

**WellingtonNZ**

**Wellington Regional Economic Development Agency Limited**  
**Consolidated Financial Statements**  
**For the year ended 30 June 2024**

# Wellington Regional Economic Development Agency Limited

For the year ended 30 June 2024

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# Wellington Regional Economic Development Agency Limited

For the year ended 30 June 2024

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## Statement of compliance and responsibility

### Statement of compliance

The Board and management of the Wellington Regional Economic Development Agency Limited (WREDA) the "Company" and its subsidiaries the "Group" confirm that all statutory requirements in relation to this annual report, as outlined in the Local Government Act 2002 and the Companies Act 1993, have been met.

### Statement of responsibility

The Board and management accept responsibility for:

- The preparation of WREDA's consolidated financial statements and the judgements used in them.
- Having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and service performance reporting.

The Board and management accept responsibility for:

- The financial statements fairly reflect the financial position of WREDA as at 30 June 2024 and its operations for the year ended on that date.
- The service performance statements fairly reflect the performance achievements for WREDA for the year reported.



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Tracey Bridges  
CHAIR

7 October 2024

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Date



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Jill Hatchwell  
CHAIR, RISK AND AUDIT COMMITTEE

7 October 2024

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Date

# Wellington Regional Economic Development Agency Limited

For the year ended 30 June 2024

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## Directory

<b>Date of incorporation</b>	10 Jan 2011
<b>Nature of business</b>	To promote and support the Wellington region's economy.
<b>Incorporation number</b>	3237332
<b>Registered Office</b>	175 Victoria Street, Te Aro Wellington 6011 New Zealand
<b>Shareholders</b>	Wellington City Council 800 shares (80%) 113 The Terrace Wellington 6011 New Zealand  Greater Wellington Regional Council 200 shares (20%) 100 Cuba Street, Te Aro Wellington 6011 New Zealand
<b>Directors</b>	Tracey Bridges (Chair) Joanne Marie Healey Daphne Luke David Wilks Jill Hatchwell Paul Retimanu John Apanowicz
<b>Chief Executive</b>	John Allen
<b>Independent Auditor</b>	Grant Thornton New Zealand Audit Limited (on behalf of the Auditor-General) Level 15, 215 Lambton Quay Wellington 6143 New Zealand
<b>Bankers</b>	ANZ New Zealand Ltd 22 Willis Street Wellington 6011 New Zealand
<b>Solicitors</b>	Quigg Partners Level 7, 36 Brandon Street Wellington 6011 New Zealand  DLA Piper Level 4, 20 Customhouse Quay Wellington 6011 New Zealand
<b>Tax Accountants</b>	Deloitte Ltd Level 12, 20 Customhouse Quay Wellington 6011 New Zealand

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF WELLINGTON REGIONAL ECONOMIC DEVELOPMENT AGENCY LIMITED'S GROUP FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of Wellington Regional Economic Development Agency Limited and its controlled entities (collectively referred to as 'the Group'). The Auditor-General has appointed me, Brent Kennerley, using the staff and resources of Grant Thornton New Zealand Audit Limited, to carry out the audit of the financial statements and performance information of the Group, on his behalf.

We have audited:

- the financial statements of the Group on pages 7 to 30, that comprise the consolidated statement of financial position as at 30 June 2024, the Consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Group on pages 31, and pages 33 to 34.

#### Qualified Opinion on the financial statements and the performance information

In our opinion, except for the possible effects of the matters described in the *Basis for our Qualified opinion* section of our report:

- the financial statements of the Group on pages 7 to 30:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2024; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Reporting Standards Reduced Disclosure Regime.
- the performance information of the Group on pages 31, and pages 33 to 34:
  - presents fairly, in all material respects, the Group's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Group's objectives for the year ended 30 June 2024.

Our audit was completed on 07 October 2024. This is the date at which our qualified opinion is expressed.

The basis for our qualified opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

### **Basis for our Qualified opinion**

#### ***Financial Statements: our work over the carrying value of the Group's investments in incubator and accelerator companies was limited***

As outlined in Note 9, the Group has accounted for the fair value of its investments in incubator and accelerator companies using a variety of metrics, including the price of the most recent investment made by external investors.

We were unable to obtain sufficient appropriate evidence to support the carrying value of these investments because there was no recent share transaction activity for some of the investments in the portfolio, and the Group could not always support key judgements made about:

- *Reliance on convertible notes to determine fair value for some investments, as largely, these won't involve new external investors, and also may not be converted into equity;*
- *No determined change to valuation for the year as the Group only based to no changes to capital, shareholdings, or funds raised;*
- *Some key judgements are not sufficiently supported;*
- *Several different valuation approaches have been taken without sufficient justification;*
- *Lack of information from portfolio companies.*

We were therefore unable to determine whether the carrying value of \$1,741,445 (2023: \$1,695,904) and associated fair value movement of \$53,974 (2023: (\$183,567) decrease) required any adjustment. There were no satisfactory audit procedures that we could adopt to determine the effect of these limitations in scope.

#### ***Performance Information:***

##### ***Our work over the 'Direct Economic Impact of WellingtonNZ's activities and interventions' performance measure was limited***

The Group's performance information includes a performance measure on the direct economic impact of WellingtonNZ's activities and interventions. The carrying value of the Group's share investments in incubator and accelerator companies is reported within this performance measure. For the same reason as outlined above we were unable to obtain assurance that the direct economic impact of WellingtonNZ's activities and interventions is materially accurate.

##### ***Our work over the 'Number of different business engagements in WellingtonNZ programmes' measure was limited***

We were unable to obtain sufficient appropriate evidence over the Group's 'Building Startups – Number of Pre-incubation founders' performance measure. The Group did not maintain adequate supporting documents for all pre-incubation founders that registered with the Group for the Startup Sessions.

Our work over these performance measures was therefore limited, and there were no satisfactory audit procedures that we could perform to verify the information reported for these two measures.

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

## **Responsibilities of the Board of Directors for the financial statements and the performance information**

The Board of Directors is responsible on behalf of the Group for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is also responsible for preparing the performance information for the Group.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

## **Responsibilities of the auditor for the audit of the financial statements and the performance information**

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Group's Statement of Intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We evaluate the appropriateness of the reported performance information within the Group's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Group to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the Group to express an opinion on the consolidated financial statements and performance information. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

### **Other Information**

The Board of Directors is responsible for the other information. The other information comprises the information included on page 1 and 2, page 32, and pages 35 to 36, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Independence**

We are independent of the Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Group.



Brent Kennerley  
Grant Thornton New Zealand Audit Limited  
On behalf of the Auditor-General  
Wellington, New Zealand



**Wellington Regional Economic Development Agency Limited**  
**Consolidated Statement Of Comprehensive Revenue And Expenses**  
For the year ended 30 June 2024

	Note	Group Actual 2024 \$	Unaudited Group Budget 2024 \$	Group Actual 2023 \$
<b>Revenue</b>				
Non-exchange transactions	3	28,045,322		26,433,442
Exchange transactions	3	2,804,842		4,147,251
Interest revenue		484,022		346,721
<b>Total revenue</b>		<b>31,334,186</b>	<b>34,343,643</b>	<b>30,927,414</b>
<b>Expenses</b>				
Personnel costs	4	(14,667,264)		(14,870,088)
Directors' fees and expenses	21	(255,636)		(292,083)
Depreciation and amortisation	10,11	(429,955)		(277,074)
Administrative and other expenses	5	(16,129,834)		(16,207,616)
<b>Total expenses</b>		<b>(31,482,689)</b>	<b>(34,843,643)</b>	<b>(31,646,861)</b>
<b>Deficit before income tax</b>		<b>(148,503)</b>	<b>(500,000)</b>	<b>(719,447)</b>
Income tax expense	6	41,467		65,699
<b>Deficit for the year</b>		<b>(107,036)</b>	<b>(500,000)</b>	<b>(653,748)</b>
<b>Other comprehensive revenue and expenses</b>				
Fair value movement of investment	9	53,974		(183,567)
<b>Total other comprehensive revenue and expenses</b>		<b>53,974</b>	<b>-</b>	<b>(183,567)</b>
<b>Total comprehensive revenue and expenses</b>		<b>(53,062)</b>	<b>(500,000)</b>	<b>(837,315)</b>

*The accompanying notes form part of these consolidated financial statements.*

*Explanation of major variances against the original 2023/2024 budget are provided in note 25.*



