



GrowWellington

Working for business success

HALF YEARLY REPORT

July – December 2012



Half yearly report, July – December 2012

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INTRODUCTION

The Wellington Regional Strategy (WRS) is Grow Wellington's guiding document. It was refreshed in June 2012, after Grow Wellington's 2012/13 Statement of Intent (SOI) was presented to the Greater Wellington Regional Council. With this in mind, the performance standards identified in the SOI were of a more general nature than those that will appear in the 2013/14 SOI. The refreshed Strategy has provided clarity around roles and responsibilities for delivering on the strategy, and a framework for assessing the impact of its activities. Grow Wellington has continued to help businesses along their growth trajectory, and has undergone a significant refocusing of its activities to align them with the refreshed WRS. During the last six months, Gerard Quinn joined Grow Wellington as CEO, and Angela Brownie took up the role of GM, Business Growth.

Grow Wellington has continued to perform well in delivering business capability services under the regional partnership contracts with NZ Trade & Enterprise and the Ministry of Science & Innovation (now incorporated into the Ministry of Business Innovation and Employment).

Grow Wellington's commitment to raising GDP per capita has seen an increased focus on the commercialisation of science and innovation, particularly through its local incubator, Creative HQ. It has

demonstrated its own innovative approach by achieving both public and private sector funding for a digital business accelerator initiative, which will run in the first half of 2013.

A new set of disciplines around Grow Wellington's intervention logic and client criteria is being implemented, along with a greater emphasis on the evaluation of its economic impact and ability to extract leverage of its funds by involving a wider range of participants in its activities. Examples of this approach are being seen in its development of the Visa Wellington On a Plate festival, delivery of sector-based conferences and its management of the Clean Tech Centre at Otaki.

In this period, Grow Wellington has received confirmation that it will provide specified business attraction services under contract to the Wellington City Council. This activity will result in enhanced coordination, additional leverage and increased effectiveness of the regional business attraction story and activities.

Grow Wellington's ability to connect, facilitate and inspire partners, in addition to its understanding of business and economic drivers, remains one of its core competencies, and has been used to good advantage in strengthening the links and contributions of the region's knowledge assets to the regional economy.

BUSINESS GROWTH

The Business Growth team works with businesses to connect them to funding for capability-building, to facilitate better business connections and facilitate businesses capitalising on research and development (R&D) investment for new products and services. Its focus is on businesses with high growth and innovation potential, export orientation and potential for high full time equivalent (FTE) growth.

Grow Wellington's broad market knowledge is integral to its success. Its core ability is to help businesses identify their skill gaps or business needs and connect them to specialists or subject matter experts. The Business Growth team works with businesses to prioritise immediate needs and plan for future needs.

Along with this, it initiates development programmes to build on a wider capability issue across the region and within industries or sectors. An example of this is the Investment Readiness Programme

Grow Wellington measures its performance on a number of different types of activity. Capability assessments and follow up action plans are two important measures. Connections and referrals to other

businesses and agencies that help businesses are other important ways in which Grow Wellington adds to the capability of its clients. Its aim is to work even more closely with businesses using a dynamic engagement model to help them achieve better results. This has meant working with fewer, higher growth potential businesses in a more focused and defined way.

“Grow Wellington's core ability is to help businesses identify their skill gaps or business needs and connect them to specialists or subject matter experts”.

CONNECTING WITH BUSINESS

The Business Growth team is connected to over 3,000 businesses across the region. In July to December 2012, the Business Growth team completed assessments and action plans for 310 businesses. This figure is 40% of the same period in 2011, and represents a change in its client engagement model where it works more closely with businesses to understand their needs. Grow Wellington approved funding to over 100 businesses under the New Zealand Trade and Enterprise (NZTE) capability building scheme representing 113% of our YTD funding budget.

INVESTMENT

Grow Wellington is the regional business partner for the TechNZ R&D funding programme administered by Ministry of Business Innovation and Employment (as of 1 February 2013 this moved to Callaghan Innovation). This programme enables businesses to further their R&D capability and to commercialise their innovation potential through co-funded investment. As at December 2012 Grow Wellington has approved, facilitated and managed the application of, or has referred applications for funding to the Ministry to the value of nearly \$2 million dollars of successful R&D funding.

