

Open

Board Meeting Agenda, Friday 25 August 2017
 Tāmaki Makaurau Boardroom, L8 139 Quay Street

Item	Subject	Action	Start Time	Duration	Pg.
OPEN AGENDA					
1	Start of Meeting: Chairman's Welcome, Apologies	To Note	12.30 p.m.	1 mins	
2	Open Minutes 28 July 2017	To Approve	12.31 p.m.	2 mins	2
3	Directors Interest Register, Conflicts of Interest Declaration, David McConnell	To Note	12.33 p.m.	2 mins	4
4	Chief Executive's Activity Report, Brett O'Riley	To Note	12.48 p.m.	15 mins	13
5	Finance Report, Joy Buckingham	To Note	1.02 p.m.	15 mins	24
	Close of Meeting		1.17 p.m.		

BOARD MINUTES

What:	Minutes of a Meeting of Board of Directors of Auckland Tourism Events and Economic Development Limited
Where:	GridAKL at the Lysaght Building, Pakenham Street, Wynyard Quarter, Auckland
When:	Friday, 28 July May 2017 at 1.56 p.m.
Directors:	David McConnell Danny Chan Helen Robinson Franceska Banga Mike Taitoko
Apologies:	Norm Thompson Stuart McCutcheon Sir Pita Sharples
In Attendance:	Brett O'Riley, Chief Executive Martin Fairweather, Chief Operating Officer Joy Buckingham, Chief Financial Officer Tim Kingsley-Smith, Company Secretary
Public & Media Attendance:	N/A

Background

- A. David McConnell was appointed as Chairperson for the meeting.
- B. It was noted that the quorum is a majority of the directors (12.9 of the Constitution) and there currently being seven directors, a quorum of Directors was present. It was noted that each Director had been given proper notice of the meeting.

Meeting Business

1. Apologies

The apologies of Norm Thompson, Stuart McCutcheon and Sir Pita Sharples were **noted**.

2. Minutes of Previous Meetings and Action Tracker

The Board discussed the draft minutes of the meeting held on 30 June 2017 and the Open Action Tracker.

The Board **approved** the minutes of the meeting held on 30 June 2017 and confirmed the minutes were a true and correct record.

3. Register of Directors' Interests and Conflicts of Interests Declaration

The Board **noted** the Directors' interests register.

4. Change to Statement of Intent

Joy Buckingham Spoke to the paper. The key points discussed were:

- The Statement of Intent (SOI) approved by the Board at the last Board meeting had been amended by providing further information on the APTR.

The Board **noted** the Directors' interests register.

5. Chief Executive's Activity Report

Brett O'Riley spoke to the paper. The key points discussed were:

- The Board and Management discussed the process for SOI and Senior Management KPI-setting. Management noted that work is underway on this process with the engagement survey, ALT and the new CE all inputting into it.
- The Board acknowledged staff involved with the recent successful delivery of the Lions Tour events and the America's Cup Parade.
- Management noted that Council had requested that Brett O'Riley continue to be a facilitator for the planning of the next America's Cup.

Following the conclusion of discussions, the Board **noted** the paper.

6. Finance Report

Joy Buckingham spoke to the paper. The key points were as follows:

- Management noted that the Finance Report and finance section of the CE Report had been amended ahead of the Board meeting. The amendment related to a change in deferrals.

Following the conclusion of discussions, the Board **noted** the paper.

The Chairperson declared the meeting closed at 2.22 p.m.

SIGNED by the Chairperson as an accurate record of the meeting:

Chair

Date

ATEED Board Interests and Conflicts Register

Director	Interests and Conflicts
David McConnell	Managing Director, McConnell Group Deputy Chair, Committee for Auckland Board Member, University of Auckland’s Business School Advisory Board Director, Future Schools Partners GP Limited (5625905) Director, Future Schools Partners GP 1 Limited (5616086) Director, H Construction Schools 2 PPP Limited (5508209) Director, Malcolm Nielson Limited (5879529) Director, Ascot Parade Limited (2157240) Director, C 60 Display Limited (2247276) Director, Mc (Jervois) General Partner Limited (5486582) Director, Malcolm Custodian Limited (5892176) Director, What Comes Next Limited (5860568) Director, H Construction North Island Limited (175077) Director, H Construction Hobsonville Limited (3893218) Director, Ayrlires Parklands Limited (1646167) Director, H Plant Limited (3691839) Director, H Construction North Island Group Limited (3873056) Director, H Infrastructure Holdings Limited (5995672) Director, London Group Holdings Limited (634236) Director, BPB Plasterboard Limited (1644304) Director, Titanium Park Development Limited (1731580) Director, Orange H Group Limited (3691741) Director, Projects (M.I.L.) Limited (606848) Director, Mcconnell Group Limited (6106847) Director, Newquay Infrastructure Investments Limited (6106950)

	<p> Director, H Infrastructure Limited (3691835) Director, Addison Group Limited (3377631) Director, Hawkfleet Limited (3329470) Director, Addison Developments Limited (855954) Director, HUC Limited (826148) Director, Blackpool Services Limited (6106907) Director, Leeds Construction Limited (6106928) Director, Mariner Rise Limited (1897890) Director, 429 Limited (882429) Director, Spiral Welded Pipes Limited (599333) Director, Mcconnell Property Services Limited (2093843) Director, Orange H Management Limited (3691975) Director, H Construction N.I. Limited (3874817) Director, Wilkins & Davies Limited (5860549) Director, Learning Infrastructure Partners Gp 1 Limited (5862845) Director, Beaumont Park Limited (1892636) Director, Mcconnell Developments Holdings Limited (2066570) Director, Orange H Construction Limited (3723877) Director, H Construction Group Limited (3746315) Director, MTC Land Investments Limited (5452582) Director, Steelpipe Limited (49280) Director, Citygate Limited (2072237) Director, McConnell Developments Limited (886504) Director, Galleon Limited (597939) Director, H Infrastructure (NZ) Limited (5995721) Director, MP Shelf Company 2002 Limited (1231221) Director, McConnell Funds Management Limited (2396949) Director, Learning Infrastructure Investment Limited (3765221) Director, Element NZ Limited (2163263) </p>
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	<p>Director, McConnell Property Limited (2396928) Director, H Construction South Island Limited (3691841) Director, McConnell GP No. 1 Limited (2478228) Director, The Shooting Box Limited (866096) Director, Arnot Investments Limited (3945959) Director, McConnell Limited (634938) Director, Shelf Company 2012a Limited (401431)</p> <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
Norman Thompson	<p>Director, Dot Kiwi Limited (3561898) Director, ENJAY Trustees Limited (2329558) Director, Preno Limited (5521993) Director, Queenstown Airport Corporation Limited (378001) Director, Tourism New Zealand Board Chartered Fellow of Institute of Directors Trustee, Young Enterprise Scheme (YES) Member, New Zealand Golf Open 2016 Committee</p> <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
Franceska Banga	<p>Director, Beauty Distributors NZ Limited (4440498) Director, Clinic Johnsonville Limited (5482950)</p>

