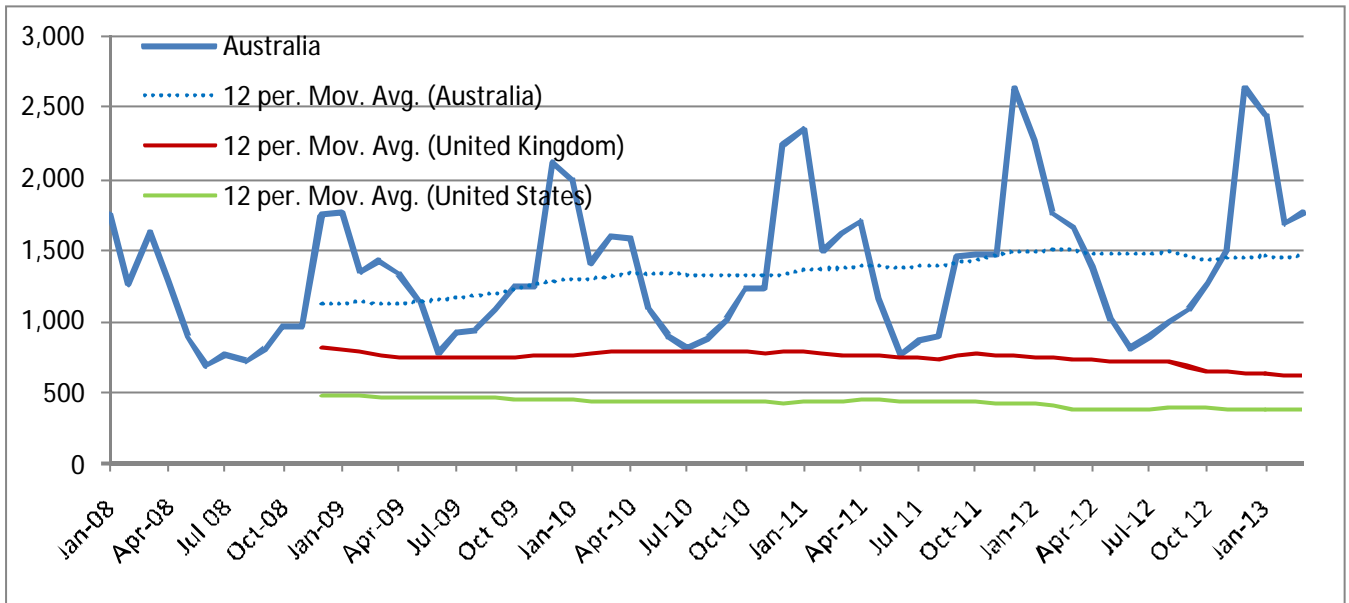
International Level of Spending

- Spending by international markets in Wairarapa has been trending fairly flat until the end of last summer when a decline has become apparent
- While Australia is declining in level of spending, the market is showing some resistance with a best ever month in December 2012.
- Australia is the only market which has shown any growth in spending since the 2008 index
- Spending continues to trend downwards for UK, USA and all other countries in Wairarapa.



International Transaction Volumes

- Australian transaction volume has trended upwards since 2008 with summer peaks in particular showing growth year after year. This is encouraging given the decline in spending from Australians.
- UK and USA transaction volumes are trending flat to down.



Winning Conferences

Planning has commenced for the August Show Me Wellington trade show.

A conference strategic planning session has been planned with relevant members.