# Wellington Regional Economic Development Agency Limited

## Consolidated Statement of Financial Position

As at 30 June 2024

	Note	Group Actual 2024 \$	Unaudited Group Budget 2024 \$	Group Actual 2023 \$
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	7	6,944,390		8,174,856
Trade and other receivables	8	1,584,363		4,703,682
Prepayments		108,185		117,501
Other financial assets	9 (ii)	1,700		1,400
Inventories		7,181		7,102
Taxes receivable / (payable)	15	416,809		(91,557)
<b>Total current assets</b>		<b>9,062,628</b>	<b>7,400,000</b>	<b>12,912,984</b>
<b>Non-current assets</b>				
Property, plant and equipment	10	452,194		587,048
Intangible assets	11	441,359		538,142
Investments in incubator and accelerator companies	9 (i)	1,741,445		1,695,904
Deferred tax assets	6	242,067		199,683
<b>Total non-current assets</b>		<b>2,877,065</b>	<b>2,000,000</b>	<b>3,020,777</b>
<b>Total assets</b>		<b>11,939,693</b>	<b>9,400,000</b>	<b>15,933,761</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade payables	12	756,409		2,241,168
Sundry creditors and accruals	13	959,265		470,956
Employee entitlements	14	760,993		824,422
Deferred revenue	3 (i)	6,304,310		9,185,437
<b>Total current liabilities</b>		<b>8,780,977</b>	<b>7,000,000</b>	<b>12,721,983</b>
<b>Total liabilities</b>		<b>8,780,977</b>	<b>7,000,000</b>	<b>12,721,983</b>
<b>Net assets</b>		<b>3,158,716</b>	<b>2,400,000</b>	<b>3,211,778</b>
<b>Equity</b>				
Contributed equity		1,000		1,000
Accumulated funds		687,535		794,571
Other reserves		893,044		839,070
Capital injection from shareholder		1,577,137		1,577,137
<b>Total equity</b>		<b>3,158,716</b>	<b>2,400,000</b>	<b>3,211,778</b>

The accompanying notes form part of these consolidated financial statements.

Explanation of major variances against the original 2023/2024 budget are provided in note 25.



# Wellington Regional Economic Development Agency Limited

## Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

	Group Actual 2024 \$	Unaudited Group Budget 2024 \$	Group Actual 2023 \$
<b>Balance at 1 July</b>	3,211,778	2,900,000	4,049,093
Deficit for the year	(107,036)	(500,000)	(653,748)
Movement in investment reserve	53,974	-	(183,567)
<b>Balance at 30 June</b>	<b>3,158,716</b>	<b>2,400,000</b>	<b>3,211,778</b>

  

	Group Actual 2024 \$	Unaudited Group Budget 2024 \$	Group Actual 2023 \$
<b>Accumulated funds</b>			
Balance at 1 July	794,571	794,571	1,448,319
Deficit for the year	(107,036)	(500,000)	(653,748)
<b>Balance at 30 June</b>	<b>687,535</b>	<b>294,571</b>	<b>794,571</b>

  

	Group Actual 2024 \$	Unaudited Group Budget 2024 \$	Group Actual 2023 \$
<b>Other reserves</b>			
Balance at 1 July	839,070	-	1,022,637
Movement in fair value reserve	53,974	-	(183,567)
<b>Balance at 30 June</b>	<b>893,044</b>	<b>-</b>	<b>839,070</b>

The accompanying notes form part of these consolidated financial statements.

Explanation of major variances against the original 2023/2024 budget are provided in note 25.



# Wellington Regional Economic Development Agency Limited

## Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Group Actual 2024 \$	Unaudited Group Budget 2024 \$	Group Actual 2023 \$
<b>Cash flows from operating activities</b>			
Receipts from other revenue	7,215,590		5,944,260
Receipts from grants	23,869,565		27,824,682
Payments to suppliers / employees	(32,215,474)		(31,722,664)
Goods and services tax received / (paid)	(387,722)		(332,086)
Payment of performance bond	750		-
Income tax from / (used)	(917)		(243,513)
<b>Net cash used in operating activities</b>	<b>(1,518,208)</b>	<b>(1,000,000)</b>	<b>1,470,679</b>
<b>Cash flows from investing activities</b>			
Interest received	484,022		346,721
Net receipts from sale of investments and other financial assets	8,133		3,600
Proceeds from sale of property, plant and equipment	18,687		5,101
Proceeds from term deposits	-		802,402
Purchases of property, plant and equipment	(128,200)		(131,625)
Purchases of intangible assets	(94,900)		(536,000)
<b>Net cash used in investing activities</b>	<b>287,742</b>	<b>-</b>	<b>490,199</b>
<b>Cash flows from financing activities</b>			
Interest paid on borrowings	-		(65)
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>	<b>(65)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,230,466)</b>	<b>(1,000,000)</b>	<b>1,960,813</b>
Opening cash and cash equivalents at beginning of the year	8,174,856	5,000,000	6,214,043
<b>Cash and cash equivalents at year end</b>	<b>6,944,390</b>	<b>4,000,000</b>	<b>8,174,856</b>

The accompanying notes form part of these consolidated financial statements.

Explanation of major variances against the original 2023/2024 budget are provided in note 25.



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

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### 1 Reporting entity

Wellington Regional Economic Development Agency Limited (WREDA or WellingtonNZ), the controlling entity and 'Parent', is a council-controlled organisation as defined under section 6 of the Local Government Act 2002 and domiciled in New Zealand. WREDA is a public benefit entity for the purposes of financial reporting.

The controlling entities registered office is 175 Victoria Street, Wellington and its principal place of business is both 175 Victoria Street and 111 Wakefield Street, Wellington.

WREDA combines activities, functions and funding of particular business units previously under the control of the Wellington City Council and the Greater Wellington Regional Council. WREDA is the 100% shareholder of CreativeHQ Limited ('controlled entity'), the regions business incubator and accelerator, which also has a reporting date for the year ended 30 June 2024. WREDA Limited is owned 80% by Wellington City Council and 20% by Greater Wellington Regional Council.

These consolidated financial statements for the year ended 30 June 2024 comprise the controlling entity and its controlled entity, together referred to as the 'Group' and individually as 'Group Entities'.

WREDA's purpose in the 2024 financial year is that the Wellington regional economy is thriving with more people participating in the benefits. This purpose reflects our central role in placemaking and storytelling and in attracting people to our region, as the best place in New Zealand to visit, host an event, start and sustain a business, make a film, study, migrate or invest in.

### 2 Basis of preparation

#### Statement of compliance

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ('NZ GAAP'). The financial statements have been prepared in accordance with Tier 2 PBE Standards and disclosure concessions have been applied. WREDA meets the requirement for Tier 2 PBE accounting standards as its expenses are less than \$33 million but greater than \$5 million and is not defined as publicly accountable in accordance with the PBE accounting standards. The accounting policies have also been applied consistently throughout the year.

These financial statements have been prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

These financial statements were authorised for issue by the Board of Directors on 7 October 2024.

#### Basis of measurement

The consolidated financial statements have been prepared on the historical basis except for the following material items in the statement of financial position, which are measured at fair value:

- Investment in incubator and accelerator companies
- Other financial assets

#### Functional and presentation currency

The consolidated financial statements are presented in New Zealand dollars (\$) which is the controlling entity's functional and Group's presentation currency. Figures are rounded to the nearest dollar unless otherwise stated.

There has been no change in the functional currency of the Group during the year.

#### Changes in accounting policies

##### Standard issued and not yet effective that have been early adopted

The Group has early adopted the following Accounting Standards that are issued but not yet effective.



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

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### 2 Basis of preparation (continued)

#### *Disclosure of fees for audit firms' services (amendment to PBE IPSAS 1- presentation of financial reports)*

During the year, the Group adopted the amendments to PBE IPSAS 1 Presentation of Financial Reports with an effective date of 1 January 2024. The amendments require an entity to describe the services provided by its audit or review firm and to disclose the fees incurred by the entity for those services. Such services provided by its audit or review firm include.

- (a) the audit or review of the entity's financial report; and
- (b) other types of service provided by the entity's audit or review firm.

#### **Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

#### **(a) Judgements**

Judgements made in applying accounting policies that have had the most significant effects on the amounts recognised in the consolidated financial statements including the following:

- Intangible assets are considered to have finite lives. Refer to Note 11.
- The parent's subsidiary is considered to be 100% under the parent's control. Refer to Note 1.
- The loan issued to subsidiary is assumed to be repayable in full. Refer to Note 9.