	<p> Director, Clinic Mt Eden Limited (4293678) Director, Constellation Capital Management Limited (5348021) Director, Continuity Capital PE2 GP Limited (5339201) Director, Cosmedex Investments Limited (1923503) Director, Cosmedex IP Limited (2408729) Director, Elleca International Limited (2408728) Director, Fab NZ Limited (622225) Director, Franchise Group NZ Limited (4293558) Director, Franchise IPLimited (4293638) Director, Frogparking Limited (2411129) Director, Membership Services Limited (2284925) Director, Trustees Executors Limited (142877) Trustee, Peka Peka Trust (Family Trust) Investments in: - Pohutukawa Fund, Maui Capital Indigo Fund - 82 Limited Partnership and Advisory Board member Shareholder (1%) – Business Growth Limited (1400720) Shareholder – the Breakthrough Co. Limited (Family business) (2027820) Shareholder – National Business Coaching Limited (3171785) Member, Institute of Directors NZ Inc </p> <p> Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company </p>
Director	Roles & Responsibilities outside of ATEED
Mike Taitoko	<p> Director and Shareholder of Waiora Consulting Limited (5330302) Director and Shareholder of Waiora Pacific Limited (3887379) Director, Canvasland Holdings Limited (429999) Director, Cognition Education Limited (963400) </p>

	<p>Director, Committee For Auckland Limited (1121413) Director, Maratini Holdings Limited (6261547) Director, Mercury LTI Limited (4387380) Director, Mercury NZ Limited (936901) Director, Takiwa Health Limited (5783499) Advisory Board Member of Massey University School of Business</p> <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
<p>Danny Chan</p>	<p>Director and Shareholder, A1 FLOWER WHOLESALERS LIMITED (810599) Director and Shareholder, ALPHA ASSET MANAGEMENT LIMITED (645615) Director and Shareholder, ARN INVESTMENTS LIMITED (2192871) Director and Shareholder, FLOWERZONE INTERNATIONAL LIMITED (582216) Director and Shareholder, FLOWERZONE TURNERS LIMITED (491878) Director and Shareholder, GRIFF TRADING LIMITED (1212490) Director and Shareholder, LADY WHITE SNAKE FILM LIMITED (1531000) Director and Shareholder, NEW EDUCATION INVESTMENT LIMITED (323228) Director and Shareholder, ORIENT ASSET MANAGEMENT LIMITED (424595) Director and Shareholder, ORIENT PACIFIC INVESTMENTS LIMITED (1169701) Director and Shareholder, ORIENT PACIFIC MANAGEMENT LIMITED (1169702) Director and Shareholder, ORPAC INTERNATIONAL LIMITED (668742) Director and Shareholder, PLANIT PRODUCTS NZ LIMITED (1812117) Director and Shareholder, RHINO SECURITY LIMITED (1218758) Director and Shareholder, SHARP MULTI-MEDIA LIMITED (1222077) Director and Shareholder, SHARP MULTI-MEDIA PRODUCTION LIMITED (1488659)</p>

	<p> Director and Shareholder, SIMTUTOR LIMITED (5285041) Director and Shareholder, SUMFOOD LIMITED (6281982) Director and Shareholder, TAHERE CALLA & BULB COMPANY LIMITED (620632) Director and Shareholder, TAHERE CALLAS LIMITED (541102) Director and Shareholder, TALAFORD INVESTMENTS LIMITED (243773) Director and Shareholder, THE ACADEMIC COACHING SCHOOL LIMITED (1218520) Director, ABANO HEALTHCARE GROUP LIMITED (13802) Director, ASIA PACIFIC CENTRE FOR FOOD INTEGRITY LIMITED (4798639) Director, BOSS SYSTEMS LIMITED (1566017) Director, CARBONSCAPE LIMITED (3953398) Director, CLUB Q CONDOMINIUMS LIMITED (366215) Director, COTTAGE DESIGN LIMITED (553363) Director, DANTING INVESTMENTS LIMITED (1101054) Director, DIABETIC FOOD LIMITED (5785571) Director, EDUCATION INVESTMENT LIMITED (2099558) Director, ENROLMY LIMITED (5746128) Director, EVERGROW PROPERTIES LIMITED (638821) Director, FASTCOM LIMITED (2292668) Director, FMG INSURANCE LIMITED (1801045) Director, GLOBAL ACADEMIC GROUP HOLDCO LIMITED (5789309) Director, GREEN CUT LIMITED (2200640) Director, GREEN HARVEST EXPORTS LIMITED (424593) Director, GREEN HARVEST PACIFIC HOLDINGS LIMITED (912715) Director, GREEN HARVEST PACIFIC LIMITED (807760) Director, MARLBOROUGH WINE ESTATES GROUP LIMITED (5639568) Director, NEW ZEALAND YACON LIMITED (3893137) Director, ORIENT PACIFIC CORPORATION LIMITED (482579) Director, PISCES TRUSTEES COMPANY LIMITED (4364838) Director, SEAPLIES INTERNATIONAL (NELSON) LIMITED (931103) Director, SIMTICS LIMITED (1405985) </p>
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	<p> Director, TAHERE GROUP LIMITED (6090882) Director, TURNERS FLOWER EXPORTS N.Z. LIMITED (1677418) Shareholder, AIRE CUT COMPANY LIMITED (1255160) Shareholder, B.L.TECH LIMITED (4425298) Shareholder, CLOUD M LIMITED (3170790) Shareholder, DANTING INVESTMENTS LIMITED (1101054) Shareholder, IMONITOR INTELLECTUAL PROPERTY LIMITED (1874643) Shareholder, ORGANIC INITIATIVE LIMITED (5595738) Shareholder, RAWHITI MANUKA HONI LIMITED (2369144) Shareholder, SHORTLAND FLATS LIMITED (41534) Shareholder, SIMTUTOR LIMITED (5285041) Shareholder, SUPERTHRILLER JET SPRINT LIMITED (110844) Shareholder, THE CABLE FERRET COMPANY LIMITED (4482398) Shareholder, THE CAREER ACADEMY LIMITED (1245347) (Removed) Shareholder, THE DIGITAL CAFE LIMITED (6094889) Shareholder, VOLT TECHNOLOGY LIMITED (5684947) Shareholder, ZENITH ASSET MANAGEMENT LIMITED (1770979) Member, NZ China Advisory Council (appointed 20 November 2012) Member, NZ Markets Disciplinary Tribunal Director, Farmers Mutual Group (Mutual Society) </p> <p> Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company </p>
Director	Roles & Responsibilities outside of ATEED
Helen Robinson	<p> Chair Director and Shareholder, Cloud M Limited (3170790) Director and Shareholder, KND Trustees Limited (5691575) Managing Director and Shareholder, Penguin Consulting Limited (1694891) Co-Founder & Executive Director, Organic Initiative Limited (5595738) Director and Chair, The Network For Learning Limited (3897339) </p>