Raising capital (in the form of equity or debt) is an area of focus for many businesses in the region. Businesses seeking capital are not always ready or well placed to go through a capital raising process. Grow Wellington has identified an area for further intervention and has piloted an Investment Readiness Programme. The central aim is for businesses to be ripe for investment at completion of the programme. The programme is currently in pilot phase and will be ready for full evaluation at the end of April 2013.

Grow Wellington has continued its support for Angel HQ, the Wellington region's Angel Investment Club, this year. Kapiti Angels, an offshoot of Angel HQ, is in the early stages of formation.

In the year ending December 2012, the Grow Wellington Business Growth team has been involved with businesses successful in over \$7 million¹ in capital raising activities with several individual businesses successful in raising \$1 million or more.

Grow Wellington is also exploring the development (and/or enhancement) of sector specific investment groups, starting with the Food and Beverage sector.

“Grow Wellington has approved, facilitated and managed the application of, or has referred applications for funding to the Ministry to the value of nearly \$2 million dollars of successful R&D funding.”

¹ This excludes any investment into businesses being incubated by Creative HQ

CAPABILITY BUILDING

The Business Growth team engages with businesses, assessing their needs and eligibility for funding against certain criteria. Common key areas for development include developing business strategy, marketing and sales strategy, governance and advisory capability and financial management.

As the Regional Business Partner for NZTE, Grow Wellington can approve up to \$520,000 of management capability funding annually. In the year ending December 2012 it has engaged with over 300 businesses in the Wellington region.

Over \$400,000 of funding has been issued by Grow Wellington, with nearly \$300,000 redeemed or 'in progress'.

Grow Wellington has placed 98 interns in the six months to December 2012. A large number of these interns have been placed into the Summer of Tech programme, which is in its sixth year. Alongside this, interns from all of the tertiary institutions have been placed in regional businesses around the Wellington region as well as a number of placement opportunities being made for international student interns.

“Grow Wellington has placed 98 interns in the six months to December 2012.”

WORKFORCE DEVELOPMENT

Grow Wellington's objective in this area is to forge better links between the private sector and tertiary institutions. This enables academic institutions to better develop learning programmes that help to bridge the skill gaps in the workforce enabling education and workforce development.

A key activity in this area is intern placement. The benefits of intern placement are threefold: businesses benefit from the value of having an intern on board working on a specific or immediate need; interns are able to apply learning to real world business situations; and academic institutions are able to better understand learning needs or market gaps.

BUSINESS ATTRACTION AND MIGRANT SETTLEMENT

In the second half of 2012 Grow Wellington continued its role facilitating business attraction and migrant settlement. It has a standing representative on the Wellington Settlement Support Committee and provides business and community introductions for people and businesses moving to Wellington. Under the refreshed Wellington Regional Strategy, the local councils have a focus on being 'Open for Business' and infrastructure enhancement and Grow Wellington supports these activities with its knowledge and connections.

In this period, Grow Wellington has received confirmation that it will provide specified business attraction services under contract to the Wellington City Council.

'Destination Wellington' is a separate contract that was secured by Grow Wellington in a partnered bid with Positively Wellington Tourism (PWT). The programme, funded by Wellington City Council, aims to attract businesses, investment, talent, and students to Wellington central. Grow Wellington has been working with PWT since August, first securing funding and then appointing specialist agencies to undertake qualitative research and brand development that will inform the marketing and sales activity plans.

In December Grow Wellington started an audit of current attraction activity, information gathering, and market assessment, before developing and executing a detailed implementation plan for its attraction activities.

This activity will result in enhanced coordination, additional leverage and increased effectiveness of the regional business attraction story and activities.

PRIORITY SECTORS

SCIENCE AND TECHNOLOGY

In June 2012, in response to the refreshed WRS, Grow Wellington established a new senior manager role. The core purpose of this is to lead the transition from the organisation's Centres of Excellence approach to a focus on releasing the value from the region's science and technology innovation system: commercialisation of high value science and technology-led innovations; R&D funding and investment; new businesses; and the development of the region's workforce to meet sector skills needs, grow its entrepreneur base and facilitate wider engagement between tertiary students and regional businesses.

