

# King, Alistair

WANAKA CHAMBER OF COMMERCE AND THE CUBE

## 6 Other Comments

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Would you like to comment on any other aspect of this draft 10 Year Plan?

See attached submission



**THE CELL**  
COLLABORATIVE SPACE

Wanaka Chamber of Commerce  
PO Box 80  
Wanaka, 9343

#gigatownwanaka  
28 Helwick Street  
Wanaka, 9305

28<sup>th</sup> April 2015

Long Term Plan  
Queenstown Lakes District Council

## **SUBMISSION ON FUNDING LONG TERM PLAN WANAKA ECONOMIC DEVELOPMENT**

We are writing for Queenstown Lakes District Council support of the Gigatown Wanaka Plan. The plan is designed to be a catalyst for growing economic development in the Upper Clutha region. The plan is to be renamed the Centre of Unique Business Evolution or CUBE for short. Note the plan can be amended to be initiated in any town across the Queenstown Lakes District.

### **Background**

The Wanaka Chamber of Commerce formed a task force in 2010 to identify industries and business that could be introduced or developed in Wanaka to help diversify the economy and make it more sustainable during tougher economic times as experienced during the Global Financial Crisis experienced from 2008 to 2012. The Task force identified a number of opportunities in the health, education, film, knowledge, IT, tourism and sporting industries that could be developed. However a catalyst was needed to get the majority of these industries under way.

The NZ Government announced in 2012 it was investing an estimated \$1.5 Billion in the roll-out of Ultra-fast Broadband (UFB) across New Zealand with the objective of supplying 75% of the population with access to UFB. The Government calculations excluded Wanaka.

The Chamber seeing that this was the catalyst needed and that Wanaka could not afford to be left behind with UFB undertook discussions with Chorus (the Infrastructure company that installs and owns the telecommunication's network in Wanaka) to see what could be done to get UFB into the Central Business Area (CBA). The outcome was a joint venture between Chorus and the QLDC to install UFB that will reach 200 business premises. The Mayor and Deputy Mayor provided a letter of support addressed to Chorus for the initiative.

The council supported the Joint Venture financially contributing \$250,000 to the fibre build that was completed and went live on the 4<sup>th</sup> of April 2015. CBD businesses are now going through the process of connecting to 100MB fibre.

Broadband is seen as an increasingly essential service and New Zealanders believe a better internet experience is vital to our future. Wanaka has been trying to diversify its economy away from just tourism, and Ultra-fast broadband is essential to making that happen.

Fibre is the best available technology to improve our broadband experience. It delivers large amounts of data further and faster than the copper cables that currently deliver most telecommunication services.

Then in October 2013 Chorus announced the Gigatown Competition. This announcement occurred during the negotiations for fibre into the CBD. Chorus allowed Wanaka to enter the competition on the basis that a deal had been reached to get fibre into the CBD. The Gigatown competition was over the course of the 12-month competition Chorus will measure social media and online community engagement in support of each town of the competition. There are about 50 towns involved. The town with the loudest social media voice earns the most points and will receive Internet speeds of up to 1 gig per second (one hundred times faster than current broadband) and various items totalling to \$700,000 in funding. Winning this would mean becoming the only town in the southern hemisphere to have these sorts of Internet speeds creating a fantastic opportunity.

The Gigatown Wanaka group was very strong throughout the period of the competition and Wanaka made the finals. Wanaka was united and stood as one throughout the competition and educated the community on the benefits of fibre and how this can benefit economic growth for the district. Over the course of the competition local individuals and business invested at estimated \$300,000.

The finals included a requirement to develop a Plan for Success. Wanaka's plan (see Appendix 1) was written with two objectives. Firstly to win that section of the competition and secondly to be implemented anyway if Wanaka was not successful in the finals.

Again a successful JV was formed between the Wanaka Chamber of Commerce and the council, with the council contributing \$40,000 towards the finals and the majority of the funds were spent on writing the plan.

Subsequently Wanaka was not successful in winning. However as promised the Gigatown Wanaka group proceeded implementing the plan anyway. The first step was to open The Cell.