	<p>Shareholder, KND Investments Limited (1694892) Shareholder, Organic Initiative Limited (5595738) Chair, Valens Group Director, Fulbright NZ Ltd Director, NZ Defence Force Trustee, Aktive Auckland Sport & Recreation Trustee, Robinson Family Trust</p> <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Director	Roles & Responsibilities outside of ATEED
Stuart McCutcheon	<p>Director, Lexington Properties Limited (1605485) Chairman of Directors, Auckland Uniservices Limited (373821) Chairman, Universities New Zealand (From 1 January 2017) Director, Universitas 21 International University Network Council Member, University Of Auckland Member, Partnership Board, The Worldwide Universities Network Member, Steering Committee, The Association Of Pacific Rim Universities Trustee, Uk Friends Of The University Of Auckland</p> <p>Party to a Deed of Indemnity and Undertaking between the Director and the Company and an insured party under a Directors and Officers Liability Insurance Policy and a Defence Costs Insurance Policy arranged and funded by the Company</p>
Board Advisor	Roles & Responsibilities outside of ATEED
Sir Pita Sharples	<p>Director, Tu Maori Mai Limited (5584726) Director, Arapita Limited (1369621)</p>

	<p> Hoani Waititi Marae - Taumata Te Ropu Manataki – Kai ako Te Whare Tu Taua – Tumu Whakaarei Ngā ti Kahungungu iwi – Taumata Te Toa Takitini – Kaumatua advisor Aorangi maori trust board – Kaumatua Rakau Tatathi Marae – Paepae Mahi Tahi trust Board – Member Maori and Pacific Trade Training – Manawhaka haere Maori Heritage Council – Member NZ Heritage Trust Board – member Emerge Aotearoa – Board Kaumatua NPM – Patron Te Arapai – Member Auckland Museum Trust Board - Member Auckland Museum Maori Council – Member Special Expert Group on Organ Donation – Member Pacific Leaders Programme – Consultant Matatini – Life Member Zin and Tane Chinese Maori Dance Production – Producer White Ribbon Campaign – Ambassador West Auckland Task Force against Domestic Violence – Member Pillars – Patron Tamaki Makaurau Haka Society – Life Member Unitech Maori Advisor Maori Chinese youth forum – Kaumatua Heritage NZ Pouhere Taonga Trust </p>
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Chief Executive Review of August 2017

Report to Auckland Tourism, Events and Economic Development Limited Board

Health & Safety (H&S)

H&S scorecard for August



Incidents: Three incidents were reported in July:

1. Two incidents related to fleet vehicle accidents, however no injuries were sustained by the individuals travelling in the vehicles.
2. A shoulder injury was reported as a result of a lift door closing too soon at the South hub, creating some bruising for the individual. The property management firm was informed, and the lift has since been repaired and closely monitored.

Near misses: A near miss was reported by an employee who was on his way to work on an Auckland Transport (AT) bus, when he noticed the bus driver falling asleep at the wheel. The employee reported this to AT's Call Centre as well as to AT's Head of Operations, and the bus driver was removed from duty.

Unsafe condition/hazard: Four unsafe work conditions were reported in July, they are as follows:

1. Two hazards were noted during the Emirates Team New Zealand Welcome Home Parade. Both involved equipment being used by the broadcast company contracted by ATEED to film the event. The first involved an elevated work platform, and the second involved a power cord trip hazard in a high foot traffic area. In each case, ATEED's H&S Manager noted the issue and action was taken to resolve the issue on the day. A corrective action request was sent to the broadcast company involved to prevent a reoccurrence. The ATEED Major Events team has added a note to the event debrief in an attempt to ensure that similar issues do not occur in the future.
2. A cord cover was observed to have been causing multiple trip hazards in a high foot traffic area in the Viaduct before the start of the Emirates Team New Zealand Welcome Home Parade. The cord cover used by the media was not visible, and therefore not suitable for use in the location, as it was causing trip hazards. The media were immediately informed, and the cord was removed and replaced with a highly visible cable cover and two large orange cones. These controls were more suitable, and substantially decreased the number of trip hazards.
3. During a routine site inspection of the Princes Wharf i-SITE fit-out, a painter was observed using scaffolding in an unsafe manner, which could have resulted in a serious fall and injury.

The project manager issued the painter with a notice of an unsafe act, and held a meeting to discuss best practice when working with mobile scaffolding.

4. A chemical container full of unknown liquid was found on top of a ceiling tile in the new kitchen of the Princes Wharf i-SITE. It appeared to be part of the HVAC system, however was not properly secured. The landlord has secured the container by strapping it to the wall.

Annual H&S refreshers

ATEED's H&S induction has been refreshed, and was used as part of the annual staff H&S refresher. This now also includes an introduction to Risk Manager, the H&S system that came into effect in June.

Contractor management

The H&S team successfully reviewed and pre-qualified the physical works contractors for the Princes Wharf i-SITE fit-out. The team is in the process of reviewing and pre-qualifying contractors for the 2017 Diwali Festival.

Major Events

Two Major Event Facilitators are in the process of completing the H&S representative training course. This will improve further the skills and knowledge required to facilitate a major event from an H&S perspective.

Wellbeing activities over the past month have included:

- A user-pays massage service, similar to that offered by Auckland Council, is being investigated for ATEED. This will be communicated via the Hub and Facebook page.
- Thirteen staff attended a Resilience at Work course in early August, with good feedback received.

ATEED strategic priorities

Grow the visitor economy

Visitor arrivals

A record-breaking 2.61m international visitor arrivals to Auckland were recorded for year-ending June 2017, an increase of 11.1 per cent compared to the previous year. There were 166,144 international visitors who arrived in Auckland in June 2017, an increase of 19.4 per cent compared to June 2016.