Marketing Report next month

Established Products and Markets

Classic New Zealand Wine Trail (CNZWT) –

Wellington, Manawatu, Hawkes Bay –

Australia –

Undertaken through Classic New Zealand Wine Trail

Visiting Friends and Relatives -

Website/Online

Development of the new site

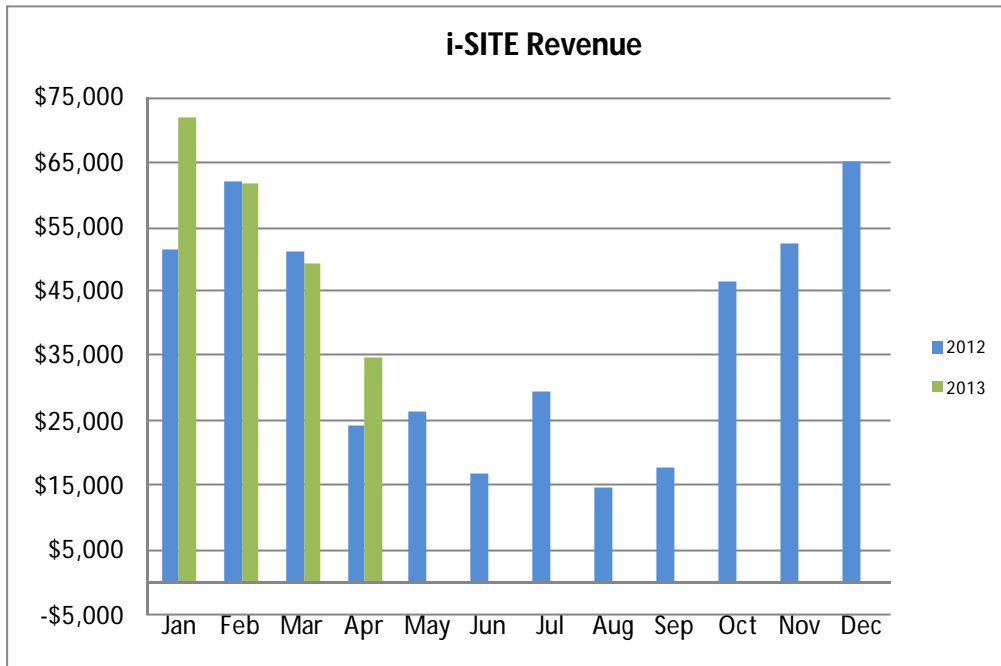
- major interfaces with Bookit and Eventfinder are completed
- structure and look and feel of pages has been signed off
- content now being planned

i-SITE Visitor Centres

Highlights:

- **i-SITE Total Sales**

i-SITE gross revenue (\$34,793) in April was up 44.1% on the same month last year and the best April on record.



- **i-SITE Profit Reports**

Profits (excluding retail) for the 12 months ending April (\$33,711) were up \$5,857 (21%) on the previous year.

- **i-SITE Foot Count**

The year ending April saw the i-SITEs with 47,729 visitors which is 3.5% (1,765) down on the previous 12 months. 5,666 visitors is the strongest April on record and a reflection of the excellent revenue result.

- February 5,821 – down 7%
- March 5,681 – up 9%
- April 5,666 – up 18%

Product Development

- Product development in April has included work on:
 - Mataikona Rocks
 - Scandinavian Route with Tararua District Council
 - Winter campaign with Greytown
 - Air New Zealand

David Hancock
General Manager

South Wairarapa District Council April 2013 General Manager's Financial Report

Financials YTD 30 April 2013

- The YTD financial statements are attached and summarised below:

Destination Wairarapa						
Profit & Loss Summary						
	March 2013			YTD		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue	\$66,757	\$66,269	\$488	\$705,507	\$684,930	\$20,577
Expenditure						
Corporate Support	\$33,294	\$28,943	-\$4,351	\$325,704	\$338,753	\$13,049
Marketing	\$9,109	\$10,238	\$1,129	\$173,451	\$144,738	-\$28,713
i-SITEs	\$19,111	\$20,323	\$1,212	\$187,923	\$188,327	\$404
Total Expenses	\$61,514	\$59,504	-\$2,010	\$687,078	\$671,818	-\$15,260
Net Surplus/Deficit	\$5,243	\$6,765	-\$1,522	\$18,429	\$13,112	\$5,317
PROJECTS						
Opening STAR Funds in Retained Earnings				\$47,603	\$47,603	\$0
Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Expenses	\$0	\$1,400	\$1,400	\$6,766	\$11,200	\$4,434
Closing STAR Funds in Retained Earnings				\$40,837	\$36,403	\$4,434
Total Net Surplus/Deficit	\$5,243	\$5,365	-\$122	\$11,663	\$1,912	\$9,751

- Revenue YTD is up \$20,577 however this does include Visitor Guide revenue of \$23,948 over budget.
- Other Revenue refers to Shear Fest, Veterans' Invitational and Daffodil Festival contracted marketing work.
- Accommodation commissions are closer than ever to budget; just \$543 short now
- Corporate Salaries continue to be close to budget however there will be an expense coming soon with one staff member leaving

NOTE: These figures include \$1,200 which has already been spent on the website development and will by default come from reserves but does impact the P&L

DESTINATION WAIRARAPA INC.