The Cell is a collaborative working space for start up entrepreneurs, innovators and professionals, nestled in the heart of downtown Wanaka. The Cell is more than just a shared office. The Cell takes care of everything in your workspace so you can focus solely on unleashing your creative energy. The Cell is a space created for creators, a destination for innovation, and a place where diverse talents collide. The Cell offers our members a unique environment that enables business and personal growth.

We needed funds to get a Office Manager position established to manage The Cell along with further Economic Development progression following the Gigatown campaign and leads generated from this and events as per below. The council contributed \$20,000 towards this.

Individuals, businesses and the Wanaka Chamber of Commerce contributed over \$100,000 to get The Cell up and running. This has been seen by the business community as a continuation of the successful JV between council, the chamber and business.

The Cell will be used to allow those that want to work in a positive and energetic environment the opportunity to move from their home desk space and come and work in the heart of town.

The Cell will also be carrying out the following functions:

- Provision of specialist resource – working with local business The Cell aims to provide those renting space with the opportunity to book with certain specialists for introductory time slots (around 15 mins) for any specific needs they may have. Once a month on set days The Cell aims to have a lawyer, an accountant, a marketer etc available to have time booked. These could rotate throughout the specialist services around town giving them exposure to the possibility of new clients and those seeking the assistance a chance to sound out their ideas or seek advice to take a step forward in their business.
- Co-Starters programme – with local district facilitators that would be trained up by those that created the programme from the US these 9 week courses would run for those with an idea or business concept to work through the steps of setting up a business and learn about all of the aspects involved including financial, marketing, customer service, customer needs assessment, elevator pitch and more.
- Beer & Pizza Nights – in conjunction with those mentors or investors that live and holiday in our district we would invite businesses and individuals to these evenings once a quarter to mingle with these mentors and investors giving them the opportunity to present their ideas concepts for support or funding in a more casual environment and get advice around their next steps for their businesses or ideas.
- The opportunity for it to be hired out as a venue to hold these sorts of events
- The opportunity for people to hire out meeting room space to hold meetings, run workshops etc.
- The Cell also plans to raise funding to kit out a full media editing suite which could be hired for those in the film industry wanting a direct connection to the GiG to plug in and use this high speed network.
- The Cell will also become the open door for those moving to town, or thinking about it, to come and see who they can connect to and provide a space to start in the town. It will also be the networker between businesses and individuals for the area with a 'black book' of contacts that can be called upon to support and help those in their endeavours.
- The Cell will connect the business community like never before.

The Governance of The Cell would be the following:

- As outlined in the Gigatown Wanaka plan there would be the Economic development unit which would be a rebranded Gigatown Wanaka – The Cube. This would be the operating body with The Cell being a function of this. The Cube would have a board of which there would be a representative from Council on this.

Oversight of the funding provided by the QLDC and KPI's that will be in place as follows:

- The measurement of success of this would be those businesses that outgrow The Cell to go on and rent space in town and employ staff along with the number of people that are enquiring through the open doors and being connected to businesses in the area.
- Another measure would also be the number of people utilising the space as this would directly affect the energy and vibrancy of the business community in town.
- The number of events being run out of The Cell i.e. If there are 4-5 Co-Starters programmes running per year then this is a very healthy environment for our community of new business possibilities in the town coming from this that would support local specialist services along with over time growth economically and employment.

We are very confident that Wanaka will benefit from The Cell and the services it will offer and the results will be extremely positive for your business and the town economy. We believe The Cell is a productive tool for the council to show your general support for Wanaka's economic diversity and growth aspirations for business.

As at the 28<sup>th</sup> of April after being open for just on two months The Cell has the following tenants:

Permanent Tenants:

Rob Jewell – CEO at Fox Glacier Guiding

Paul Webster – Web developer at Progression Media and Development,

Mal Law – Owner/operator at Running Wild NZ

Mickey Ross – Photographer/owner at MiclImage

John-Jo – Owner/Filmmaker at Flashworks media

From the 20<sup>th</sup> May

Sara Thompson - Nutritionist

Alex Guichard – Founder and CEO at Revology premium organic furniture

Ongoing tenants:

Two weeks per month:

Elizabeth Carlson – Travel blogger at Young Adventuress, listed on the top ten travel blogs in the world.