Tourism spend for the year to June 2017 was \$7.8b, up 4.3 per cent on the previous year. International spend was \$4.2b, up 4.8 per cent for the year. Domestic spend was \$3.6b, an increase of 3.7 per cent. Tourism spend from the US saw the biggest growth, up 32.6 per cent for the year, followed by Canada (20.4 per cent), and Germany (18.5 per cent). International spend from the UK during the month of June was up 96.8 per cent compared to June 2016, which can also be attributed to DHL New Zealand Lions Series 2017 from 3 June – 8 July.

Holiday visitor arrivals for June 2017 were up 31.2 per cent compared to June 2016. Visitor arrivals from the UK were up 294.3 per cent compared to June 2016, as a result of the DHL New Zealand Lions Series 2017.

Hotel average daily rates were \$200 per night, an increase of 16 per cent over the last 12 months. The average daily rate for the month of June was up 27.8 per cent compared to June 2016. The average hotel occupancy rate was 87.0 per cent, an increase of 1.8 per cent over the last 12 months.

Australia marketing

ATEED is now in the sixth year of the Upper North Island driving campaign in a partnership with Tourism New Zealand (TNZ) and surrounding regional tourism bodies. The combined spend is approximately \$1m (ATEED's investment being \$200,000). The campaign targets Sydney, Brisbane

and Melbourne, encouraging Australians to come to New Zealand on a driving holiday in spring. Three campaigns to be run in partnership with Auckland Airport and TNZ have also been planned for the 2017/18 financial year, focusing on Auckland as a short break destination and primarily using Facebook with other traditional media.

PATA Global Insights Conference

ATEED is once again a sponsor of the annual PATA conference to be held at SKYCITY on 29 September. The focus this year is on tourism of the future, with topics such as big data, cyber security, events as demand drivers, social media, and aviation, and speakers from brand leaders such as Microsoft, Trip Advisor, Boeing, and BBC World. ATEED is also supporting a New Zealand Leaders Forum, discussing progress on the Tourism Industry Aotearoa 'Tourism 2025' framework with other contributing partners.

i-SITE update

Auckland i-SITES were approximately \$29,000 ahead of budget at the end of June. SKYCITY had the highest customer satisfaction rating (98.75 per cent) across the entire New Zealand i-SITE network, and the largest sample size (562 respondents). For the second year running, Auckland i-SITES achieved the highest average customer satisfaction rating than any centre in New Zealand. Average customer satisfaction rating across the three Auckland i-SITES was 97.2 per cent versus the New Zealand network average of 87.8 per cent. This is based on 1161 responses to surveys undertaken across the Auckland i-SITE network to the question "Overall, how satisfied were you with your experience at the i-SITE today?".

Princes Wharf i-SITE

The fit-out project is tracking to budget and time, with the opening date planned for 1 September. The Department of Conservation (DOC) sub-lease has been fully executed by all parties. A decision has been made not to operate the i-SITE pop-up cube site on cruise ship days for the 2017/18 summer period. Student greeters will be stationed at Queens Wharf instead, who will direct visitors to the Princes Wharf i-SITE for bookings. This is a more cost-effective and efficient model to operate as cost savings continue to be made.

SKYCITY i-SITE

SKYCITY management is yet to confirm if advertising layout changes will be required to support the redirection of foot traffic to the SKYTOWER i-SITE. This is expected to result in a 200-300 per cent increase in foot traffic, as all visitors to the Sky Tower will now need to pass through the i-SITE.

Auckland Airport i-SITE

Discussions will continue with Auckland Airport regarding renewal of the existing lease, which is due to expire on 30 November.

PRVILGES (Premium Visitation, Investment, Luxury Golf, Education and Screen) programme

Members of the Tourism Trade team and the ATEED CE will attend the Virtuoso Travel Week Global in the US from 12-18 August. New Auckland Travel Ambassador Rachel Hunter will be a VIP guest at the conference, and will be interviewed about Auckland. ATEED will showcase some of the work done by the AR/VR Garage, with the intention that Virtuoso uses Auckland-based VR content creators to create VR content for Virtuoso, and create a VR hub for their content in Auckland. Additional activity and meetings planned for this visit include sales visits to other partners such as Travel Leaders, an early discussion on a data sharing partnership with Mastercard, and visits with traditional travel agents.

GEMS

The 'Search for the next world number one' competition has begun in China, with assessments completed in China and 20 female golfers selected to come to Auckland in advance of the New Zealand Women's Open LPGA tour in October. Two of these players have also been selected to compete in the LPGA event.

To build interest and encourage networking around the LPGA event, ATEED facilitated a networking function supported by the *Chinese Herald* and The Clubhouse (organisers of the LPGA), with more than 50 local Chinese businesses in attendance.

Discussions continue with the owners of the China Cup regarding further investment and sponsorship for Emirates Team New Zealand following the America's Cup victory. Another Royal New Zealand Yacht Squadron team will race in the China Cup this year under the Emirates Team New Zealand brand, and the America's Cup trophy will travel with them and Emirates Team New Zealand senior management to the event – and potentially other locations in China as a promotional opportunity.

Meetings were held with NZ Bloodstock to discuss the annual plan of activity and support to grow the number of high net worth buyers to Auckland for its series of horse sales during the year.

Cruise

After receiving support for an inner dolphin from Auckland Council's Planning Committee, an Australian-based maritime consultancy was engaged by the Harbourmaster to complete further technical work, including a risk assessment. This work is now expected to be completed by the end of August.

Once a decision is made, a resource consent application will be lodged. If approved, procurement and construction is anticipated in time for the 2018/19 cruise season. Council's Finance and Performance Committee has allocated \$10m in the capital budget for cruise ship infrastructure for the 2017/18 financial year.

Until the inner dolphin is in place, ships larger than 320m will not be able to berth in Auckland. The Queen Mary 2 has been denied a berth in Auckland in March 2018, and will therefore not visit Auckland but instead complete a passenger exchange in Tauranga.

Build a Culture of Innovation and Entrepreneurship

GridAKL programme

Activity is gaining momentum across the three GridAKL pillars. Work in the Place strand is focused on mobilisation of the new sites, with the Lysaght building now fully operational. The Community strand continues to grow with a strong events and activation programme. The focus is on building a platform to tell a compelling story for GridAKL. A new marketing and communications strategy is in development, and early activities have focused on updating collateral (digital and print), as well as engaging with media to bring GridAKL to life for the public and businesses.



GridAKL – the place

Lysaght building

There are now 67 businesses resident at the Lysaght building, with 154 staff.