The major project in the July – December period was the completion of the Innovating for Health Challenge. Thirty-eight submissions were made through Wellington regional universities, research institutes, district health boards, and individuals. Development of proposals was supported by Grow Wellington, with some identified as longer term prospects further down the commercialisation 'pipeline'. Six proposals were nominated as 'leading innovations' because of the depth of the science/technology they brought to bear along with their short to medium term commercial potential.

Prof. Kate McGrath, Director of the MacDiarmid Institute, and her PhD Researcher, Natasha Munro were awarded a grant from Grow Wellington of \$50,000 for their submission, identified as the Lead Innovation, on hard tissue implant technologies. Creative HQ will work with the MacDiarmid Institute, supporting the commercialisation and incubation of the venture.

Other activity in the six months to December 2012 included supporting - along with IRL, Hutt City Council and Kapiti Coast District Council - the shipping of ESG Energy's Green Energy Pod to the 2012 Pacific Island Forum on Rarotonga in late August.

A revised marine energy testing centre proposal was developed, to include short term economic benefits for the region and New Zealand. Upon request from government for a business case, preliminary work funded by Grow Wellington has been commissioned from PwC.

"Thirty-eight submissions were made through Wellington universities, research institutes, district health boards, and individuals."

CLEAN TECHNOLOGY

The Clean Tech Centre in Otaki is a joint sector development initiative between Grow Wellington and Kapiti Coast District Council to foster emergent sector and economic development in the local region. Supported by the Clean Tech Trust, the Centre's purpose is to attract, co-locate, foster and develop business capability for start up and established businesses in the clean technology sector. Currently, there are 17 members of the Clean Tech Centre, most of whom are located at the Centre developing technologies in areas including renewable energy and low emission technologies, electric power solutions and waste management. The project graduated one business from the Centre in the six months to December 2012.

“Currently, there are 17 members of the CleanTech Centre... developing technologies in areas including renewable energy and low emission technologies, electric power solutions and waste management.”

Kapiti Coast District Council further supports commercialisation through its commitment to be a test bed for new technology. Aligned with this is a local action group, Energise Otaki, whose role is to explore the “potential role of renewable energy technologies in providing a new economic dimension for the community”. Clean Tech Centre members have direct access to this group to pitch business and collective clean tech ideas for implementation in the area.

The medium term future focus is to continue to develop regional and national profiles and clean tech business attraction activities.

SCREEN AND DIGITAL

Several changes were made to the way Grow Wellington supports the growth of this sector. It increased the overall level of resources committed to the sector, and applied more focus to offshore business and investment attraction. The sector development and business support programmes were also extended into other high value and high growth industries, such as education technologies, traditional software development, web development, and ICT.

Business attraction activity has initially focused on Chinese, North American and Australian markets. A business attraction pipeline for the sector has been formed with one successful conversion from the Australian market in the six months to December. In addition to relocations, Grow

Wellington supported a range of Wellington businesses to secure offshore deals in the entertainment sector.

Several in-market visits were made to China and visiting delegations from Hong Kong, Zhejiang, Hangzhou, Guangzhou, China and from South Korea took place. This activity was facilitated in conjunction with the councils in the region and supported the attraction pipeline activity.

The New Zealand and Guang Dong (PRC) Cultural Exchange Association was set up in August 2012 by Grow Wellington to bring together a group of Wellington business people and government officials from Guang Dong and Hong Kong encouraging cultural exchange and trade. This resulted in two secured deals for Wellington-based businesses.

“The sector development and business support programmes were also extended into other high value and high growth industries, such as education technologies, traditional software development, web development, and ICT.”

Locally, sector development and business support programmes were again highlighted by the success of the AnimfxNZ conference in November 2012. Through its international appeal, AnimfxNZ continues to facilitate

international deal-making between Wellington-based businesses and our North American partners, while growing international exposure for local talent and businesses. Third party contributions (both private and public) into the event increased.