One Week per month:

Mark Magill – CEO of Listboom

Awaiting confirmation:

Jean Michel Le Libeau – Lincspun

On top of these permanent and semi-permanent tenancies, we have on average, 1-2 people coming in just for one week while they are on holiday.

## THE CUBE PLAN

The CUBE plan as attached is a Economic Development Plan designed for Wanaka. However the Plan could be used in any town within the QLDC.

### Vision

- A community energised by its own culture. A town that is a destination of choice.
- A culture of building, creating, inventing and learning and equally of fun, excitement, experience and security. A culture where everybody makes a difference and helps others in the pursuit of excellence
- A community that has truly mastered the art of work/life balance, lifting productivity and adding value both as an individual, and as the collective
- A town that has harnessed the collective creativity and skill of its people, building a centre of excellence to be used by all New Zealanders
- A town that is so connected that obstacles to growth and success can be overcome through collaboration and shared vision.
- A town where people want to visit and play without compromising their technology needs.
- A town that is the most spectacular and precious environment in the country. Technology enables us to preserve the sustainability of this environment. A model for sustainable economic progress.

### Strategy

It all started in Wanaka. This group had a vision of a fairer community, a community where the living wage was delivered, not aspirational, where the economy was stabilised through diversity, where education and opportunity were at people's finger tips and barriers to individual growth were removed. A collaborative group with a common focus...the collective social and economic wellbeing of every member of the community.

They set the following strategic milestones:

- Produce a business ecosystem that brings economic diversification to the area. Existing businesses would be supplemented and enhanced through the introduction of new businesses and the application of gigabit enabled technology. The objective being to lift the average local household income by 5% year on year, driven by sustainable economic progress supported by a new pool of high value jobs.
- Support a healthier, safer community with improved opportunities for advancement by utilising a range of gigabit enabled tools to identify and address social issues, improve care for those most at risk in the community, proactively manage crime through the suites of 'smart' tools enabled by high speed connectivity. And to measure and monitor ongoing performance through agreed social and economic KPIs. These KPIs will focus on service driven activities to ensure service quality is maintained and exceptions are exposed.
- Produce an educated community, not just in high tech industries but also in knowledge, social services, arts & culture, sport and obviously tourism. A community that demonstrates their knowledge through a greater number of

startup businesses, greater success in their chosen fields, the ability for the community as a whole to develop and deliver something different, unique, efficient, world beating.

The result is a vibrant, highly creative community through a mixture of skills and experiences that fostered and attracted likeminded individuals. Through this Wanaka has a greater representation of specialist leadership across industries and communities, at a local, national and global level.

### **From Strategy to Action**

Good strategies fail through poor execution. This was recognised as one of the primary risks to delivering the above milestones.

To ensure delivery the team identified the following critical components:

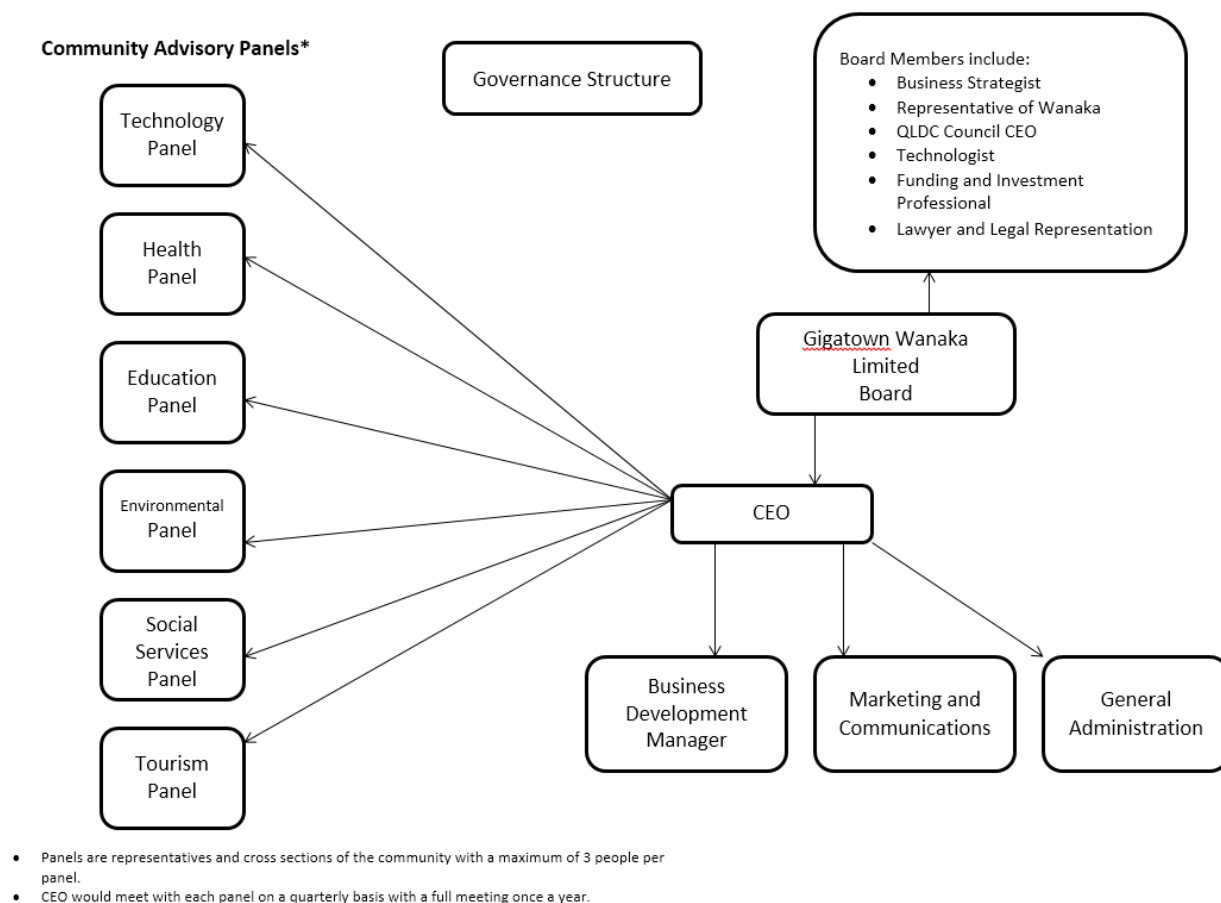
- A robust and diverse governance structure (Refer Appendix 3) with the areas of Strategy, Finance, Local Government, Technology and Tourism represented, accountable to the key stakeholders
- A new business unit responsible for the operational execution of the strategy, fully accountable to the board. This business includes a CEO who also participates in Governance activities in an advisory capacity (no voting rights to ensure independence of the board)
- A stakeholders group with representation from all major stakeholders (refer Appendix 2) to ensure key economic and social issues are highlighted and prioritised
- Common vision and values across all stakeholders
- Strong and enduring public advocacy of the vision and values
- A comprehensive communications strategy to support the flow of information, engagement and activities across the many stakeholders

Overview of key services provided by the CUBE:

- Governance & Leadership
- Education
- Access to Funding - Investment Panel
- Mentoring
- Business Networks
- Collaboration with the Community Advisory Panels. Individually once a quarter and collectively once a year.
- Operational management including Business Development, marketing and communications and PR
- Event and Conference facilitation and management
- Management of The Cell – open collaboration workspace for the community
- Assistance of recruitment for Businesses
- Facilitation of business start-ups and growth – through Start up programmes (Co-Starters) and working with incubator growth programmes
- Facilitation of investment and access to funding opportunities.
- A liaison portal with the community
- Repositioning Wanaka as not just a tourist town

The Governance of the CUBE would be the following:

- As outlined in the plan there would be the Economic development unit which would be a rebranded Gigatown Wanaka – The CUBE. This would be the operating body with The Cell being a function of this. The CUBE would have a board of which there would be a representative from Council.