12 Madden Street building

Construction is nearing completion for 12 Madden Street. The majority of works are complete on all levels, with residual defects management and installation of operable walls to the event space and ground floor training room. Soft fit-out continues as furniture and whiteware arrives, AV and signage has been installed, and planting completed.

The first tenants have moved into the building. Davanti is now operational on level 4, and work is underway for Online Republic to relocate into their tenancy on level 5 in early September.

The team is working with Generator (the building operator), Precinct Properties and tenants to ensure a smooth mobilisation and transition to the new site.

Mason Brothers building

Fit-out at Mason Brothers continues, with completion scheduled for the end of August.

GridAKL – the community

Gender diversity was a key topic for events held at GridAKL in July, with women making up 50 per cent of attendees at the Hardware Meetup event. The Creative Mornings AKL event also ignited conversations about connecting young women in video editing and graphic design work, and how to best to support this growing talent.

The Entrepreneurs Unleashed event proved to be popular, with July's event drawing approximately 100 attendees. The event offered the opportunity for attendees to hear from the founders of Wise Boys Burger, who shared their start-up journey.

Website upgrades have been made to improve the venue hire process for guests to easily navigate the site and to book facilities (<https://gridakl.com/venue-hire-event-space-auckland/>). A new mini GridAKL brochure has been published to raise awareness of GridAKL, and to share the story of GridAKL with the local community and international visitors.

Inaugural Local Economic Development Masterclass

The Local Economic Growth team delivered the first Local Economic Development Masterclass event on 12 July at the Viaduct Events Centre. The event attracted 129 attendees, with a further 300 viewing the live stream of the event.

The audience included elected members, local board services staff, business association management, and social development agencies. The post event survey confirmed very strongly that the event was well-received and fulfilled a desire for greater knowledge in this area. The survey had 37 responses, with 91.6 per cent stating that the event applied to their area of interest, 86 per cent confirmed that they are likely to return, and 84 per cent found the programme content to be useful.

Māori Economic Development

On 14 July, the Māori Economic Development team co-hosted a Social Procurement Symposium with Westpac and Ngāti Whātua Ōrākei. The purpose of the symposium was to promote diversity in the supply chain of New Zealand central and local government and corporates, delivering greater social impact and enabling social change. With local and international speakers, the event was attended by 150 representatives from central and local government, corporates, and Māori businesses.

Procurement Cafés

The Māori Economic Development team delivered the first Procurement Café on 1 August. This was done in partnership with Air New Zealand. The Air New Zealand Kai Café was a unique opportunity to showcase Māori and Pasifika food and beverage suppliers to large corporate procurement teams. The event followed on from the Social Procurement Symposium.

Grow and attract skilled talent

CBD Jobs and Skills Hub

There are 58 people who have been employed to date with support from the CBD Jobs and Skills Hub. About 80 per cent of people have come off the work and income register as at 30 July. About 35 per cent of successful placements are Māori (40 per cent target), and 25 per cent Pasifika (15 per cent target). A full-time Training Co-ordinator has been recruited, and 87 people having participated in

training since the Hub opened in March 2017. Five people have also entered BCITO apprenticeships in the construction industry.

A full-time Hub Operations Manager has been seconded from the Ministry of Social Development to lead the Hub. The Operations Manager started in August. ATEED will continue to chair the CBD Jobs and Skills Hub Interim Governance Group, and maintain an active role in overseeing Hub operations, given the investment in getting the Hub established and relationships created with construction and infrastructure employers.

The CBD Jobs and Skills Hub is now servicing all three of Pānuku Development Auckland's Wynyard Quarter main contractors. The contractors are Hawkins-Downer, Hayden & Rollett, and Fulton & Hogan. The Hub is now also providing recruitment and training services to Fletcher Construction and its sub-contractors at the Commercial Bay and New Zealand International Convention Centre sites in Auckland CBD.

Attract business and investment

Project Palace (Auckland accommodation sector – planned and scheduled construction)

Tourism figures are still showing strong positive growth rates, particularly from North America. NZTE is expected to release new demand vs planned hotel rooms in construction figures to indicate the current room count gap vs demand projections.

Bayleys Realty now has exclusive selling rights on the Albert Street / Wolfe Street site. This site is being actively promoted through Project Palace, and is an ideal hotel / mixed use site due to its downtown location. The site can now be divided into smaller titles if required. The VR Hotel at 401 Queen Street is new to the market and is being sold by the owner with a twenty-year lease to its current hotel operator/tenant. The site is being marketed by Barfoot & Thompson.

The list of latest hotel developments, including star rating and number of rooms is recorded in Appendix II.

Kumeu Film Studios (KFS)

ATEED has engaged Beca to prepare an independent review of the construction programme, which is expected to be completed by early September. The reroofing works of the existing building is approximately 1.5 weeks behind schedule, however will be back on track with an additional roofing team contracted.

Auckland Film Studios

The Finance and Performance Committee (all of Council) voted on 26 July to transfer ownership of Auckland Film Studios (land and buildings) from Auckland Council Investments Ltd (a CCO) to Auckland Council.

Council's Auckland Investment Office (AIO) has been directed to oversee the effective transfer of responsibility for the property, including the studio buildings, to another Pānuku Development Auckland, which can incorporate the land in its development plans for Henderson town centre that have been approved by the elected members. ATEED is in discussion with AIO and Pānuku Development Auckland about ATEED signing a medium-term lease (potentially five years) for the site.

AR/VR Garage

There are currently 21 residents at the AR/VR Garage. Three new residents are looking to join the facility in August. Current sponsors include Datacom, HP, and Microsoft. Discussions are underway with nine potential sponsors, including three international companies who are not currently in New Zealand.

Partners working with the Garage include WNT Ventures, BaseStation, and Bay of Plenty Film. The team at the Garage is working on a number of projects, including the Virtuoso AR/VR piece in collaboration with the ATEED Tourism team, Unity3d's Centre of Excellence concept at the Garage, and AUT students.

A number of events are planned for the coming weeks at the Garage, including the NVidia, Unreal and Generator launch (GridAKL residents), the VRARA sector paper release and launch in Auckland, the Armageddon Booth, as well as several other events.

Statement of Intent KPIs

As at 31 July, ATEED has made progress on some of the targets set out in the Statement of Intent (SOI) 2017-19. KPI results are recorded in the appendix. Key highlights include:

Grow the visitor economy

- Four international business event bids submitted or supported for the first month of the current financial year.