#### **(b) Estimation and assumption uncertainties**

Estimation and uncertainties that have a significant risk of resulting in a material adjustment in the year ended 30 June 2024 including the following:

- Uncertainties are inherent in estimating fair value of the investments in incubator, accelerator companies and investment in associate and care has been made in exercising judgement and making the necessary estimates. Accounting standards require a gain or loss on fair value of these investments to be recognised in other comprehensive revenue and expenses, but there is no certainty that any gain or loss based on the estimate of fair value will be realised if a sale was completed.

#### **(c) Budget figures**

The budget figures are those approved by the Board in the 2023-26 Statement of Intent. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Group in preparing these consolidated financial statements.



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

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### 3 Revenue

#### Accounting policy

Revenue is recognised when the amount of revenue can be measured reliably, and it is probable that economic benefits will flow to the Group and measured at the fair value of considerations received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

#### Revenue from non-exchange transactions

Non-exchange transactions are only those where the Group receives an inflow of resources (i.e. cash and other tangible or non-tangible items) but provides no (or nominal) direct consideration in return. The Group considers its revenue received for core funding from shareholders, government grants and management fees from its shareholder to be non-exchange revenue.

#### Revenue from exchange transactions

Revenue from exchange transactions arises where the Group provides goods or services to another entity or individual and receives approximately equal value or greater in a willing arm's length transaction between a willing buyer and willing seller.

#### Types of revenue

##### (i) Grants and service revenue

Grants are mainly received from shareholders Wellington City Council and Greater Wellington Regional Council, but also from some central Government organisations and private sector organisations. Grants are used to cover core expenditure and to further economic development in the Wellington Region. Grants are recognised when received and all the conditions associated with the grants have been met. Where grants have been given for specific services, income will be recognised in the same period in which the specific service is provided. At financial year end any unexpended specific funding is treated as a liability (deferred revenue).

##### (ii) Management fees

The Group manages the Wellington City Council (WCC) performance venues and receives Management fee revenue for those services. The venues currently managed on behalf of the Wellington City Council include the Michael Fowler Centre, Opera House, St James Theatre, TSB Bank Arena and Conference Centre (Shed 6). Management fee revenue is recognised in the accounting period in which the services are rendered.

Fees are chargeable at a value equivalent to the aggregate of employee and directors' costs contained within the Parent's venue management division and fluctuate year on year depending on those costs.

##### (iii) Sponsorship

Sponsorships are received from third parties to partly cover the costs of running the subsidiary programmes and projects. Sponsors were linked to the programme and recognised in all promotions associated with the activity they sponsored. Sponsorships are recognised when measurable and probable of future economic benefits being received.

##### (iv) Other revenue

Other revenue received includes fees revenue, capital rising success fees and sponsorships. Fees revenue received from incubator residents partly offsets the costs of running the incubator and is recognised when the future economic revenue is measurable and probable of future economic revenue being received.



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 3 Revenue (continued)

	Group Actual 2024 \$	Group Actual 2023 \$
<b>Revenue from non-exchange transactions</b>		
Shareholders	23,567,715	23,456,843
Central government	3,260,958	2,145,527
Other	1,216,649	831,072
<b>Total revenue from non-exchange transactions</b>	<b><u>28,045,322</u></b>	<b><u>26,433,442</u></b>
<b>Revenue from exchange transactions</b>		
Service revenue	1,643,341	2,809,045
Sponsorship	537,035	413,267
Other	624,466	924,939
<b>Total revenue from exchange transactions</b>	<b><u>2,804,842</u></b>	<b><u>4,147,251</u></b>

### 4 Personnel costs

#### Accounting policy

Salaries and wages are recognised as an expense as employees provide services.

#### (a) Short term benefits

Short-term employee entitlements are those that the Group expects, to be settled within 12 months of the date of financial year end and are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned, but not yet taken at balance date.

#### (b) Defined contribution schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

	Group Actual 2024 \$	Group Actual 2023 \$
Salaries and wages	14,233,068	14,313,301
KiwiSaver contributions	414,864	409,049
Increase/(decrease) in employee entitlements/liabilities	(63,429)	37,504
Other personnel costs	82,761	110,234
<b>Total personnel costs</b>	<b><u>14,667,264</u></b>	<b><u>14,870,088</u></b>





# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 5 Administrative and other expenses

#### Accounting policy

Administrative and other expenses that are "point in time" transactions are recognised as an expense when the good or service is received. Administrative and other expenses that are "over time" transactions are recognised as an expense when the good or service is consumed.

	Group 2024 \$	Group 2023 \$
Event sponsorship and activation, including Major Events	7,321,017	6,243,285
Marketing, advertising and printing costs of delivering programmes of work	4,729,722	5,663,574
Information and communication technology	1,093,844	835,148
Contractors	640,360	769,470
Rent	551,365	586,705
Other expenses	224,947	464,177
Travel	450,495	387,077
Recruitment, training and development	188,403	325,205
Consultants and legal fees	222,144	295,275
Direct costs - i-Site	274,403	278,188
Audit fees	151,272	99,033
Conferences and catering	69,639	65,620
Cleaning	61,942	55,859
Membership fees	54,643	48,083
Repairs and maintenance	37,415	37,297
Stationery and office printing	14,995	23,611
Utilities	29,868	23,117
Leased copier and office equipment	4,065	6,569
Loss on disposal of asset	9,295	323
<b>Total other expenses</b>	<b>16,129,834</b>	<b>16,207,616</b>

During the financial year ended 30 June 2024 the Group incurred fees of \$151k from its auditor relating to the audit of its consolidated financial statements (2023: \$99k).

During this same period the auditor didn't perform any other services or agreed-upon procedures for the Group. No fees were incurred by the Group from its auditor in respect of such matters (2023: \$nil).

### 6 Income and deferred tax

#### Accounting policy

Income tax expense includes components relating to both current tax and deferred tax.

Income tax is recognised in the statement of comprehensive revenue and expenses except when it relates to items recognised directly in equity (in which case the income tax is recognised in equity). Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is recognised in respect of temporary differences between the carrying amount of asset and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax is based on the expected manner of realisation of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the end of the reporting period. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available, against which the asset can be utilised.



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 6 Income and deferred tax (continued)

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit.

	Group Actual 2024 \$	Group Actual 2023 \$
<b>Tax recognised in consolidated statement of profit or loss</b>		
<i>NZ corporate income tax on profits/(losses) in the period</i>		
Overseas income tax on profits/(losses) in the period	917	31,807
Adjustments to current tax in prior years	-	(59,214)
<b>Total current tax expense / (benefit)</b>	<b>917</b>	<b>(27,407)</b>
Deferred tax expense	(33,014)	(37,413)
Adjustments to deferred tax in prior years	(9,370)	(879)
<b>Total deferred tax (benefit)</b>	<b>(42,384)</b>	<b>(38,292)</b>
<b>Total income tax (benefit)</b>	<b>(41,467)</b>	<b>(65,699)</b>
<b>Relationship between tax expense and accounting profit</b>		
Net deficit before tax	<b>(148,503)</b>	<b>(719,447)</b>
Tax at 28%	(41,581)	(201,445)
Plus / (Less) tax effect of:		
Non-deductible expenditure	6,695,194	7,283,940
Non-assessable income	(6,686,627)	(7,119,216)
Overseas withholding tax non-claimable	917	31,807
Prior period adjustment	(9,370)	(60,093)
Deferred tax adjustment	-	(692)
<b>Total income tax (benefit)</b>	<b>(41,467)</b>	<b>(65,699)</b>

Deferred tax asset/(liability) Group	Property, plant and equipment \$	Intangible assets \$	Employee entitlements \$	Other provisions \$	Tax losses \$	Total \$
<b>Balance at 30 June 2022</b>	(118,545)	(3,765)	161,277	5,714	116,710	161,391
Charged to surplus or deficit	22,060	(146,915)	20,389	7,116	135,642	38,292
Charged to other comprehensive income	-	-	-	-	-	-
<b>Balance at 30 June 2023</b>	(96,485)	(150,680)	181,666	12,830	252,352	199,683
Charged to surplus or deficit	22,521	38,299	(9,644)	20,891	(29,683)	42,384
Charged to other comprehensive income	-	-	-	-	-	-
<b>Balance at 30 June 2024</b>	<b>(73,964)</b>	<b>(112,381)</b>	<b>172,022</b>	<b>33,721</b>	<b>222,669</b>	<b>242,067</b>



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 7 Cash and cash equivalents

#### Accounting policy

Cash and cash equivalents include cash on hand and balances at the bank. There are no restrictions over cash.

	Group Actual 2024 \$	Group Actual 2023 \$
Cash at bank and on hand	6,944,390	8,174,856
<b>Total cash and cash equivalents</b>	<b>6,944,390</b>	<b>8,174,856</b>

The Group holds call and chequing accounts with ANZ Bank for day to day cash flow management. These accounts carries interest as per the applicable daily bank rates.