We are very confident that Wanaka will benefit from The CUBE and the services it will offer and the results will be extremely positive for your business and the town economy.

We believe The CUBE is a productive tool for the council to show your general support for Wanaka's economic diversity and growth aspirations for business, and when successful will be able to be transitioned to the other towns across the Queenstown Lakes District.

The CUBE objectives align with the Key Opportunities as detailed in the QLDC Economic Development Strategy (page 45):

#### Economic Development Arrangements

- a) Encourage expanding economic development activities for the District to include: industry development (for example, for knowledge-based industries), education and investment promotion alongside screen production promotion and facilitation.

1. b) Support the community in the development of District-wide Economic Development functions with a recommended focus on: Governance Structure (including options outside of council), Purpose and Functions, Funding Model, Stakeholder Feedback, Potential Liaison Group structures including: Investment Panel, Private Sector Group (including health, education, knowledge-based, professional etc.).

CUBE will provide Substantial and Identifiable Benefits as follows:

- Wanaka's economy and jobs will grow much faster than normal.
- We also intend to create incremental value for all of New Zealand through our efforts to (i) promote investment funds to support/incubate start-ups and (ii) attract overseas businesses to add satellite offices and high skilled employee rotations in Wanaka
- We have a motivated, experienced and talented group of professionals in Wanaka to manage the business development effort.

### **Financial Contribution**

Over the last three years individuals have contributed a significant amount of voluntary time to this project with the vision for a strong economy measured using financial, health and social measures. These individuals and others going forward will continue to support this vision however it is time for a professional structure to take the CUBE forward.

Included in original CUBE plan is a budget. We anticipate that more conservative start to the plan is required. For ease we have re-forecast the budget and included it as Appendix 2. The original budget requires annual funding of \$1m. However we believe that the CUBE can be scaled to suit. The immediate need is for the basics of office space, a business development manager and administration support. This will require \$297,000 of funding per annum. We request the council provide funding 67% or \$200,000 per annum over a two year period. As additional funding is obtained from Government (we are in talks with the Callaghan Institute) sponsorship from business and revenue from The Cell the requested contribution from the council will reduce. Therefore we would ask that the funding be provided on a quarterly basis in advance so we can adjust downwards as necessary.

**We respectfully ask for a financial contribution of \$400,000 plus GST is made available over a two year period starting 1 July 2015.**

Please contact us with any questions.

Sincerely,



Alistair King  
Chairman  
Wanaka Chamber of Commerce



Kelly Good  
Executive  
The Cell

## APPENDIX 1

#GIGAtown **WANAKA**

## OUR VISION

A COMMUNITY ENERGISED BY ITS OWN CULTURE.

A TOWN THAT IS A DESTINATION OF CHOICE.

*a culture of*BUILDING  
CREATING  
INVENTING  
+ LEARNING...*and equally of*FUN  
EXCITEMENT  
EXPERIENCE  
+ SECURITY.A CULTURE WHERE EVERYBODY MAKES A  
DIFFERENCE AND HELPS OTHERS IN THE**PURSUIT OF EXCELLENCE**

— A COMMUNITY THAT HAS —  
**TRULY MASTERED THE ART OF WORK/LIFE BALANCE,**  
 LIFTING PRODUCTIVITY AND ADDING VALUE BOTH AS AN INDIVIDUAL  
 — AND AS THE COLLECTIVE —

A TOWN THAT HAS HARNESSED THE  
 COLLECTIVE CREATIVITY AND SKILL OF ITS PEOPLE,  
*building a centre of excellence  
 to be used by all New Zealanders*

A TOWN THAT IS SO CONNECTED THAT OBSTACLES  
 TO GROWTH AND SUCCESS CAN BE OVERCOME THROUGH  
 ► **COLLABORATION AND SHARED VISION.** ◄

A TOWN WHERE PEOPLE WANT TO VISIT AND PLAY WITHOUT  
 COMPROMISING THEIR TECHNOLOGY NEEDS.