INCOME STATEMENT FOR THE PERIOD 30/4/13



	Actual	Budget	Actual	Budget
	30/04/2013	30/04/2013	YTD	YTD
	\$	\$	\$	\$
REVENUE				
Retail Sales & Other Commissions	707	1,000	6,951	14,975
Less Cost of Sales	218	(500)	(4,040)	(9,860)
Accommodation Commissions	4,152	2,900	28,447	28,900
Escape Planner - Net Revenue	-	-	28,948	5,000
Wine Map Revenue	-	-	17,439	16,000
Other Revenue	-	1,000	11,308	9,000
Grants - Masterton District Council	21,250	21,299	212,500	212,992
Grants - Carterton District Council	4,212	4,222	41,875	42,219
Grants - South Wairarapa District Council	9,376	9,398	92,936	93,981
Donation - THF	21,105	21,250	210,213	211,422
Donations & Gifts	-	-	5,000	5,000
Membership	5,070	5,000	51,076	50,000
Interest Received	667	700	2,854	5,300
Operational Revenue	66,757	66,269	705,507	684,930
EXPENDITURE				
Corporate Support				
Salaries	20,126	18,059	183,450	180,590
Personnel Expenses incl Training	226	-	1,051	750
Board Fees	-	-	15,483	19,320
Board Members' Expenses	-	-	-	675
Membership Expenses incl TDG	12	-	2,164	3,000
Subscriptions & Membership	583	-	8,356	8,628
Vehicle Operating Costs	1,047	1,041	8,046	10,418
Rent & Rates	1,112	1,326	12,928	13,258
Electricity	67	84	917	832
Telecoms incl Mobiles	650	959	5,756	9,584
Information Technology	2,001	1,321	9,635	13,210
Office Supplies incl Furnishings	303	100	3,412	1,975
Kitchen Supplies	-	38	480	374
Repairs & Maintenance	-	-	-	100
Equipment Rental	101	101	1,185	1,010
Bank Fees - National Bank	35	100	529	1,000
Accounting Fees	2,083	2,084	20,833	20,832
Merchant & Bank Fees - BNZ	438	150	3,940	3,000
Insurance	375	619	3,849	6,194
ACC Levies	-	208	1,507	2,084
Fringe Benefit Tax	643	208	4,504	2,084
Legal Expenses	-	-	-	1,000
Audit Fees	750	-	7,500	9,000
Other Fees	-	-	1,226	-
Depreciation	2,222	1,879	22,270	22,167
Gain on Sale	-	-	-	-
Loss on Sale	-	-	319	-
Interest Expense	518	666	6,365	6,668
Bad Debts	-	-	-	1,000
Total Corporate Support Expenses	33,294	28,943	325,704	338,753

DESTINATION WAIRARAPA INC.

INCOME STATEMENT FOR THE PERIOD 30/4/13



	Actual	Budget	Actual	Budget
	30/04/2013	30/04/2013	YTD	YTD
Marketing				
Contract Staff	1,722	1,750	21,730	17,500
CNZWT Marketing	55	-	521	2,700
	-	1,000	50,832	50,000
Advertising	-	-	1,702	2,039
Domestic Marketing	227	2,335	17,528	21,015
Distribution	782	875	9,504	8,750
Web Site & E-Marketing	5,659	695	14,079	6,960
Visitor Guide	-	-	33,236	2,580
Relationship Marketing	14	208	1,009	2,084
CDC Carnival Costs	-	-	5,491	-
Wine Map	-	-	4,792	5,000
Branding & Imagery	-	450	1,638	2,850
Exhibitions & Events	451	300	5,569	7,650
Trade	-	-	935	2,350
Media	199	1,125	930	4,500
Conferences	-	1,500	3,956	8,760
Total Marketing Expenses	9,109	10,238	173,451	144,738
I-Sites				
Wages	15,747	14,798	153,408	147,988
Personnel incl Training & Conferences	112	2,000	2,125	4,500
Travel & Transport	-	50	188	500
Rent & Rates	1,895	2,150	18,946	21,496
Electricity	377	400	4,290	3,900
Telecoms	501	625	4,407	6,250
Photocopier	254	33	640	326
Office Supplies incl Furnishings	172	100	2,460	1,600
Kitchen Supplies	54	167	1,059	1,667
Repairs & Maintenance	-	-	399	100
Total I-Site Expenses	19,111	20,323	187,923	188,327
Operating Expenditure	61,513	59,504	687,078	671,818
Operating Surplus (Deficit)	5,244	6,765	18,429	13,112
INCOME STATEMENT SUMMARY				
Operating Surplus/(Deficit)	5,244	6,765	18,429	13,112
Projects Surplus/(Deficit)	-	(1,400)	(6,766)	(11,200)
Net Surplus/(Deficit)	5,244	5,365	11,663	1,912

DESTINATION WAIRARAPA INC.