Grow Wellington partnered with Massey University, Victoria University, and several Wellington-based creative sector businesses and professional services advisory firms to create the Pukeko Intellectual Property Initiative (PIPI), a project that develops animated television concepts for sale to the North American content market. The success of the first year has prompted an ongoing commitment from both universities, and an expansion of business participants. The coming year will expand the project to include video gaming and television content creation.

FILM

Film Wellington, the regional film office, promotes Wellington as a screen production destination, provides film permits, facilitation and advocacy between and on behalf of the eight territorial authorities, the regional screen sector, communities and stakeholders, and supports business development in the screen sector.

Between 1 July and 31 December 2012, Film Wellington facilitated 67 film permits encompassing 106 location permits and handled 432 enquiries.

Film Wellington facilitated, permitted and assisted Taika Waititi and Jermaine Clement's feature film 'What We Do In the Shadows', filmed entirely in the Wellington region. Film Wellington also attracted a three-day, \$500k car commercial shoot for KIA via Robbers Dog, in Auckland. Grow Wellington provided location suggestions and permissions, contacts for facilities and talent, liaised with property caretakers and affected parties, and provided information on local industry, funding, consents and processes.

In the build up to and during the week of 'The Hobbit: An Unexpected Journey' premiere here in Wellington in November 2012, Film Wellington fielded and hosted international media and partnered with the NZ Inc agencies and the Miramar group of companies.

During this time, Film Wellington created and hosted 'Untold Tales' - a business attraction and networking opportunity, featuring the region's screen, digital and interactive companies currently making waves in the entertainment, health and manufacturing industries around the world. Members of the investment community, government officials, big data and digital scientists, local and international media and research and development brains from companies large and small also attended. Significant positive feedback and business opportunities were generated by this event and positive outcomes are still being reported at the time of this report.

"Between 1 July and 31 December 2012, Film Wellington facilitated 67 film permits, encompassing 106 location permits, and handled 432 enquiries."

EDUCATION

Grow Wellington continued to execute its international student attraction strategy during the latter part of 2012 with a continued focus on China.

China activities included two in-bound visits by major Chinese education consultancies to Wellington (in July and October) during which they visited a number of education institutions in the region in order to establish new relationships and build on existing ties. Additionally, Grow Wellington led an education delegation to China in October 2012 to promote Wellington education opportunities and further develop relationships with key education consultancy firms in key cities.

Wellington education providers across all sectors have indicated that Chinese international student numbers will increase in the 2013 calendar year.

Education Wellington launched its new website in December 2012. Key features of the website include multiple languages for target markets, more comprehensive education provider profiles, more connectivity

with social media channels, search engine optimisation, and responsive design so it can be accessed easily on mobile devices.

Since its launch, total visitor numbers and time spent on the new Education Wellington website has more than doubled from the previous website.

“Total visitor numbers and time spent on the new Education Wellington website has more than doubled from the previous website.”

www.educationwellington.co.nz

PRIMARY

Grow Wellington has continued to be an integral part of the Wairarapa Water Use Project in conjunction with Greater Wellington Regional Council and the Wairarapa Regional Irrigation Trust. The Wairarapa Water Use Project is about making more water available to the Wairarapa valley in times of need, and the sustainable use of that water for a variety of purposes. The project has the potential to be one of the largest economic development projects in the Wellington region as the flow-on benefits include new business opportunities, an increase in jobs, better farming outputs and returns, and improved environmental outcomes.

The project has received Central Government endorsement and financial support in the form of an Irrigation Acceleration Fund grant that matches the financial investment from GWRC and spans the investigation phase of the project.

In the six months to December 2012 Grow Wellington continued to focus predominantly on the commercial and structural issues related to the project and has commissioned the development of a financial model that allows for scenarios of capital and operating costs to be assessed. This will assist in the decisions around which scheme options to pursue to delivery.

The focus of Grow Wellington’s involvement will change as the project reaches its various milestones, some of which will occur within the next six months.

FOOD AND BEVERAGE

Wellington’s premier foodie festival Visa Wellington On a Plate (jointly facilitated by Grow Wellington and Positively Wellington Tourism) generated significant economic returns once again in 2012 according to the 2012 Economic Impact Assessment (EIA) from leading economic research and analysis agency BERL.