A TOWN THAT IS THE MOST SPECTACULAR AND  
 PRECIOUS ENVIRONMENT IN THE COUNTRY.

*Technology enables us to preserve the  
 sustainability of this environment.*

A MODEL FOR SUSTAINABLE ECONOMIC PROGRESS.

**WE ARE MAKING IT HAPPEN!**

## Category 1. GIG LEADERSHIP

We need to take a step into the future...what will New Zealand look like in 2024 and what role has Wanaka played to these achievements?

Tourism used to be the major contributor to the local economy however diversification was the solution for Wanaka's Sustainable economic development.

**By 2024 we have harnessed the collective power, energy and intellect of our nation, to enhance a knowledge industry that is delivering high value products and services globally and is recognised as a world leader in the knowledge industry space.**

So how did this happen? It started with a vision. A vision driven by a group of people who have already created their own success, a group who have not only built wealth for themselves but for those people who have been with them on the journey. A group who created jobs and opportunities across a broad range of industries, playing their part in building social and *financial* equity within their communities. A group of passionate New Zealanders who wanted to make a difference to New Zealand.

**It all started in Wanaka.** This group had a vision of a fairer community, a community where the living wage was delivered, not aspirational, where the economy was stabilised through diversity, where education and opportunity were at people's finger tips and barriers to individual growth were removed. A collaborative group with a common focus...the collective social and economic wellbeing of every member of the community.

They set the following strategic milestones:

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Support a healthier, safer community with improved opportunities for advancement by utilising a range of gigabit enabled tools to identify and address social issues, improve care for those most at risk in the community, proactively manage crime through the suites of 'smart' tools enabled by high speed connectivity. And to measure and monitor ongoing performance through agreed social and economic KPIs. These KPIs will focus on service driven activities to ensure service quality is maintained and exceptions are exposed.

Produce an educated community, not just in high tech industries but also in knowledge, social services, arts & culture, sport and obviously tourism. A community that demonstrates their knowledge through a greater number of startup businesses, greater success in their chosen fields, the ability for the community as a whole to develop and deliver something different, unique, efficient, world beating.

The result is a vibrant, highly creative community through a mixture of skills and experiences that fostered and attracted likeminded individuals. Through this Wanaka has a greater representation of specialist leadership across industries and communities, at a local, national and global level.

### From Strategy to Action

Good strategies fail through poor execution. This was recognised as one of the primary risks to delivering the above milestones.

To ensure delivery the team identified the following critical components

- A robust and diverse governance structure (Refer Appendix 3) with the areas of Strategy, Finance, Local Government, Technology and Tourism represented, accountable to the key stakeholders
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## **How has business changed in 2024?**

Business has changed from how we knew it...it is economic collaboration, a collaborative cell of entrepreneurs and likeminded creators fostering innovation and new business development. Competition has been complemented by collaboration through the ability to share ideas and resources.

Gigabit speed internet has delivered on several levels. High speed connectivity has attracted big business to the area. Big business has attracted new support services to the area. New businesses have grown to provide new jobs, not only within the businesses themselves but also in support of the uplift in population. It has also driven up consumption in the local economy.

In addition, Gigabit speed internet has given the local community access to fast efficient online education, allowing them to take advantage of new opportunities.

Gigabit speed internet has attracted to the region a number of 'Big Data' businesses such as the film and TV industries, the education industry, the scientific industry because of the ability to combine the unique environment Wanaka offers with high speed connectivity, offering a compelling reason to attract the best skills in the world.

Some of these people, with the support of Gigatown Wanaka Limited, have struck out on their own and developed new businesses on the back of highly innovative products and services.

Due to the air quality, NASA were already working in Wanaka in 2014 and now have a permanent team on the ground.(refer Appendix 5:Excerpt from NASA Press Release) Due to their alliance with NASA, Google has also setup base in the area. Google's tech campus, coupled with Wanaka's natural environment has made it the educational institution of choice for global experts and educators, with gigabit services enabling them to deliver their services seamlessly to any part of the globe.

