



TOURISMWAITAKI

Half-Year Report

January 2015



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Board of Directors

Chair Marcus Brown
Directors Mike Neilsen, Adair Craik, James Glucksman

Senior Staff

General Manager Tourism Waitaki Jason Gaskill
Marketing Manager Ian Elliott

Head Office 8 Itchen Street
 Oamaru 9400

Solicitors Lane Neave, Christchurch

Auditors Audit New Zealand, on behalf of the Auditor-General

GENERAL MANAGER'S REPORT

The 6 months ending December 2014 have revolved around filling staff vacancies, training, adjusting operational activities among the different business units, and implementing new business plans across the ISITE, A2O and OBPC. Performance, particularly, revenue has been positive, with the OBPC and ISITE performing well. Retail remains tight, and continues to slip. Strategic emphasis of more people, doing more things, staying for longer, came out of formal consultation with the local communities and industry operators, and are now the backbone of the District Tourism Strategy that was agreed in December 2014. Contracts with both the WDC and MDC have been signed for the management and operation of the A2O Cycle Trail, and we are currently working through finalising our Statement of Intent and commercial lease arrangements with the WDC for TW and the OBPC. Below I highlight key activities and outcomes for the period ending 31 December 2014 as a reflection of our current work to meet our KPIs.

TOURISM WAITAKI Performance Targets

The following section outlines our tourism activities for the period ending 31 December 2014 as they relate to the KPIs set forth in the WDC Contract for Services and Statement of Intent.

Tourism Tasks:

- 1.1 Review the Operational and Management Structure of the Organisation:
This is an ongoing activity, with the Events position being redeveloped and new positions in Operations and Conferencing being established.
- 1.2 Review the Tourism Strategy:
The Tourism Strategy was reviewed and finalised in December 2014 after community and industry consultation.
- 1.3 Destination Development:
TW staff visited a number of offshore and domestic markets and fostered relationships with a number of inbound operators, tour companies, and sales agents that have resulted in an increase in international visitors to the region and its core attractions.
- 1.4 Product Development:
Alps to Ocean, Steampunk, Heritage Celebrations, the District ISITE network, and TW worked closely with a number of operators who expanded their products and services in an effort to work more closely with Trade.
- 1.5 Alps to Ocean – work with Council and Partners
We attend all production meetings and report to each council quarterly. We also attend community board meetings and workshops to discuss commercial activities.

WDB Performance Measures

The following table outlines the specific tools used to measure and achieve performance over the last financial year:

Regional promotion	Increase in visitor numbers to district as measured by Bed Nights	For the period ending December 2014 we had growth of 12.0% on the same period ending 2013, with the majority coming from international increases.
Branding collateral	Increased brand/destination awareness	<p>Printed & distributed Official Visitor Guide (OVG), Oamaru and Waitaki District maps</p> <p>The TW website and social media are currently under redevelopment with a clear focus on call to action.</p> <p>Product-specific promotional flyers were developed for trade-ready activities and for use to promote events and special activities, such as the train from Dunedin, and the District at national and international tradeshows.</p>
Assist with product development	Develop new tourism ventures	<p>We worked on, among other things:</p> <ol style="list-style-type: none"> 1. A2O trail development and commercial planning; 2. Steampunk HQ becoming trade-ready; 3. OBPC product and facility upgrade; 4. Attended meetings about and assisted with inquiries about new hotels and accommodation, particularly along A2O; 5. Developed and supported various events throughout the District, particularly Heritage Celebrations; 6. Assisted operators in putting itineraries and packaged product together and selling it 7. Assisted in preparing and distributing bids for conferences.
Develop new strategic partnerships	New contacts established and maintained	New trade contacts are constantly being established, and we are always pursuing

		and expanding partnership relationships with other RTO's and regional operators.
Trade initiatives	Improved product awareness	Regional approach to all trade covering all tourism products including TRENZ (Tourism Rendezvous New Zealand), Australian consumer shows in Perth and Adelaide, direct contact with IBOs both in NZ and offshore, attendance at IBO sales days in NZ and Australia, District Trade Day in Auckland, and pre-packaged itineraries are being built and distributed.
Strong Waitaki Tourism Association	Increased membership	We are currently supporting the WTA in recruiting new members by promoting the organisation to other regional business groups.
Create a positive attitude	Regular positive media articles published	Articles have been published in a number of local, regional, national, and international publications, most recently discussing our growth and successes. We have had a video made by TNZ, and we were named the Coolest Town by Lonely Planet.
Sustainable business model for the future	Undertake organisational review	Review was initiated in May 2013, implemented in August 2013, and now incorporates new positions in Conferences and Operations.

Statement of Compliance & Responsibility

Compliance

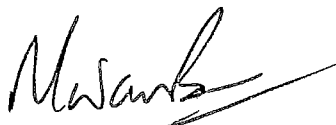
The Board and senior management of Waitaki Development Board Limited confirm that all the statutory requirements of the Local Government Act 2002, regarding financial management and borrowing, have been complied with.

Responsibility

The Board and management of Waitaki Development Board Limited accept responsibility for the preparation of the annual Financial Statements and the judgments used in them.

The Board and management of Waitaki Development Board Limited accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board and management of Waitaki Development Board Limited, the Financial Statements for the Half-Year ended 31 December 2014 fairly reflect the financial position and operations of Waitaki Development Board Limited.



Marcus Brown
Chair



Adair Craik
Director

TOURISM WAITAKI
Financial Performance

Tourism Waitaki
Financial Statements
For the Period Ending
December: 2014/15

	Actual	Budget
<u>Revenue</u>		
OBPC	457,073	444,800
i-site	190,502	267,442
A2O	137,463	174,250
TW	230,979	292,840
Total	<u>1,016,017</u>	<u>1,179,332</u>
<u>Expenditure</u>		
OBPC	373,997	313,210
i-site	150,767	191,155
A2O	162,077	206,150
TW	347,155	480,250
Total	<u>1,033,996</u>	<u>1,190,765</u>
(Deficit)	<u>(17,979)</u>	<u>(11,433)</u>

Notes:

1. Revenue for the OBPC is running ahead due to increased tour ticket sales, while revenue at OBPC and other facilities is running behind forecast. Other revenue discrepancies are due in part to timing, with billing coming later in the cycle than expected, coupled with slower than expected maturing of A2O revenue.
2. We have pulled back on expenses and re-forecast the final 6 months of the year to reflect the slower revenue position. OBPC expenses are higher due to increased maintenance and staff costs related to higher ticket demand.
3. Our full year forecast position remains positive.