The EIA measures the economic impact the festival has on the region and data collection has been significantly improved this year resulting in more robust results.

The report shows Visa Wellington On a Plate continues to have strong economic benefit to the region with \$1.41 million in direct spending. This spend generated \$655,000 in GDP and created employment for 14 full-time equivalents for one year. This figure rises to \$2.08 million when applied to spend by people from outside Wellington City.

The festival left an enormously positive impression on attendees with over 91% believing it was successful and wanting to attend again.

Now in its fourth year, Visa Wellington On a Plate complements other iconic Wellington events such as the Hertz Sevens and World of Wearable Art (WOW). In four years the direct expenditure generated within Wellington by the festival has been \$5.5 million.

The festival goes beyond just contributing to GDP and employment in Wellington. Festival events and participating restaurants strengthen the collaboration between local suppliers and hospitality venues across the region and have transformed what is traditionally a quiet period for the region.

In conjunction with Positively Wellington Tourism, Grow Wellington will continue its work to develop the food festival as a standalone independent feature of the Wellington events calendar.

“Visa Wellington On a Plate continues to have strong economic benefit to the region with \$1.41 million in direct spending.”

INNOVATION AND START-UP SUPPORT

Grow Wellington's subsidiary, Creative HQ, is the region's specialist incubation company dedicated to supporting high growth innovative and transformational early stage 'start-up' businesses.

Over the past six months, Creative HQ has supported 22 ventures in incubation, and a number in pre-incubation, and has successfully graduated five ventures.

Interaction with the science and research system continues to grow, and relationships with the Return on Science programme and individual institutions in the region deepen.

Creative HQ's focus on helping start-ups with capital raising has seen several portfolio companies secure private and public investment in a tough investment climate. The quality of the ventures expressing interest in Creative HQ and subsequently being accepted is high, and from a range of sectors including science/R&D sourced ventures.

New Zealand's first digital accelerator programme, Lightning Lab, was announced in the second half of 2012, and commences in February 2013. Set up and supported by Creative HQ, and funded by MBIE and private investors, Lightning Lab attracted 79 applications from New Zealand and internationally. Four of the nine successful teams will

relocate from outside the Wellington region to attend Lightning Lab, including one from Sydney.

The Lightning Lab puts seed investment and intensive mentoring into elite teams of start-up entrepreneurs and pushes them to make their business idea fly within three months. Businesses are supported by a set of dedicated technical and business personnel, mentorship from leading entrepreneurs and business experts.

Creative HQ has run two iterations of the Start-up Sessions, a five-workshop market validation and customer discovery series for aspiring start-up founders and aspiring entrepreneurs.

Creative HQ's Gaming Bootcamp, run in conjunction with VicLink and Victoria University's Design School, has seen four teams of students participating and engaging with Wellington's creative industry leaders to deliver commercial game concepts.

“Over the past six months, Creative HQ has supported 22 ventures in incubation...”

A number of international experts and investors have been hosted through Creative HQ to support the start-up community in Wellington. Creative HQ collaborated with NZTE, WebFund, and Angel HQ to host the 'Geeks on a Plane' tour of 13 international technology 'uber-geeks', bringing together local investors, start-up companies and the visiting geeks at a start-up and investment-focused event.

COMMUNICATIONS AND MARKETING

After identifying a need to improve communication mid-2012, Grow Wellington's communication and marketing efforts have focused on enhancing and communicating the regional story and value proposition by improving the efficiency and efficacy of its various customer channels.

Grow Wellington delivers regular updates through online channels such as the Grow Wellington website, Twitter and LinkedIn group pages, local and international social media pages, fortnightly newsletters, council updates, and regular formal reporting cycles.

The marketing and communications function supported several events and programmes throughout the year including: Innovating for Health Challenge, AnimfxNZ, Untold Tales and Visa Wellington On a Plate. It also makes it easier for businesses to find the online resources they need.

Traditional media engagement was strong in the second half of the year with an average of ten media pieces a month directly generated by Grow Wellington and/or mentioning regional economic development activities.