### 8 Trade and other receivables

#### Accounting policy

Short-term receivables are recorded at the amount due, less any provision for collectability. A receivable is considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected. The Group does not currently have any receivables considered to be impaired.

	Group Actual 2024 \$	Group Actual 2023 \$
<b>Receivables from non-exchange transactions</b>		
Trade receivables	972,594	3,126,976
Management fee receivable	208,601	258,060
Sundry receivables	267,442	665,931
<b>Total receivables non-exchange transactions</b>	<b>1,448,637</b>	<b>4,050,967</b>
<b>Receivables from exchange transactions</b>		
Trade receivables	101,739	641,335
Sundry receivables	33,987	11,380
<b>Total receivables exchange transactions</b>	<b>135,726</b>	<b>652,715</b>
<b>Total receivables</b>	<b>1,584,363</b>	<b>4,703,682</b>

Receivables are non-interest bearing and are generally on terms of 30 days. Therefore, the carrying value of receivables approximates their fair value.

	Group Actual 2024 \$	Group Actual 2023 \$
Gross receivables	1,584,363	4,703,682
<b>Ageing profile</b>		
Not past due	1,515,866	4,453,232
Past due 0-3 months	61,514	167,459
Past due 3-6 months	550	39,517
Past due more than 6 months	6,433	43,474
<b>Total ageing profile</b>	<b>1,584,363</b>	<b>4,703,682</b>



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

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### 9 Investments in incubator, accelerator companies and other financial assets

#### Accounting policy

Financial assets are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); and
- fair value through surplus and deficit (FVTSD)

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and Group's management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

#### Financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance.

#### Financial assets at FVTOCRE

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except ECL and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit.

#### Financial

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit. Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

#### i) Investments in incubator and accelerator companies

CreativeHQ receives shares from clients involved in its incubation programme as part consideration for the services and support provided by CreativeHQ and the Lightning Lab to the client. The shares represent a small proportion of the total equity of the client company. These shares are investments in equity instruments that do not have a quoted market price in an active market and are designated as FVTOCRE.

CreativeHQ recognises the initial investment in the companies according to the programme the company is involved in – incubator programme or accelerator programme. Companies in the incubator do not have a value on initial recognition as no external investment has yet occurred and therefore the fair value of the initial investment is valued at nil. Companies in the accelerator programme have initial recognition at FVTOCRE.

The valuation of these investments is undertaken by CreativeHQ using accepted industry guidelines. The International Private Equity and Venture Capital Valuation Guidelines (IPEV) have been accepted as industry standard guidelines base of the principle of 'fair value' and are reviewed following any relevant changes in accounting standards or market practices. The IPEV Guidelines provide a framework for private equity and venture capital investors to arrive at fair value for their investments. The IPEV are of the view that compliance with PBE accounting standards can be achieved by following the guidelines.



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 9 Investments in incubator, accelerator companies and other financial assets (continued)

IPEV Guidelines recommend that for early-stage investments, where it is difficult to assess the future profitability of the company, fair value is generally determined by the price of the most recent investment. This methodology is appropriate until the circumstances of the company change such that an alternative valuation methodology (such as, but not limited to price/earnings analysis or discounted cash flow) is appropriate or there is evidence that the value of the investment should be adjusted. An adjustment is considered necessary where the performance of the investment is significantly below the expectations on which the investment was based, leading to a diminution in value. The level of the adjustment can range from nil to 100% of the value.

A significant or prolonged decline in fair value of the investment below its cost is considered to be objective evidence of impairment. Where the asset is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the fair value reserve is reclassified from equity to profit or loss as a reclassification or adjustment. Any increase in fair value after an impairment loss is recognised in other comprehensive revenue and accumulated as a separate component of equity in the fair value reserve.

As at 30 June 2024 the valuation of CreativeHQ's investments is based on the price of the most recent investment made by external investors, unless there is evidence that the value of the investment should be adjusted as the performance of the investment is significantly below the expectations on which the investment was based, leading to a diminution in value. CreativeHQ is reliant on receiving recent investment information from incubator and accelerator companies directly through yearly information requests.

	Group Actual 2024 \$	Group Actual 2023 \$
Opening Balance	1,695,904	1,879,471
Disposals	(8,433)	-
Movement in fair value of accelerator and incubator companies	53,974	(183,567)
<b>Total</b>	<b>1,741,445</b>	<b>1,695,904</b>

CreativeHQ invests in unlisted early-stage companies. Unlisted investments are generally not publicly traded. As there may be no open market to establish an independent value for certain unlisted investments, there can be no assurance that a determination for fair value for an unlisted investment will be obtainable in the market or that there will be a market for the unlisted investment.

The accounting policy is to recognise such investments both initially and subsequently at fair value following accounting standards. This will be based on information provided by each company.

At year end the fair value of its investments has been determined at \$1,741,445 (2023: \$1,695,904). Notwithstanding the uncertainty of the valuation of the investment, the CreativeHQ board is of the view that the fair values of unlisted investment in these financial statements represent the best available information and the WREDA board has accepted this view.

CreativeHQ's exposure to changes in the investment value could be material to the financial statements. As CreativeHQ is not reliant on the cash flows from the investments, changes in value do not impact the underlying viability of CreativeHQ or the Group. The CreativeHQ board reviews regular reports from the companies.

In the event that an investment will be considered to be impaired, it will have a non-cash effect on the surplus / (deficit) of CreativeHQ and the Group.

#### ii) Other financial assets

In the current year, CreativeHQ loaned \$300 (2023: \$400) to cover administrative expenses to its wholly owned subsidiary, Venture Studio Limited (VSL). The total value loaned at the end of current reporting period is \$1,700. VSL is currently non-trading. Due to immateriality the financials of VSL have not been consolidated into the Group's consolidated financial statements.

	Group Actual 2024 \$	Group Actual 2023 \$
Loan to subsidiary	1,700	1,400
<b>Total other financial assets</b>	<b>1,700</b>	<b>1,400</b>



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

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### 10 Property, Plant & Equipment

#### Accounting policy

Property, plant and equipment consists of the following types of assets:

Furniture and equipment – included within the office environment that the Group operates, including but not limited to desks, chairs, cupboards etc.

Property improvements – within the buildings that the Group leases or operate within, including but not limited to decoration, carpet etc.

Computer hardware – computers for employees including laptops, printers etc.

#### a. Recognition and measurement

Property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

#### b. Subsequent measurement

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

#### c. Depreciation

Depreciation is recognised in surplus or deficit on a straight-line basis on all property, plant and equipment over the estimated useful life.

The estimated useful lives:

Computer hardware	2-3 years
Property improvement	2-8 years
Furniture and equipment	3-10 years

#### d. Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably.

#### e. Disposal

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

#### f. Impairment

Property, plant and equipment with a finite useful life are reviewed for impairment at each balance sheet date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The reversal of an impairment loss is recognised in the surplus or deficit.

#### g. Restrictions of titles

There are no restrictions on titles nor have any property, plant or equipment been pledged as security for liabilities.

#### h. Work in progress

\$3k of work in progress assets are currently held.

#### i. Capital commitments

The Group holds no contractual commitments for acquisition of assets.