INCOME STATEMENT FOR THE PERIOD 30/4/13



	Actual	Budget	Actual	Budget
	30/04/2013	30/04/2013	YTD	YTD
PROJECTS				
STAR *				
Opening Balance			47,603	
STAR *				
2012/2013				
Income	-	-	-	-
Expenditure		(1,400)	(6,766)	(11,200)
Projects Surplus/(Deficit)	-	(1,400)	(6,766)	(11,200)
INCOME STATEMENT SUMMARY				
Operating Surplus/(Deficit)	5,244	6,765	18,429	13,112
Projects Surplus/(Deficit)	-	(1,400)	(6,766)	(11,200)
Net Surplus/(Deficit)	5,244	5,365	11,663	1,912
* STAR Total			40,837	

DESTINATION WAIRARAPA INC.

BALANCE SHEET AS AT 30 APRIL 2013



CURRENT ASSETS	\$	\$
Cash Float	400	
Bank - National	76,422	
National Bank - Call Account	268,932	
BNZ Trust Account	19,944	
Inventory I-Sites	2,637	
Receivables	5,092	
Total Current Assets	373,427	
NON-CURRENT ASSETS		
Fixed Assets	153,661	
Less Accumulated Depreciation	(82,371)	
Fixed Assets	71,290	
TOTAL ASSETS		444,717
LIABILITIES		
Accounts Payable	39,845	
Income in Advance	144,036	
BNZ Trust Account (Commission)	19,944	
Payroll Liability	25,779	
Finance Lease	9,278	
Loans - BNZ	5,785	
Toyota Finance	42,487	
TOTAL LIABILITIES		287,154
EQUITY		
Opening Retained Earnings	35,901	
Contingency Reserve	70,000	
Asset Replacement Reserve	40,000	
Surplus / (Deficit) for the year 2012/13	11,662	
Total Equity		157,563
TOTAL LIABILITIES & EQUITY		444,717

**DESTINATION WAIRARAPA
STATEMENT OF CASH FLOWS
AS AT 30 APRIL 2013**



Cash Flows from Operating Activities

<u>Cash was provided from:</u>	\$
Donation - Trust House	252,422
Donation - Others	5,000
Receipts from Customers	193,253
Grants Received - TLA	366,064
Interest Received	2,854
	<hr/> 819,593
 Cash was applied to:	
Payments to suppliers and employees	676,654
Interest Paid	6,365
	<hr/> 683,019
 Net Cash Inflows / (Outflows) from Operating Activities	 136,574
Repayment of borrowings	3,241
Finance Lease Repayments	14,384
	<hr/> 17,625
 Net Cash inflows from Financing Activities	 (17,625)
 Net (Decrease) / Increase in Cash Held	 118,949
Opening Cash Balance	246,749
Closing Cash Balance	<hr/> 365,698 <hr/>
 Closing Cash is made up of:	
Cash Floats	400
Funds at Bank	96,366
Short Term Deposits	268,932
	<hr/> 365,698 <hr/>