Online communications have improved significantly in the second half of 2012 with refreshed branding and an average increase of 20% across follower and reader statistics. The Marketing and Communications team, working with Education Wellington, developed and launched a new Education Wellington website in December.

"..an average of ten media pieces a month directly generated by Grow Wellington and/or mentioning regional economic development activities."

STATEMENT OF INTENT MEASURES AS AT 31 DECEMBER 2012

KEY STRATEGIC PRIORITIES	OBJECTIVE	ANNUAL KPI	HALF YEAR PROGRESS AGAINST KPI
Flexibility			
Being flexible to adapt to WRS evolution	To be able to adapt organisational activities to meet the new WRS strategy	Successfully adapted to strategic change	<ul style="list-style-type: none"> Business plan and activity re-focused on refreshed WRS and key result areas Changes socialised with stakeholders and partners
1. Business Attraction			
Telling the Wellington Region's Story	Develop a compelling story for business to buy into locally and internationally	Approach confirmed with PWT and ten ambassadors	<ul style="list-style-type: none"> The Wellington Region's Story is being developed alongside the Destination Wellington programme (the latter being focused on Wellington City) Target lists of key ambassadors have been developed
Targeted business and talent attraction programme	To attract people, businesses or business divisions to the region	50 people/businesses attracted who/which will influence where business is undertaken	<ul style="list-style-type: none"> Business attraction work for the region continues (in collaboration with the Destination Wellington initiative) Increased level of Grow Wellington resources committed and more focus applied to offshore business and investment attraction Contributed to the attraction of one business. Contact Centres New Zealand Ltd (a new venture set up by Contact Centres Australia Ltd) has committed to leasing premises and begun recruitment in Wellington. In its first year, the company forecasts it will create 100 new jobs Assisted Wellington-based businesses to secure three deals in the screen and digital sector, involving North American and Chinese financing and distribution partners AnimfxNZ conference in November 2012 successful with increased attendance and business deals transacted at the conference
Targeted student attraction	To attract students to the region	200 additional students in the region from China and Vietnam with an economic benefit of \$5m	<ul style="list-style-type: none"> Final numbers will not be available until the end of the year Activity to drive results included In-market visit to China in November New website launched Two international in-bound visits hosted



KEY STRATEGIC PRIORITIES	OBJECTIVE	ANNUAL KPI	HALF YEAR PROGRESS AGAINST KPI
2. Science and Technology			
Clean Technology	To commercialise technology in the cleantech sector	Two science-based businesses developed from the region's research	<ul style="list-style-type: none"> CleanTech Centre is operational, with continued support from Grow Wellington and sector partners 17 CleanTech Centre members signed
Biomedical	To commercialise technology in the biomedical sector	Three business cases being developed through the Health Challenge. Strategic review completed and milestones established subject to Health Challenge outcomes	<ul style="list-style-type: none"> One Innovating for Health Challenge project is at proof-of-concept stage One project has gone to market Four projects are in the development pipeline Strategic review ongoing
Science and Innovation Park	To develop a Science and Innovation Park which will attract research-based businesses to the region	Business case completed by December 2012 and milestones met by year end	<ul style="list-style-type: none"> Business case deferred pending strategic review (in the context of the refreshed WRS) Scoping activity and relationship management continued with interested parties
Regional Partnership with TechNZ	To connect businesses to R & D funding and suppliers	\$2m funding from TechNZ obtained for R&D Investment	<ul style="list-style-type: none"> On track to facilitate and manage the application of \$2m dollars of R&D funding by end of FY Grow Wellington continues to be the partner for TechNZ National performance evaluations to be completed by NZTE in 2013
Marine Testing Centre in Wellington	Successfully assist in the evaluation of the feasibility of a Marine Testing Centre	Project funding confirmed	Grow Wellington working with national organisations, and preliminary business case work commissioned from PwC