Build a culture of innovation and entrepreneurship

- As at 31 July, the number of businesses resident at GridAKL stood at 67, with 81 per cent of those being considered innovation-led.
- The number of actively managed businesses through the Regional Business Partner programme stood at 54 as at 31 July.

Local Economic Development

- 18 local boards have approved the Local Board Economic Development work programme for 2017/18. The total value of the proposed work programme for 2017/18 is \$886,000 across 31 projects, an increase of \$408,500 compared to the previous year's programme.

Grow and retain skilled talent

- As at 31 July, the number of 'live' signatories to the Auckland Youth Employers Pledge stood at 69.

Promote Auckland's global identity

- As at 31 July, the number of sessions spent in www.aucklandnz.com was 178,194.
- Percentage of visitors to www.aucklandnz.com located outside of Auckland is a new SOI metric and stood at 45 per cent for July.

Burning issues

Accommodation Provider Targeted Rate

ATEED management is working with Council's CCO Governance and External Relationships team on the constitution of a working group to consider options for the targeted rate's governance structure. Council has developed a draft Terms of Reference for the working group.

Council is also looking at options for applying the targeted rate to the informal accommodation sector. In addition, Council is considering how a remission policy could be applied.

Long-term Plan 2018-28

Council has confirmed the LTP roadmap provided to the Board in July. The Mayor will outline his LTP intentions on 22 August, and the Board will be verbally updated on the key outcomes of this at the meeting. Current indications are that ATEED will not be required to provide material input into the workshop process prior to the Mayor's proposal in late November.

Management is developing an optimal process to prepare for the LTP that aligns with the quarterly forecasting, annual planning and draft SOI preparation processes. The Board strategy day on 30 October will be integral to this process.

Road to 2021

An emerging theme for ATEED's work programme in the medium term centres around APEC, which will be held in New Zealand in 2021, and the 36th America's Cup regatta (AC36), which is tentatively scheduled to take place in 2021. Although APEC is acknowledged as an event that will take place across New Zealand, Auckland is recognised as being the primary host city for the large-scale international delegations that will represent each APEC member country. Auckland is also the most likely venue for AC36.

Conversations have begun with Central Government and the Auckland Council family regarding the scope of these events and Auckland's involvement. Initial engagement with senior MFAT staff has suggested that ATEED will be required to provide logistical event support, as well as important advice and leadership in relation to the potential legacy benefits of hosting APEC. ATEED has an opportunity to leverage APEC and AC36, as well as additional events in the years leading up to 2021, such as the NZICC opening and the New Zealand Travel China Year 2019 in order to deliver a further transformational change for Auckland. Meetings with senior MFAT officials are planned for late August once ATEED's new CE is on board.

Finance

Current month's financial results

ATEED is tracking \$1.3m behind budget, with Major Events accounting for \$1.1m of this variance. This is mainly due to a sponsorship payment for the Downer NRL Auckland Nines (NRL9s) of \$1.2m that will not be incurred now due to the event being cancelled.

FY 2016/17 actuals

No reference to FY17 actuals are made in this paper due to New Zealand Stock Exchange disclosure requirements. ATEED will reference last year's results from August onwards, once the Group disclosure is made to the Stock Exchange at the end of August.

FY 2017/18 budget

The current budget was prepared and phased in December 2016. There have been some material changes to ATEED's budget (cancellation of the NRL9s) and changes to our monthly phasing since then. This will be reviewed and adjusted during Forecast 1, which will be completed in September.

The current budget also does not include any roll-over of funding from the previous financial year. In July 2017, ATEED requested approval from Auckland Council to defer \$2.5m of key project opex underspend from the last financial year to the current financial year. Approval is expected to be granted at the end of August, and project budgets will be updated in Forecast 1.

Recommendations

1. The report be received.

Attachments

- ATEED SOI KPI scorecard
- Latest hotel developments in Auckland

Signatory

ATEED

Chief

Executive,

Nick

Hill

Appendix I – ATEED SOI KPI scorecard (YE July)

ATEED KPI Scorecard					Jul-17
ATEED SOI KPIs	Measurement	Date of Measure/latest available result	Latest Result	Annual Target to 30 June 2018	Status
Build a culture of innovation and entrepreneurship					
Number of businesses taking up tenancy at GridAKL (Wynyard Quarter Innovation Precinct) (cumulative) and percentage "Innovation-led" ¹	Number & (%)	31-Jul-17	67 (81%)	100 (70%)	
Number of individual entrepreneurs supported through an ATEED delivered or funded entrepreneurship programme	Number	30-Jun-17	1995	1500	
Level of advocacy by stakeholders involved in the provision of business advice, start-up, training & mentoring programmes. ²	Index	31-Jul-17	+68	+50	
Number of actively managed business through Regional Business Partner programme	Number	31-Jul-17	54	750	
Number of businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP Measure)	Number	30-Jun-17	4178	3000	
Number of Maori businesses that have been through an ATEED programme or benefitted from an ATEED intervention (LTP measure)	Number	30-Jun-17	183	120	
Attract business and investment					
Facilitation of the establishment, or significant expansion, of multinational and local companies in target sectors (LTP Measure)	Number			5	
Number of intensively account managed customers in ATEED Aftercare programme (Aroha Auckland)	Number			85	
Total GDP contribution of deals effected with ATEED involvement	\$(million)			59.6	
Value of investment deals effected by ATEED within the financial year	\$(million)			292	
Grow and retain skilled talent					
Number of 'live' signatories to the Youth Traction Hub Employers Pledge (LTP Measure)	Number	31-Jul-17	69	50	
Number of young people enabled into employment as a result of ATEED and partner activity (Youth - incl. Maori and Pacific youth)	Number			500	
Number of expressions of interest from skilled migrants in working and living in Auckland resulting from ATEED Marketing activity (Talent)	Number		No result	1500 (via LinkedIn)	
Growth in value of international student spend to Auckland	\$(billion)	31-Dec-16	225	2,306	
Grow the visitor economy					
Spend by visitors in Auckland ³	\$(million)	30-Jun-17	7,790	6,617	
Number of international business event bids submitted or supported	Number	31-Jul-17	4	35	
Business event bid win/loss ratio (based on results received in financial year) ⁴	%	31-Jul-17	0%	60	
Value of business event bids won in financial year	\$(million)	31-Jul-17	0	22	
Percentage of customers satisfied with visitor information centres and services (LTP Measure)	%	31-Jul-17	97.5	85	
Contribution to regional GDP from major events invested in (LTP measure)	\$(million)	30-Jun-17	40.6	49	
Percentage of Aucklanders who agree events make Auckland a great place to live (engender pride and sense of place)	%	30-Jun-17	74	80	
Visitor nights generated by major events invested in	Number	30-Jun-17	303,660	165,000	
Percentage of customers satisfied with delivered major events (LTP measure)	%	30-Jun-17	89	85	
Build Auckland's global brand identity					
Total visits to www.aucklandnz.com (LTP Measure)	Number (million)	31-Jul-17	178,194	3.8	
Percentage of visitors to www.aucklandnz.com located outside of Auckland	%	31-Jul-17	45.12%	50	
Local economic development					
Percentage of approved local economic development projects delivered by ATEED using local board "Locally Driven Initiatives" (LDI) funding.	%	31-Jul-17	N/A	70	
Mana whenua engagement					
Percentage Mana Whenua satisfaction with quality of engagement	%	31-Jul-17	29%	Maintain/improve	
<p>Key:</p> <ul style="list-style-type: none"> On track / target exceeded Potential for Slippage Off-track No recent result 					
<p>¹ Innovation-led is defined as businesses developing new or improved technologies or services</p> <p>² New measure replacing the previous percentage stakeholders satisfied with provision of business advice, start-up, training & mentoring programmes (LTP Measure). The change reflects the new methodology (Net Promoter Score) adopted by NZTE for the Regional Business Partners programme. The new metric captures stakeholder satisfaction, loyalty and advocacy. A NPS of +50 can be considered as excellent.</p> <p>³ We are reporting year to date figures from July each FY to provide an accumulative view.</p> <p>⁴ Calculated as wins divided by wins + losses. Does not account for bids pending, not proceeded with, cancelled or not submitted</p>					