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 10 Property, Plant & Equipment (continued)

<b>As at 30 June 2024</b>	<b>Furniture and Equipment \$</b>	<b>Property Improvement \$</b>	<b>Computer Hardware \$</b>	<b>Work in Progress \$</b>	<b>Total \$</b>
<b>Cost</b>					
Balance at 1 July 2023	1,032,117	347,702	300,884	-	1,680,703
Additions	95,222	-	29,811	3,167	128,200
Disposals	(104,425)	-	(31,577)	-	(136,002)
<b>Balance at 30 June 2024</b>	<b>1,022,914</b>	<b>347,702</b>	<b>299,118</b>	<b>3,167</b>	<b>1,672,901</b>
<b>Accumulated depreciation</b>					
Balance at 1 July 2023	(599,845)	(293,201)	(200,609)	-	(1,093,655)
Depreciation	(126,597)	(52,667)	(59,008)	-	(238,272)
Depreciation written back on disposal	82,140	-	29,080	-	111,220
<b>Balance at 30 June 2024</b>	<b>(644,302)</b>	<b>(345,868)</b>	<b>(230,537)</b>	<b>-</b>	<b>(1,220,707)</b>
<b>Carrying amount as at 30 June 2024</b>	<b>378,612</b>	<b>1,834</b>	<b>68,581</b>	<b>3,167</b>	<b>452,194</b>
<b>As at 30 June 2023</b>					
<b>Cost</b>					
Balance at 1 July 2022	957,701	347,702	335,053	-	1,640,456
Additions	79,022	-	52,626	-	131,648
Disposals	(4,606)	-	(86,795)	-	(91,401)
<b>Balance at 30 June 2023</b>	<b>1,032,117</b>	<b>347,702</b>	<b>300,884</b>	<b>-</b>	<b>1,680,703</b>
<b>Accumulated depreciation</b>					
Balance at 1 July 2022	(478,599)	(221,705)	(214,633)	-	(914,937)
Additions	(124,287)	(71,496)	(69,985)	-	(265,768)
Disposals	3,041	-	84,009	-	87,050
<b>Balance at 30 June 2023</b>	<b>(599,845)</b>	<b>(293,201)</b>	<b>(200,609)</b>	<b>-</b>	<b>(1,093,655)</b>
<b>Carrying amount as at 30 June 2023</b>	<b>432,272</b>	<b>54,501</b>	<b>100,275</b>	<b>-</b>	<b>587,048</b>





# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 11 Intangible assets

#### Accounting policy

Intangible assets that are acquired and which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised in the consolidated statement of comprehensive revenue and expenses on a straight-line basis over the estimated useful lives of the intangible assets. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. There is \$40k of work in progress intangible assets currently held.

Intangible assets consist of computer software and websites. The useful lives of these intangible assets are estimated at 3 years with amortisation being recognised on a straightline basis over this estimated useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised.

Costs associated with developing websites are recognised as an intangible asset where it can be demonstrated that the asset will generate probable future economic benefits or service potential. Costs associated with maintaining websites are recognised as an expense when incurred.

There are no internally generated intangible assets. There are no contractual commitments for acquisition of any intangible assets nor any restriction on titles. No intangible assets have been pledged as security for liabilities or have any restrictions on titles. No critical assumptions have been applied to intangible assets held.

Management review intangible assets on a periodic basis and are currently of the view that there is no impairment to these assets.

	Website	Software	Work in Progress	Total
	\$	\$	\$	\$
<b>Cost</b>				
Balance at 1 July 2023	536,000	166,767	-	702,767
Additions	-	54,900	40,000	94,900
<b>Balance at 30 June 2024</b>	<b>536,000</b>	<b>221,667</b>	<b>40,000</b>	<b>797,667</b>

#### Accumulated amortisation

Balance at 1 July 2023	-	(164,625)	-	(164,625)
Amortisation for the period	(176,880)	(14,803)	-	(191,683)
<b>Balance at 30 June 2024</b>	<b>(176,880)</b>	<b>(179,428)</b>	<b>-</b>	<b>(356,308)</b>

#### Net book value at 30 June 2024

<b>359,120</b>	<b>42,239</b>	<b>40,000</b>	<b>441,359</b>
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	Website	Software	Work in Progress	Total
	\$	\$	\$	\$
<b>Cost</b>				
Balance at 1 July 2022	-	166,767	-	166,767
Additions	536,000	-	-	536,000
<b>Balance at 30 June 2023</b>	<b>536,000</b>	<b>166,767</b>	<b>-</b>	<b>702,767</b>

#### Accumulated amortisation

Balance at 1 July 2022	-	(153,319)	-	(153,319)
Amortisation for the period	-	(11,306)	-	(11,306)
<b>Balance at 30 June 2023</b>	<b>-</b>	<b>(164,625)</b>	<b>-</b>	<b>(164,625)</b>

#### Net book value at 30 June 2023

<b>536,000</b>	<b>2,142</b>	<b>-</b>	<b>538,142</b>
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# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 12 Trade payables

#### Accounting policy

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and are recorded at their face value. They are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Trade payables are non-interest bearing and are normally settled on 20th of month following terms. All payables are current and recorded at amounts payable.

	Group Actual 2024 \$	Group Actual 2023 \$
<b>Total trade payables - exchange transactions</b>	<b>756,409</b>	<b>2,241,168</b>

### 13 Sundry creditors and accruals

	Group Actual 2024 \$	Group Actual 2023 \$
Expense accrual	893,022	200,432
Audit fee accrual	37,914	172,945
ACC payable	25,579	29,432
Other payables	2,750	68,147
<b>Total sundry creditors and accruals</b>	<b>959,265</b>	<b>470,956</b>

### 14 Employee entitlements

#### Accounting policy

Employee entitlements are all due to be settled within 12 months after the end of the year in which the employee provides the related service and are measured based on accrual entitlements at current rates of pay. These include salaries and wages accrued up to the date of financial year end and annual leave earned but not yet taken at the date of financial year end. The Group holds no liability for employee entitlements greater than 12 months. A liability and an expense are recognised for bonuses where the Group has a contractual obligation or where there is a past practice that has created a constructive obligation, and a reliable estimate of the obligation can be made. No accruals are made for sick leave as the probability of any requirement cannot be accurately recorded.

	Group Actual 2024 \$	Group Actual 2023 \$
Annual leave	688,067	754,886
Accrued salaries and wages	72,926	69,536
<b>Total employee benefits</b>	<b>760,993</b>	<b>824,422</b>



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 15 Taxes receivable / (payable)

	Group Actual 2024 \$	Group Actual 2023 \$
GST receivable / (payable)	296,165	(183,669)
Income tax receivable	120,644	92,112
<b>Total taxes receivable / (payable)</b>	<b>416,809</b>	<b>(91,557)</b>

### 16 Equity and share capital

#### Accounting policy

Equity is Wellington City Council and Greater Wellington Regional Council's interest in WREDA, being a council-controlled organisation, as measured by total assets less total liabilities. Equity has been classified into various components to identify those portions of equity held for specific purposes.

### 17 Operating and finance leases

#### Accounting policy

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expenses on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total expenses of the lease expense, over the term of the lease. The Group currently holds only operating leases. No finance leases are held.

#### Operating leases as lessee

The Group leases buildings, plant and equipment in the normal course of its business. The Group can renew leases at its own discretion at current market rates. There are no restrictions placed on the Group by any of the leasing arrangements.

Future minimum lease payments payable under non-cancellable operating leases are as follows:

	Group Actual 2024 \$	Group Actual 2023 \$
No later than one year	543,080	455,075
Later than one year but not later than five years	1,538,303	1,388,635
Later than five years	-	241,371
<b>Total non-cancellable operating leases</b>	<b>2,081,383</b>	<b>2,085,081</b>



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 18 Contingent liabilities and guarantees

#### Unquantified Contingent Liability - Holiday Pay remediation

Several of New Zealand's public and private organisations have identified issues with the calculation of leave entitlements under the Holidays Act 2003 ("The Act"). WellingtonNZ, the parent company, utilised Wellington City Council ("Council") to perform payroll calculations for permanent staff who worked within WellingtonNZ's Venues business up until 1 June 2019. During 2019/20 Council completed its own review of payroll processes which identified instances of non-compliance with the Act. During 2020/21 Council has established a project team to better understand the areas of non-compliance with the Act. The work is split into two phases, rectification of known system configuration and business process issues initially, while phase two will be the remediation.

Council have agreed that they will cover costs on Group behalf of any remediation that needs to occur. The Group therefore do not expect to have a liability to cover. The Group will continue to monitor Council's response in case that changes.

No other contingent assets or liabilities existed and the Group have not entered into any guarantees (2023: Nil).

### 19 Financial instruments

#### Accounting policy

Financial instruments include financial assets (cash and cash equivalents, trade and other receivables and other financial assets) and financial liabilities (trade payables and sundry creditors and accruals). Financial instruments are classified into the categories outlined below based on the purpose for which they were acquired. The classification is determined at initial recognition and re-evaluated at the end of each reporting period.

	Group Actual 2024 \$	Group Actual 2023 \$
<b>Financial assets</b>		
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	6,944,390	8,174,856
Trade and other receivables	1,584,363	4,703,682
Other financial assets	1,700	1,400
<b>Total financial assets at amortised cost</b>	<b>8,530,453</b>	<b>12,879,938</b>
<b>Financial assets at FVTOCRE</b>		
Investments in incubator and accelerator companies	1,741,445	1,695,904
<b>Total financial assets at FVTOCRE</b>	<b>1,741,445</b>	<b>1,695,904</b>
<b>Total financial assets</b>	<b>10,271,898</b>	<b>14,575,842</b>
<b>Financial liabilities</b>		
<b>Financial liabilities at amortised cost</b>		
Trade payables	756,409	2,241,168
Sundry creditors and accruals	959,265	470,956
<b>Total financial liabilities at amortised cost</b>	<b>1,715,674</b>	<b>2,712,124</b>
<b>Total financial liabilities</b>	<b>1,715,674</b>	<b>2,712,124</b>

#### Fair value

The fair value of all financial instruments equates or are approximate to the carrying amount recognised in the consolidated statement of financial position.