KEY STRATEGIC PRIORITIES	OBJECTIVE	ANNUAL KPI	HALF YEAR PROGRESS AGAINST KPI
3. Digital, Creative and Services			
Investment Fund (Pounamu)	Support a \$500m investment fund for the digital sector	Fund fully subscribed	Pounamu Fund development efforts have ceased after fund failed to be fully subscribed. Fund promoters are developing a smaller capital raise with no ongoing involvement or commitment from Grow Wellington
Education and industry needs	Develop an education facility for the digital sector	Education facility concept confirmed	<ul style="list-style-type: none"> • PIFI programme developed with industry and running successfully • 98 interns in the six months to December 2012
Promoting Wellington as a film location	To reinvigorate Wellington as a film friendly region	90% satisfaction from Film Sector Survey	<ul style="list-style-type: none"> • Client Survey to be undertaken in the second half of year • Activity to drive results included <ul style="list-style-type: none"> - 67 film permits facilitated with 106 location permits - 432 enquiries handled
Digital Innovation Concept	To develop an Innovation Concept that will support the development of a digital sector in the region	Business case complete and milestones met	Research work and industry consultation undertaken in partnership with Deloitte determined that alternative uses for funding will likely generate more economic benefit for the Wellington region

KEY STRATEGIC PRIORITIES	OBJECTIVE	ANNUAL KPI	HALF YEAR PROGRESS AGAINST KPI
4. Innovation			
Growth in established business	To support existing businesses by connecting them to innovative solutions	\$50m revenue growth from businesses supported	<ul style="list-style-type: none"> Growth figures to date will not be available until the end of the year Activity to drive results included <ul style="list-style-type: none"> The Business Growth team is connected to over 3,000 businesses across the region 310 assessments and action plans for businesses completed approved funding to over 100 businesses under the New Zealand Trade and Enterprise (NZTE) capability building scheme representing 113% of our YTD funding budget Grow Wellington Business Growth Team has been involved with businesses successful in over \$7 million in capital raising activities with several individual businesses successful in raising \$1 million or more
Innovation and start-up support	To provide incubation services for start-up companies	25 ventures supported Nine ventures graduated 69 alumni ventures	<ul style="list-style-type: none"> 22 ventures supported Five ventures graduated 68 alumni ventures Digital accelerator programme launched
Wairarapa Water Use Project	To support the development of the Water Use Project	Financial model available for input into Project	Financial model commissioned by Grow Wellington
Food	To build on the VWOAP platform to assist food export companies	\$3m export growth from businesses supported	Economic Impact Assessment to be completed in August 2013

STATEMENT OF FINANCIAL PERFORMANCE

Grow Wellington Limited Group Statement of Financial Position

For The Period Ending 31 December 2012

	Current Period \$	Same Period Prior Year \$
ASSETS		
Cash and bank balances	589,657	718,551
Total Accounts Receivable	217,560	113,334
Prepayments	2,705	1,167
Fixed Assets (net of accumulated depreciation)	103,301	116,195
Total Assets	913,223	949,247
LIABILITIES		
Payables		
Total Current Payables	218,852.47	187,545.18
Other Liabilities		
GWRC Contribution Advance (Income to be Claimed)	-110,842.46	105,919.26
Income in Advance	374,116.75	303,000.00
Creative HQ Bonds	9,031.56	11,166.56
EWI Trust Funds	78,058.96	76,136.23
Total Liabilities	778,377.95	892,674.93
EQUITY		
Capital		
Total accumulated funds and retained earnings		
Profit (Loss) For the Period	97,837	-405
Total Equity	134,845.45	56,572.37
Liability and Equity	913,223.40	949,247.30

The amount shown as a deficit for Actual YTD versus Budgeted YTD reflects the timing differences based on straight line accruals for expenditure.

Grow Wellington Ltd
Group Summary of Performance

For The Period Ending 31 December 2012

	Actual	Ytd	Variance Actual v Budget	Full year budget
Total Income	3,155,490	3,284,500	(129,010)	6,569,000
Total Personnel	1,891,431	1,763,881	(127,550)	3,527,762
Total Direct Costs	713,402	966,941	253,539	2,233,882
Total Overheads	429,852	360,328	(69,524)	750,655
Total Depreciation	22,968	27,400	4,432	54,800
Operating Surplus	<u>97,837</u>	<u>165,950</u>	<u>(68,113)</u>	<u>1,901</u>