DESTINATION WAIRARAPA - FIXED ASSET DEPRECIATION SCHEDULE

As at 30 APRIL 2013



ASSETS	PURCHASE	COST	ACCUM	OPENING	SALES	PROFIT	DEPN	YTD	CLOSING
	DATE	PRICE	DEPN	BOOK VALUE	ADDITIONS	Disposal	(LOSS)	DEPN	BOOK VALUE
							RATE % DV		
Furniture & Equipment									
Martinborough Sign	Oct-07	209	98	111			12.50 DV	12	99
Coffee Table	Oct-07	234	110	124			12.50 DV	13	111
Display Stand & Panels	Oct-07	309	144	165			12.50 DV	17	148
Wairarapa Banners	Oct-07	312	146	166			12.50 DV	17	149
Wall Display Unit	Oct-07	322	150	172			12.50 DV	18	154
Marketing Panel	Oct-07	338	159	179			12.50 DV	19	160
Chairs	Oct-07	388	181	207			12.50 DV	22	185
Blinds	Oct-07	459	299	160			20.00 DV	27	133
Brochure Stand	Oct-07	646	302	344			12.50 DV	36	308
Signage	Oct-07	1,294	606	688			12.50 DV	72	616
Wairarapa Display Panels	Oct-07	1,870	877	993			12.50 DV	103	890
Joinery - Display Stands	Oct-07	6,536	3,063	3,473			12.50 DV	362	3,111
PABX System	Oct-08	5,133	3,914	1,219			36.00 DV	366	853
Midback Chairs (4)	Feb-09	859	442	417			19.20 DV	67	350
2 Drawer Filing Cabinet Black	Feb-09	496	255	241			19.20 DV	39	202
Form Midback Chair (2)	Feb-09	656	338	318			19.20 DV	51	267
Vortex Sofa & Chairs	Feb-09	512	264	248			19.20 DV	40	208
Vortex Tub Chair	Feb-09	296	152	144			19.20 DV	23	121
Desk - Light Maple	Feb-09	346	178	168			19.20 DV	27	141
Chair - Hero Black Knight	Feb-09	99	51	48			19.20 DV	8	40
Coffee Table	Feb-09	230	119	111			19.20 DV	18	93
Counter	Feb-09	7,960	2,807	5,153			12.00 DV	515	4,638
Signage	Jun-09	880	586	294			30.00 DV	74	220
Hero Chair Black Knight	Jun-09	119	57	61			19.20 DV	10	51
Essence Guest Chairs (2)	Jun-09	283	136	147			19.20 DV	23	124
Desks Tawa (3)	Jun-09	824	335	489			15.60 DV	64	425
Work Station Tawa (1)	Jun-09	399	162	237			15.60 DV	31	206
4 Drawer Mobiles (5)	Jun-09	969	466	502			19.20 DV	80	422
Bookcases Tawa (2)	Jun-09	532	256	276			19.20 DV	44	232
Cupboard Tawa	Jun-09	426	205	221			19.20 DV	35	186
Cubit Coffee Table	Jun-09	230	110	120			19.20 DV	19	101
Laptop	Jun-09	2,280	2,141	139			60.00 DV	69	70
IBM Equipment (2nd Hand)	Jun-09	3,470	2,694	776			40.00 DV	393	383
Work Station Tawa (1)	Jun-09	399	162	237			15.60 DV	31	206
PABX System 2	Jul-09	2,990	2,206	784			36.00 DV	235	549
Prints (3)	Aug-09	1,813	919	894			21.60 DV	161	733
Brochure Stand	Sep-09	1,019	320	698			12.50 DV	73	625
15" Monitor & Wall Bracket	Dec-09	1,219	1,092	127			60.00 DV	63	64
IBM Equipment (2nd Hand)	Feb-10	2,124	1,487	637			40.00 DV	212	425
Mobile Phones (2)	Feb-10	2,665	2,345	320			60.00 DV	160	160
Vortex 2 Seater Sofa	May-10	589	219	369			19.50 DV	60	309
Banner	Jun-10	1,964	728	1,236			20.00 DV	206	1,030
Banner Stand	Jun-10	1,690	627	1,063			20.00 DV	177	886
Ricoh Copier (Leased)	Feb-10	20,129	9,729	10,400			20.00 SL	3,355	7,045
Display Units	Oct-10	1,430	296	1,134			12.50 DV	118	1,016
Signage (Sign Factory)	Nov-10	1,184	521	663			30.00 DV	166	497
Computer Toshiba Tecra	Dec-10	1,715	1,107	608			50.00 DV	253	355
Printer Canon Laser	Dec-10	867	468	399	867	(319)	40.00 DV	-	-
Phillips LCD 22"	Dec-10	304	164	140			40.00 DV	47	93
Computer Toshiba Tecra A11	Feb-11	1,475	891	584			50.00 DV	243	341
Disk Drive 500GB HDD's (2)	Jun-11	995	518	477			50.00 DV	199	278
Server & Equipment	Jun-11	12,768	3,392	9,376			25.00 DV	1,953	7,423
Camera - Canon EOS1100	Dec-11	999	233	766			40.00 DV	255	511
Acer LCD 22" (4)	Jan-12	936	187	749			40.00 DV	250	499
Computer - 15.6" Samsung	Jun-12	1,440	58	1,382			50.00 DV	576	806
Total Furniture & Equipment		100,628	49,478	51,150	-	867.00	(319)	11,587	39,244
Vehicles									
Toyota Corolla ETU339	Oct-11	17,387	3,912	13,475			30.00 DV	3,369	10,106
Toyota Corolla EJM659	Oct-11	17,387	3,912	13,475			30.00 DV	3,369	10,106
Toyota Camry ESF771	Dec-11	19,126	3,347	15,779			30.00 DV	3,945	11,834
Total Vehicles		53,900	11,171	42,729	-	-	-	10,683	32,046
Total for : Destination Wairarapa		154,528	60,650	93,879	-	867	(319)	22,270	71,290