## **How has the community changed in 2024?**

The lines between the community and business have blurred. As part of the GIGATOWN WANAKA LTD economic development programme setup in 2014, the businesses must incorporate a 'social & environmental responsibility' element into their business plans, demonstrating where they will make or support change on social and environmental issues. This may be through mentorship and local development programs or through funding of social initiatives. This promotion of Public/Private collaboration has evolved into a core component in the DNA of the local business ecosystem, resulting in improved living standards, a measurable reduction in crime YOY since 2014 and reductions in social services spend.

## **What were the challenges back in 2014?**

The first five years were the most critical. The success of the GIG strategy was to build the GIGATOWN community to a level where its own energy and inertia allowed it to drive a new self-funded collaborative culture.

The biggest challenge to this was funding. Year one was the most difficult. Wanaka had a tight budget, just \$1.050M (Refer Funding & Investment - Appendix 4) with expected increases of 10%-15% YOY for the first 3 years. The GIGATOWN WANAKA LTD team were fortunate to have a significant level of support from local government around ongoing funding and operations. In addition to this there has been solid commitment from existing national funding groups as well as a number of confidential local supporters.

In addition, a modest income derived from GIGATOWN WANAKA LTD working with local businesses and the financial support of local entrepreneurs created a buffer for any extraordinary costs. Any surplus funds are reinvested back into the community.

It was identified early on that funding although important, was not the primary means to delivering the plan, rather skills and effort where the key. Focusing on the quality of the team, not the quantity (refer Appendix 2), a small, highly productive, highly agile team was pulled together. This team did not have the overhead of legacy systems to contend with and being largely independent of local and central government, the ability to make change wasn't constrained through bureaucracy and red tape.

## **How has this changed New Zealand in 2024?**

Wanaka developed a blue print for success. We were, and continue to be the foundation model for creating a unified community in New Zealand, a town built on contribution by all of the community, for the benefit of all of the community.

This globally recognised blueprint is the foundation of the Gigatown Sister City mentor program implemented by Wanaka in 2019.

The Gigatown Sister City programme has now been running for 5 years and delivering similar results nationwide, with strategic and point solutions being driven from GIGATOWN Wanaka. As part of the programme an online community was formed to share experiences and learnings, educate and advise fellow townships and provide a knowledge pool to be drawn on by everybody.

**SO THAT IS THE FUTURE...**Is it ambitious...absolutely! Can it be delivered...absolutely!

We have the vision...we have the plan...we have the people...we have the energy...we have the funding....we are ready to go....**We just need the GIG!**

## THE TEAM BEHIND GIGATOWN

**PETER MARSHALL**

Entrepreneur and active community member. Founder of EftPos NZ. Founder of Tallon Systems. Partaking in a number of local projects including development of Corbridge Estates. A passionate advocate for the Wanaka community.

**KELLY GOOD**

Career in Marketing for leading New Zealand export brand Navman, managed the European marketing. Now established herself along with husband Duncan as leading Real Estate agents in the Wanaka market covering both commercial and residential transactions.

**ALISTAIR KING**

Crowe Horwath Principal - Business Advisory. Specialist in governance, business structures and restructuring, financial modelling, feasibility and taxation. Chairman of Wanaka Chamber of Commerce.

**HETTY VAN HALE**

Marketing, corporate communications, sponsorship, event management and governance. Specialises in property development and marketing. Director of Snow Sports NZ, Communications Manager Infinity Investment Group, Chair Festival of Colour.

**ARNA CRAIG**

Founder and Director of Fever Pitch, Wanaka's very first Creative Digital Marketing agency, dedicated to all things digital. She hails from a retail and e-commerce background having working in London for the UK's fastest growing outdoor adventure company 'Mountain Warehouse'.

**WAYNE HUDSON**

Founder of Whiplt, a consultancy business primarily to technology companies focused on the technology business sector, advising on the commercialisation of intellectual property, the sale and purchase of technology businesses, capital raising and structuring start-up businesses.