Appendix II – Latest hotel developments in Auckland

Hotel name	Location	Category	Star rating	Rooms	Opening date	Stage
Pullman Auckland Airport	Airport	Hotel	5 star	250	YE 2019	Construction commencing late 2017
Ritz-Carlton Hotel	CBD	Hotel	5 Star	266	YE 2019	Consented
Wyndham Garden (Hobson Street)	CBD	Apartment	4 Star	86	Early 2018	Proposed
Wynyard 100	CBD	Hotel		120	April 2017	Consenting - on hold
Ramada Suites Ormiston	Flat Bush	Apartment		46	YE 2017	Construction commencing late 2016
Civic Quarter (old Auckland Council Administration building)	CBD	Hotel	4.5 Star	147	YE 2020	Early planning
Fu Wah Wynyard	CBD	Hotel	4 Star	300	YE 2019	Early planning
Pakuranga Plaza	Pakuranga	Hotel			YE 2030	Early planning
Holiday Inn Express	CBD	Hotel		290		Early planning
Even Hotel	CBD	Hotel		200		Early planning
Warehouse Newmarket Development	Newmarket	Hotel		40		On market - concept plans
Ramada Plaza, Victoria Street (ex-TNZ site)	CBD	Apartment	4 Star	49	YE 2018	Early planning
85 Customs Street East	CBD	Hotel		96	YE 2020	Under construction
NZICC Hotel (SKYCITY)	CBD	Hotel	5 Star	300	YE 2018	Under construction
Park Hyatt Auckland	CBD	Hotel	5 Star	195	YE 2018	Under construction
Ramada Albany	Albany	Hotel	4 Star	66	YE 2017	Completed
Sofitel So	CBD	Hotel	5 Star	130	YE 2017	Under construction
The Sebel Auckland Manukau	Manukau	Hotel	4.5 Star	152	YE 2017	Under construction

Hotel name	Location	Category	Star rating	Rooms	Opening date	Stage
Four Points by Sheraton	CBD	Hotel		255	YE 2017	Under construction
Viaduct Harbour - One Market Place	CBD	Hotel	Luxury	165		On market -concept plans
				3153		

Finance Report, month ending July 2017

Report to Auckland Tourism, Events and Economic Development Chairman and Board

Summary Income Statement For the Period Ended 31 July 2017							TABLE 1
							\$000's
Month				Year to Date			Full Year
Actual	Budget	Variance		Actual	Budget	Variance	Budget
			Net operational expenses:				
251	339	88	Business Attraction & Investment	251	339	88	4,109
2,523	3,633	1,110	Major Events	2,523	3,633	1,110	12,929
765	1,154	389	Visitor and External Relations	765	1,154	389	10,411
772	608	(164)	Business, Innovation and Skills	772	608	(164)	13,779
859	704	(155)	Corporate	859	704	(155)	8,006
5,170	6,438	1,268	ATEED net deficit	5,170	6,438	1,268	49,234
(3)	0	3	World Masters Games 2017 Ltd, net deficit	(3)	0	3	0
5,167	6,438	1,271	Operating deficit before Council funding	5,167	6,438	1,271	49,234
			Approved opex funding				47,791
			WMMG Reserves drawdown				0
			Operating Deficit				(1,443)
			Capex funding				657
			Deficit				(786)

Key Points

Current month's financial results

ATEED is tracking \$1.3m behind budget, with Major Events accounting for \$1.1m of this variance. This is mainly due to a sponsorship payment for the Downer NRL Auckland Nines (NRL9s) of \$1.2m that will not be incurred, due to the event being cancelled.

FY18 Budget

The current budget was prepared and phased in December 16. There have been some material changes to our budget (cancellation of the NRL9s) and changes to our monthly phasing. This will be reviewed and adjusted during Forecast 1, which will be completed in September.

The current budget also does not include any roll over of funding from the previous financial year. In July 17, ATEED requested approval from Auckland Council to defer

\$2.5m of key project opex underspend from the last financial year to this financial year. Approval is expected to be granted at the end of August, and project budgets will be updated in Forecast 1.

FY17 Actuals

No reference to FY 17 actuals are made in this paper due to New Zealand Stock Exchange disclosure requirements. We will reference last year's results from August onwards, once the Group disclosure is made to the Stock Exchange at the end of August.

ATEED total net favourable variance of \$1.3m.

Business Attraction and Investments

July underspend of \$0.1m below budget due to vacancies and timing underspend in professional fees.

Major Events

July underspend of \$1.1m below budget mainly due to permanent savings in sponsorship payments due to the NRL9s being cancelled, sponsorship payment of \$0.2m for ITM Auckland Supersprint made in the last financial year due to a milestone payment triggered earlier than planned, offset by a decrease in budgeted revenue of \$0.3m for the Volvo Ocean Race Auckland Stop-over, planned in July but expected to be received in September.

Business, Innovation and Skills (BIS)

July spend is \$0.2m higher than budget. This is due to the under recovery of Grid AKL net property rental income of \$0.1m due to the change in the opening date, and under recovery of Auckland Convention Bureau (ACB) membership income of \$0.1m. Work is underway to review the membership revenue model and any changes will be factored in Forecast 1.