Financial instruments are initially recognised on trade-date at their fair value plus transaction costs. Subsequent measurement of financial instruments depends on the classification determined by the Group.



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 20 Related party transactions

#### Accounting policy

WREDA is a council-controlled organisation that is controlled by a Board of Directors appointed by its shareholders. The shareholders of WREDA are Wellington City Council, which owns 80% of WREDA shares, and Greater Wellington Regional Council, which owns the remaining 20%.

Related party means parties that are related if one party has the ability to either control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party entity and another entity are subject to common control.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Group would have adopted in dealing with the party at arm's length in the same circumstances.

Related party disclosures have also not been made for transactions with entities within the Group and the Group's shareholders (such as funding and financing flows) where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such Group transactions.

Related parties include key management personnel, directors and their close family members and entities controlled by them. Key management personnel are the Chief Executive of WREDA and CreativeHQ Ltd and the senior leadership team of WREDA, all of whom are employed as employees of the Group on normal employment terms.

#### CreativeHQ loan from parent

During the period the parent has continued to provide CreativeHQ with a \$400,000 loan. Interest is charged and paid monthly at the official cash rate plus 1.5%. The loan has been eliminated upon consolidation. The loan was due to repayment in 2022. In 2023 repayment was deferred and both parties agreed to review repayment annually. The next review will be undertaken on 1 July 2024.

### 21 Directors' fees

#### Accounting policy

The parent has 7 full time equivalents based on the length of service of the board (2023: 8) and the subsidiary has 1 full time equivalents on the same basis (2023:6).

It was agreed that having shareholder representation on its Board, WREDA will not pay any remuneration to these directors during the time they serve on the Board.

The total value of remuneration paid or payable to each board member during the year was:

	<b>Group Actual 2024</b>	<b>Group Actual 2023</b>
	\$	\$
<b>Parent WREDA Limited</b>		
Tracey Bridges (Chair)	50,000	50,000
Wayne Mulligan (resigned 31 December 2023)	12,500	25,000
Kylie Archer (resigned 31 December 2023)	12,500	25,000
Matthew Clarke (resigned 31 December 2022)	-	12,500
Steven Maharey (resigned 30 September 2022)	-	6,250
Jill Hatchwell	25,000	25,000
Joanne Healey	25,000	25,000
Paul Retimanu	25,000	18,750
David Wilks	25,000	18,750
Daphne Luke	25,000	20,833
John Apanowicz (WCC appointment; appointed 26 June 2024)	-	-
<b>Total WREDA directors' fees</b>	<b>200,000</b>	<b>227,083</b>



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 21 Directors' fees (continued)

	Group Actual 2024 \$	Group Actual 2023 \$
<b>Subsidiary CreativeHQ Limited</b>		
Lance Walker (Chair) (resigned 31 May 2024)	18,333	20,000
Susan Reynolds (resigned 31 December 2023)	5,000	10,000
Wayne Mulligan (resigned 14 June 2024)	9,555	10,000
Diana Siew (resigned 3 May 2024)	9,555	10,000
Trent Mankelow (resigned 14 June 2024)	8,416	10,000
Tracey Bridges	-	-
John Allen, CEO WellingtonNZ (resigned 14 June 2024)	4,777	5,000
<b>Total subsidiary directors' fees</b>	<u>55,636</u>	<u>65,000</u>
<b>Total directors' fees</b>	<u>255,636</u>	<u>292,083</u>

### 22 Remuneration

#### Accounting policy

Total remuneration includes any non-financial benefits provided to employees.

As at 30 June 2024 the Group employed 132 full-time equivalent employees (2023: 127). The Group also employs a similar number of casual employees in its Venues Wellington division; however, this number fluctuates based on available work.

#### Termination and severance payments

During the year the Group has made termination payments totalling \$10,644 to one employee (2023: \$nil). The Group has made no severance payments during this period (2023: \$nil).

#### Key management personnel

Key management personnel of the Group for 2024 and 2023 were the Chief Executives of WREDA and CreativeHQ Limited, the senior leadership team of WREDA and the Boards of both entities.

The total remuneration and the number of individuals, on full time equivalent basis (excluding directors), considered key management personnel receiving remuneration are:

	Group Actual 2024	Group Actual 2023
<b>Key management personnel</b>		
Directors' remuneration	\$255,636	\$292,083
WREDA Limited directors	7	8
CreativeHQ directors	1	6
Key management personnel remuneration - non-directors	\$2,584,635	\$3,197,275
Management full-time equivalents	11	15



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

### 22 Remuneration (continued)

Due to the difficulty in determining full-time equivalents for directors, the number of directors serving on the boards of WREDA Limited and CreativeHQ Limited as at 30 June 2024 is disclosed above.

Key management personnel did not receive any remuneration or compensation other than in their capacity as key management personnel (2023: nil). The Group did not provide any compensation at non-arm's length terms to close family members of key management personnel during the year (2023: nil). The Group did not provide any loans to key management personnel or their close family members (2023: nil). Key management personnel from a Group perspective are the senior leadership team of WellingtonNZ (7) and CreativeHQ (4). One member of WellingtonNZ's SLT is currently on secondment to WCC. Their salary is included in the above, however, approximately 80% of their salary is reimbursed from WCC.

	Group Actual 2024	Group Actual 2023
<b>Number of current employees</b>		
\$100,000 - \$109,999	7	10
\$110,000 - \$119,999	8	1
\$120,000 - \$129,999	2	7
\$130,000 - \$139,999	4	4
\$140,000 - \$149,999	5	5
\$150,000 - \$159,999	5	8
\$160,000 - \$169,000	2	2
\$170,000 - \$179,999	2	3
\$180,000 - \$189,999	1	1
\$190,000 - \$199,999	1	-
\$200,000 - \$209,999	1	1
\$210,000 - \$219,999	1	-
\$230,000 - \$239,999	-	1
\$240,000 - \$249,999	1	2
\$260,000 - \$269,999	1	1
\$270,000 - \$279,999	1	-
\$280,000 - \$289,999	1	1
\$400,000 - \$409,999	-	1
\$410,000 - \$419,999	1	-
<b>Total employees</b>	<b>44</b>	<b>48</b>



# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

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### 23 Events after the balance date

There were no events occurring after the balance date which required adjustment to or disclosure in the consolidated financial statements.

### 24 Operating funds

WREDA is reliant for a large part of its revenue from its shareholders, Wellington City Council and Greater Wellington Regional Council (the Councils).

The Councils have accepted the Group's Statement of Intent, which includes funding for the Group and its activities for the next three years.

### 25 Explanation of significant variances to the budget

#### Statement of Comprehensive Revenue and Expense

##### Revenue

CreativeHQ did not run a significant international accelerator programme that was budgeted for along with lower domestic and international work from both the private sector and government, resulting in revenue being \$1.7m lower than budget, partially offset by \$275k additional funding from Callaghan Innovation to run the newly created start up programme. Within WellingtonNZ, non-exchange revenue released was \$1.5m below budget due to expenditure on specific programmes not incurred as quickly as budgeted and changes in timing of work programmes and events to the 2024/25 financial year. Revenue matches project expenditure.

##### Expenses

CreativeHQ reduced its expenditure due to the loss of revenue by reducing both staff costs and contractors associated with the lower project work. WellingtonNZ project expenditure is lower than budget due to spending on specific programmes not occurring as anticipated and changes in timing of work programmes and events to the 2024/25 financial year.

#### Statement of financial position

Current Liabilities are higher than budgeted due to higher deferred revenue being held at year end than anticipated during budgeting. This included money from Central and Local Government and other commercial arrangements where funds were not expended as quickly as anticipated or programmes of work are occurring in FY25 rather than FY24. This has resulted in our cash holdings within Current Assets being higher than budgeted.

Non-current assets are higher than budget due to CreativeHQ incurring unbudgeted office fitout costs from downsizing their office space upon expiry of lease and an increase in year end valuations of their incubator and accelerator assets. They take a conservative approach by budgeting for no changes in valuations. Deferred tax has also increased which is outlined in Note 6 Income and deferred tax.





# Wellington Regional Economic Development Agency Limited

## Notes to the consolidated financial statements

For the year ended 30 June 2024

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### 26 Other significant accounting policies

Significant accounting policies are included within the notes below to which they relate. Other significant accounting policies that do not relate to a particular note are disclosed below.

#### (a) Basis of consolidation

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

All subsidiaries have a reporting date of 30 June. All intra-group balances and transactions, and unrealised profits and losses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

#### (b) Statement of Cash Flows

The cash flow statement is prepared exclusive of GST, which is consistent with the method used in the statement of profit or loss and comprehensive income. Definitions of the terms used in the cash flow statements:

- *Operating activities* are the principal revenue-producing activities of the Group and includes all transactions and other events that are not investing or financing activities.
- *Investing activities* are those activities relating to the acquisition and disposal of long-term assets and other investments not included in cash equivalents.
- *Financing activities* are those activities relating to changes in the size and composition of the contributed equity and borrowings of the Group.

#### (c) Fair value estimation

The Group measures certain balances and transactions at fair value either at initial recognition or subsequently. In order to determine these fair values, valuation techniques are utilised. To provide an indication about the reliability of the inputs used in determining fair value, the Group has identified what level of input is utilised in the valuation in the note for each

- Level 1 The fair value of the asset, liability or instrument is traded in active markets and is based on quoted market prices at the end of the reporting period.
- Level 2 The fair value of the asset, liability or instrument which is not traded in an active market and is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.
- Level 3 If one or more of the significant inputs is not based on observable market data, the asset, liability, or instrument is included in Level 3.

#### (d) Provisions

The Group recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) because of a past event. It is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessments of the time value of the money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a financial cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the parent from a contract are lower than the unavoidable cost of meeting its obligation under the contract.

#### (e) Goods and Services Tax (GST)

All items in the consolidated financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of the receivables or payables in the Consolidated statement of financial position.

Commitments and contingencies are disclosed exclusive of GST.





## Statement of Service Performance Year ended 30 June 2024

Measure	2023/24 Actual	2023/24 Target	2022/23 Actual
<b>Direct Economic Impact of WellingtonNZ's activities and interventions</b>	\$230.39million <sup>i</sup>	\$150million	\$321.46
<b>Number of different business engagements in WellingtonNZ programmes</b>	2,922 <sup>ii</sup>	2,300	3,302
<b>Equivalent Advertising Value (EAV) from media activity</b>	\$36.46million <sup>iii</sup>	\$30million	\$20.79m
<b>Value of expenditure generated from events (including business, performance and major events)</b>	\$110.31million <sup>iv</sup>	\$110million	\$103.34m
<b>The number of Wellington Region Residents that attend events.</b>	630,330 <sup>v</sup>	550,000	615,181
<b>Number of Māori Businesses and Projects supported across WNZ.</b>	49 <sup>vi</sup>	Develop a baseline	NA
<b>Satisfaction of Māori businesses receiving support</b>	100% <sup>vii</sup>	Develop a baseline	NA
<b>Number of Pasifika Businesses and Projects supported across WNZ.</b>	5 <sup>viii</sup>	Develop a baseline	NA
<b>Satisfaction of Pasifika businesses receiving support</b>	100% <sup>ix</sup>	Develop a baseline	NA
<b>Financial Management</b>	To Target	To Target	To Target
<b>Funding Diversification</b>	27.4% <sup>x</sup>	34%	25%
<b>Employee Engagement</b>	66% <sup>xi</sup>	78%	76%
<b>Stakeholder Satisfaction</b>	94% <sup>xii</sup>	90%	92%



## Indirect Measures of Impact

Measure	2023/24 Actual	2023/24 Target	2022/23 Actual
International visitor arrivals through WIA	163,012 <sup>xiii</sup>	120,000	151,232
Australian visitor arrivals through WIA	115,408 <sup>xiv</sup>	100,000	109,738
Visitor Spend: Domestic	\$1,062m <sup>xv</sup>	\$1200m	\$1,084m
Visitor Spend: Other	\$295m <sup>xvi</sup>	\$250m	\$262m
Total Visitor nights to our Wellington Region	2,764,000 <sup>xvii</sup>	2,500,000	2,598,000
Share of NZ multi-day conference in Region	21.8% <sup>xviii</sup>	25%	27.6%
Population Growth due to Migration to Wellington Region	TBC <sup>xix</sup>	2,500	5,210
Wellington Region GDP Growth	0% <sup>xx</sup>	2.0%	2.0%
Wellington Region GDP per capita	\$91,143.00 <sup>xxd</sup>	\$76,891	NA
Number of Filled Jobs in our Region	322,579 <sup>xxii</sup> 262,115	310,000	260,236
Number of Jobseeker Support benefits – Work Ready	11,050 <sup>xxiii</sup>	11,000	9,877
Mean Annual Earnings in Wellington region	\$84,396 <sup>xxiv</sup>	\$82,000	\$82,680
Labour force unemployment by ethnicity	3.7% average for region, 6.9% for Māori, 6.8% for Pasifika <sup>xxv</sup>	4.5% average for Region 7.9% for Māori & 7.5% for Pasifika	NA
Overall satisfaction with life	88% <sup>xxvi</sup>	88% of population	NA
Ability of income to meet everyday needs	59% <sup>xxvii</sup>	59% have enough or more than enough	NA

**<sup>i</sup> Direct Economic Impact of WellingtonNZ's activities and interventions**

Notes: This is a measure introduced in 2019/2020. It is designed to provide a dollar value indication of the impact of WellingtonNZ activities by collating the value of those activities that WellingtonNZ directly influences and impact (where we have evidence to support this.) This FY there are 21 measures which feed into this overall result.

Exposition: This is a strong result that exceeds the target.

**<sup>ii</sup> Number of different business engagements in WellingtonNZ programmes**

Notes: This is a measure we introduced in 2019/20. It is designed to provide an indication of the number of businesses that we have directly impacted on by either being part of a WellingtonNZ programme or a direct WellingtonNZ activity or intervention. This FY 22 measures feed into this overall result.

Exposition: This is a strong result that exceeds the target.

**<sup>iii</sup> Equivalent Advertising Value (EAV) from media activity**

Notes: This measure is segmented by market, domestic through Insentia, international through Tourism New Zealand and campaign specific through agency reports.

Exposition: This was a strong result against industry headwinds – the media landscape has further retrenched in the past few months with some new outlets closing and others cutting staff. This has led to a reduction in the number of media opportunities available. We have adjusted our coming year's KPI accordingly. While we are expecting further changes to the media landscape, we are optimistic they will slow down in the coming year.

**<sup>iv</sup> Value of expenditure generated from events (including business, performance and major events)**

Notes: These include major events, regional events, performance events that are hosted in Venues Wellington, and business events hosted in Venues Wellington, this year TRENZ hosted in Takina was also included as it was a major event conducted by the tourism trade team.

Exposition: There has been a methodological change in the determination of delegate and performance attendance origins which has resulted in underreporting of total OOR for business events, less than 50% of business events had origin data confirmed by clients.

**<sup>v</sup> The number of Wellington Region Residents that attend events**

Notes: These include major events, regional events, performance events that are hosted in Venues Wellington, and business events hosted in Venues Wellington.

Exposition: This is a strong result based on a full calendar of events and a particularly strong season of major events.

**<sup>vi</sup> Number of Māori Businesses and Projects supported across WNZ**

Notes: The intent of 2023/2024 is to develop a baseline from which to ascertain our current service levels for Māori Businesses and Projects.

Exposition: Result pertains to both Māori businesses and Projects in the development of a baseline level.

**<sup>vii</sup> Satisfaction of Māori businesses receiving support**

Notes: The intent of 2023/2024 is to develop a baseline from which to ascertain our current service levels for Māori Businesses and Projects. The purpose of this measure is to provide trend data on stakeholders' satisfaction regarding the engagement. Insights from this measure will be used to better inform WellingtonNZ's engagement plan.

Exposition: Result pertains to both Māori businesses and Projects in the development of a baseline level.

**<sup>viii</sup> Number of Pasifika Businesses and Projects supported across WNZ**

Notes: The intent of 2023/2024 is to develop a baseline from which to ascertain our current service levels for Pasifika Businesses and Projects.

Exposition: Result pertains to Pasifika Projects, businesses have not been captured during the development of the baseline.

**<sup>ix</sup> Satisfaction of Pasifika businesses receiving support**

Notes: The intent of 2023/2024 is to develop a baseline from which to ascertain our current service levels for Pasifika Businesses and Projects. The purpose of this measure is to provide trend data on stakeholders' satisfaction regarding the engagement. Insights from this measure will be used to better inform WellingtonNZ's engagement plan.