Corporate

July spend is \$0.2m higher than budget. Insurance of \$0.1m paid in July but budgeted in September and \$0.1m relating to ATEED's contribution to Auckland Council's Strategic Partnerships. This was an agreed overspend that is funded from FY17 opex deferrals.

Income Statement

			Income Statement				TABLE 2
			For the Period Ended 31 July 2017				\$'000's
Month			Year to Date			Full Year	
Actual	Budget	Variance	Actual	Budget	Variance	Budget	
			Operational income				
107	507	(400)	Funding from Government	107	507	(400)	2,589
24	20	5	Sponsorship	24	20	5	2,285
198	269	(71)	Fees & Subscriptions	198	269	(71)	326
91	118	(27)	i-Sites	91	118	(27)	340
151	767	(616)	Sundry income	151	767	(616)	9,884
572	1,682	(1,110)	Total Operating income	572	1,682	(1,110)	15,424
			Total Operating Expenditure				
1,770	1,822	52	Staff costs	1,770	1,822	52	20,921
708	384	(324)	Professional fees, consultancy & contractors	708	384	(324)	7,959
1,811	3,754	1,943	Grants & sponsorships	1,811	3,754	1,943	10,815
68	121	53	Depreciation & amortisation	68	121	53	1,443
43	43	(0)	Shared services and lease costs	43	43	(0)	516
446	841	394	Occupancy	446	841	394	10,623
128	66	(62)	Travel & entertainment	128	66	(62)	1,315
326	173	(153)	General, admin & other	326	173	(153)	2,478
442	916	474	Advertising, marketing & research	442	916	474	8,589
5,742	8,120	2,378	Total Operating Expenditure	5,742	8,120	2,378	64,659
5,170	6,438	1,268	ATEED Net deficit	5,170	6,438	1,268	49,234

Revenue

Total operating income is \$1.1m lower than budget.

Funding from government, \$0.4m lower: This is due to Volvo Ocean Race funding budgeted in July but due in September. There is no risk to funding not being received.

Fees and subscriptions, \$0.1m lower: This is due to ACB membership fees budgeted but not received as the membership model is under review.

Sundry Income, \$0.6m lower: This is due to rental income being lower than planned due to delays in the opening of Mason Bros and 12 Madden Street (part of the Grid AKL Project). Revised opening date is September.

Expenditure

YTD underspend of \$2.4m.

Professional fees, consultancy and contractors, \$0.3m higher: This is due to The Lions' Tour spend budgeted in grants and sponsorships but \$0.2m incurred in professional fees, and unbudgeted spend for the America's Cup Parade of \$0.1m.

Grants and sponsorships, \$2m lower:

- Sponsorship payment for NRL9s of \$1.2m was not incurred due to the event being cancelled,

- Lion's Tour included a \$0.4m budget in grants and sponsorships but actual spend incurred in professional fees, general admin and in advertising,
- Sponsorship payment for the ITM Auckland Supersprint budgeted in July but incurred in June due to an early trigger of the ticket sales milestone.

Occupancy, \$0.4m lower: Rental payments for Mason Bros and 12 Madden Street (part of the Grid AKL project), not incurred due to delays in the opening of the buildings.

General, administration and other, \$0.2m higher: Unbudgeted spend relating to the America's Cup Parade of \$0.1m, and coding of Lions' Tour expenses of \$0.1m.

Advertising, marketing and research, \$0.5m lower: Underspend is due to the timing of Restaurant Month (\$0.2m), Trade Partnership Project (\$0.1m) and the ITM Auckland Supersprint (\$0.1m).

Summary of major projects

Summary of Major Projects: Spend and/or (Revenue) > 0.5m							TABLE 3
For the Period Ended 31 July 2017							\$000's
Month				Year to Date			Full Year
Actual	Budget	Variance		Actual	Budget	Variance	Budget
41	28	(13)	Business Attraction and Investment Kumeu Screen Precinct	41	28	(13)	258
83	83	0	Business, Innovation and Skills New Zealand Food Innovation Auckland	83	83	0	1,000
306	241	(66)	GridAKL	306	241	(66)	3,943
			Major Events				
0	0	0	Auckland Lantern Festival	0	0	0	254
0	0	0	Pasifika Festival	0	0	0	350
15	2	(13)	Tāmaki Herenga Waka Festival	15	2	(13)	500
542	595	53	Lions Tour 2017	542	595	53	595
153	(100)	(253)	Volvo Ocean Race Auckland Stop-over	153	(100)	(253)	2,137
444	716	272	ITM Auckland Supersprint	444	716	272	1,758
0	1,200	1,200	Downer NRL Auckland Nines	0	1,200	1,200	2,000
800	800	0	McKayson NZ Open (LPGA)	800	800	0	1,050
Total of all Major Events Projects				2,326	3,416	1,090	10,600

- **Grid AKL, \$0.1m higher** – Net revenue planned higher in July, but has not eventuated due to delays in the opening of the buildings.
- **Volvo Ocean Race Auckland Stop-over, \$0.3m higher:** Funding from Government budgeted in July, but expected to be received in September.
- **ITM Auckland Supersprint (V8 Supercars), \$0.3m lower:** Sponsorship payment made in the last financial year due to an early trigger of ticket sales payment milestone.
- **Downer NRL Auckland Nines \$1.2m lower** – This is due to the event being cancelled.

Summary Statement of Financial Position

Statement of Financial Position, ATEED Group	
As at 31 July 2017	
TABLE 4	YTD
Current assets	
Cash and cash equivalents	1,694
Receivables and prepayments	16,844
Other current assets, including iSite inventory	31
Total current assets	18,569
Current liabilities	16,357
Working capital	2,212
Non-current assets	
Receivables and prepayments (non-current)	71
Property, plant and equipment	13,169
Investment in Joint Venture, The FoodBowl	2,067
Total non-current assets	15,307
Non-current liabilities	64
NET ASSETS	17,455
EQUITY	17,455
Capex spend	352
Total commitments	\$71.2m

- ATEED has a healthy balance sheet, and commentary against previous year-end balances will be completed, once Group disclosure to the Stock Exchange is completed.
- The significant future total commitments largely due to operating lease costs of \$42m for the GRID AKL program over twelve years.

Recommendation

It is recommended that the Board note the Finance Report for the period 31 July 2017.

Signatories

Manager: Avika Singh, Finance Manager

GM: Joy Buckingham, Chief Financial Officer