Exposition: Result pertains to Pasifika Projects, businesses have not been captured during the development of the baseline.

**<sup>x</sup> Funding Diversification**

Notes: This is a measure of the percentage of revenue/income that comes from non-council shareholder funding across WellingtonNZ and Creative HQ.



Exposition: WellingtonNZ has aspirational goals to increase its non-shareholder revenue. A combination of Covid19 recovery funds coming to an end, Commercial partnerships being constrained due to economic conditions and a reduction in Commercial revenue generated from CreativeHQ in the period compared to budget means we have not met our KPI this period. WellingtonNZ remains committed to continue to increase non-Shareholder revenue.

**<sup>xi</sup> Employee Engagement**

Notes: A companywide survey was conducted through Culture Amp which went to 120 employees was open over February 2024 and had 93 responses. The survey contained several questions with five specific questions feeding into the derivation of 'employee engagement' culture amp then averaged these five results to obtain the overall engagement figure.

Exposition: Coming below target and previous years can be explained by a methodological change from a pulse survey to a full survey. The previous FY and the target setting for this measure was based on an engagement pulse survey score. This year a full engagement survey rather than an abbreviated pulse survey was run which resulted in multiple questions feeding into the resultant engagement figure. When compared like for like (same source questions) with the previous results the figure was 76% the same as the previous FY result. By completing a full engagement survey there is a greater opportunity for insights in priority areas for the 24/25 year these are identified as 'Recognition & Remuneration' and 'Collaboration'.

**<sup>xii</sup> Stakeholder Satisfaction**

Notes: This is a service performance measure which reports on service improvement objectives from agreed levels of service via self-reported survey data. A survey of stakeholders was conducted through Formstack and Audience Republic.

Exposition: This strong result ahead of target and previous years demonstrates WellingtonNZ's effective service improvement. Over the coming financial year we plan to operate this survey biannually.

**Indirect Measures of Impact:**

**<sup>xiii</sup> International Visitors Arrival**

Source: StatsNZ Dataset International Travel and Migration

Period: 1 July 2023 – 30 June 2024

Notes: This is a proxy for visitor numbers but is not a complete picture as only a portion of international visitors to the region go directly through Wellington International Airport. In the SOI these figures were transposed as targets – Australian arrivals were a greater figure than total international including Australia.

Exposition: This figure is both above target and above the previous years results this is as expected with the post-pandemic recovery trajectory.

**<sup>xiv</sup> Australian Visitors Arrival - as above**

**<sup>xv</sup> Domestic Visitor Spend**

Source: MBIE TECT Dataset

Period: 1 July 2023 – 30 June 2024

Notes: This dataset has persisted in being obtained via MBIE however consistency in the methodology applied by MBIE has been variable. In the space of the last four years there have been as many iterations of measurement of tourism spend. The data pulled here is Tourism Electronic Card Transactions, this is a figure of card spend only and does not measure the entire value of tourism expenditure, as MRTes did available for a portion of the financial year only.

Exposition: This figure is below the target and previous year results for domestic spend. This is expected due to the high levels of inflation and consequential cost of living crisis experienced nationally. This has reduced the capacity of New Zealanders to participate in domestic leisure travel. Additionally, there was pent up demand for New Zealanders to travel internationally after border closures persisted until mid-2022.

**<sup>xvi</sup> International Visitor Spend - as above**

**<sup>xvii</sup> Total Visitor nights to our Wellington Region**

Source: Accommodation Data Programme

Period: 1 July 2023 – 30 June 2024

Notes: This dataset is obtained through the Fresh Info Accommodation Data programme, it is segmented by TA, refers to all accommodation provider types and the specific measure is "Total Guest Nights". This



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is a proxy figure as it does not cover all accommodation providers – rather those that have opted in to provide this data monthly, it is the best available cover of this data.

Exposition: This figure is both above target and above the previous year’s results this is as expected with the post-pandemic recovery trajectory.

<sup>xviii</sup> **Share of NZ multi-day conference in Region**

Source: Business Events Data Programme

Period: 1 July 2023 – 30 June 2024

Notes: This dataset is obtained through the Fresh Info Business Events Data programme; it is segmented by region and the specific measure is “Market share of multi-day conferences”. This is a proxy figure as it does not cover all venues providers – rather those that have opted in to provide this data quarterly, it is the best available cover of this data and is commissioned by the peak body Business Events Industry Aotearoa.

Exposition: This figure is below the target and previous year results; this is partially due to a greater uptake of venues in other areas opting in to provide this data thus reducing the market share reported by Wellington who has held the same number of providers. It is also partially due to a reduced government business event calendar post-election.

<sup>xix</sup> **Population Growth due to Migration to Wellington Region**

Source: Subnational population estimates StatsNZ

Period: 1 July 2023 – 30 June 2024

Notes: This dataset is available annually at a regional level and in 12 months to June format. This is specifically relating to migration induced growth. This is not available until the end of October each year so is not currently included in the SOSP.

<sup>xx</sup> **Wellington Region GDP Growth**

Source: Infometrics

Period: 1 July 2023 – 30 June 2024

Notes: This dataset is available quarterly at a regional level through Infometrics Quarterly Economic Report, this figure is supplied as an estimate until 12 months post period.

Exposition: GDP growth was below previous years and the target this is unsurprising with difficult economic headwinds. It has remained marginally ahead of national figures which have seen annual growth shrink to -0.2%.

<sup>xxi</sup> **Wellington Region GDP per capita**

Source: Infometrics

Period: 12 months to March 2023

Notes: This is available in January for the year to March previous. This relies on the confirmed (not estimated GDP figures) and the subnational population estimates.

Exposition: There is no comparison to previous year as this was added to the SOI in 2023 however it is above the target figure. This is likely due to the post-pandemic productivity surge combined with a flat migration/population growth over the same pandemic period – bearing in mind this relates to the April 2022 – March 2023.

<sup>xxii</sup> **Number of Filled Jobs in our Region**

Source: StatsNZ Main Employment Indicators

Period: 1 July 2023 – 30 June 2024

Notes: Two figures are reported this year, they represent two different measures – the larger of the two figures represents total employment and is the figure the target in the SOI was based on. It is a figure provided annually by infometrics modelling both filled jobs and self-employment, this has a delay in being produced, is available in January for the year to March previous. The intention is to change this measure to the StatsNZ Main Employment Indicators which are available on a monthly basis ensuring they pertain to the correct period and in sufficient time to be reported within the SOSP. As such both figures are available in this SOSP.

Exposition: These figures have met target and have grown from previous years. This is expected due to an extraordinarily tight job market persisting over the last year in combination with strong international migration.

<sup>xxiii</sup> **Number of Jobseeker Support benefits – Work Ready**

Source: MSD benefit data series

Period: 1 July 2023 – 30 June 2024

Notes: This figure pertains to specifically ‘work ready’ job seekers. It should also be noted the MSD Wellington Region is slightly different to the StatsNZ definition.

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Exposition: This figure is above previous years and slightly above the target. This is largely due to the last few months of the financial year experiencing a drop in the pipeline of available jobs, this combine with high migration means there has been more competition for available roles.

<sup>xxxv</sup> **Mean Annual Earnings in Wellington region**

Source: StatsNZ

Period: 1 July 2023 – 30 June 2024

Notes: This figure is an average of weekly wages applied across a year. In between pulling this result and the completion of the Audit the method for obtaining this data may change as the nz.stats data platform is retired.

Exposition: This figure is above previous years and above the target. As a result of the competitive job market coming out of the pandemic and closed borders wage inflation was high. We expect this to stabilise over the next year results.

<sup>xxxv</sup> **Labour force unemployment by ethnicity**

Source: StatsNZ Household Labourforce Survey

Period: 1 July 2023 – 30 June 2024

Notes: This is a single measure but three specific figures are collected – average regional unemployment, average Māori unemployment, average Pasifika unemployment.

Exposition: This figure is positively below target. This is a symptom of a competitive job market however equally Wellington has over performed other regions on this measure.

<sup>xxxvi</sup> **Overall satisfaction with life**

Source: Neilsen Biennial Quality Life Survey

Period: 2022

Notes: This is a biennial survey a 2024 volume has been completed but results but are not available until the end of October. The Wellington region is approximated in this survey as only a portion of TAs participate.

<sup>xxxvii</sup> **Ability of income to meet everyday needs**

Source: Neilsen Biennial Quality Life Survey

Period: 2022

Notes: This is a biennial survey a 2024 volume has been completed but results but are not available until the end of October. The Wellington region is approximated in this survey as only a portion of TAs participate.