**RICHARD PROUT**

With experience in key technology areas Richard's background includes; Director of Kinesis: sold to Price Waterhouse Coopers for NZD \$25m; Founder of Smart-Groups, the precursor to today's social networks, sold to Freeserve/Dixons Retail for USD \$100m; Founder of Solution Foundry Ltd, a boutique software company specialising in automated investment and trading software. Now owner of 1791 Diamonds an online international diamond engagement ring website [www.1791diamonds.com](http://www.1791diamonds.com).

**STEVE TURNER**

Steve was co-founder and co-CEO of Capital IQ. Capital IQ is a software and data analytics service provider for financial institutions. Founded in 1998, Capital IQ raised \$42 million in venture capital and sold for \$230 million to Standard & Poor's in 2004. Steve then became an Executive Managing Director of S&P and grew Capital IQ to 4,000 employees and \$300 million in revenue before moving to New Zealand in 2008. Prior to Capital IQ, Steve was an investment banker with Wells Fargo, GE Capital and Bear Stearns. Steve is Chairman of Broken Shed Vodka.

**TREVOR CRAWFORD**

Has worked in the computer industry since 1980. Working world-wide for banks in software development, design, IT consulting, and project management, joined Microsoft in 1993 initially building Microsoft's reference customers in banking and then returning to New Zealand as head of their consulting and business support services. Settling in Wanaka in 2001. Currently mentors and invests in businesses and software. Trustee of the Mount Aspiring College Foundation.

## KEY STAKEHOLDERS

Chorus / Internet Service Providers  
Chambers of Commerce  
Lake Wanaka Tourism  
Central Government  
Local Government  
Otago Regional Council  
Local Business Groups  
Local Community Groups  
Social & Public Service Groups  
Education Services  
Art & Culture Representatives  
Environmental Representatives  
Queenstown Lakes District Council

## Category 2. SMART TOWNS

### What is a Smart Town?

A town that self manages its resources  
A town that delivers contextual information to people when they need it  
A town that delivers financial value to its rate payers through efficient systems  
A town where the environment is monitored and proactively managed  
A town where health and wellbeing are supported in real time by technology assisted support services  
A town with enhanced security and policing  
A town that manages traffic and parking through intelligent management systems  
A town where access to education and information is freely available through public facilities  
A town of public and private collaboration to meet the vision  
A town that places emphasis on digital equity (availability of technology for all ) and community education  
A town a safe town, where technology supports public safety and crime prevention

### Tourism in 2024

Tourism is a major contributor to Wanaka's economy. Enhancing the visitor experience will increase the brand value of Wanaka, lift the profile of Wanaka as a tourist destination and boost economic activity within the region.

The key to lifting the visitor experience is unlocking the hidden "gems" that make Wanaka special. 'Tools' such as Smart Community Noticeboards with interactive live streaming video feeds showcase what Wanaka has to offer.

Smart signage strategically placed around the town that provides contextual information by tapping your smart phone against it. Quick references to amenities (ATMs, Public Toilets, Banks etc), accommodation, food and beverage, adventure and outdoor tourism events and more. Contextual information at their fingertips.

Streaming live video from Wanaka to target audiences globally. The ability for tourists to share their experiences with friends and family in real time through advanced data services offered through the Hotel/Motel network and through free Wifi access (sponsor funded) to popular social media sites.

Tech Tourism has been a major contributor for the area. Wanaka average 2-3 major technology events a year based on a tradeshow concept. Over multiple days, local and global technology is on display across the region. Subject matter is split up into multiple streams, with subject matter experts interacting with intimate groups while the sessions are simultaneously streamed on the internet. Larger 'auditorium' style presentations are presented with multiple presenters being streamed in from across the globe.

Education Tourism has also benefited from gigabit data services. Combining the unique landscape of Wanaka with the available technology opened up the ability to access to provide world class presenters, academics and influencers via live, high definition streaming video. The barrier to aligning busy schedules, conflicting engagements has been greatly reduced do to the accessibility and immediacy the technology provides, enabling a better quality, more seamless experience for both presenters and the audience.

ACCELERATE, modeled from GIGTANK Chattanooga, is a startup accelerator connected to a high-speed fibre network. Hosted by Gigatown Wanaka Ltd, this annual programme attracts entrepreneurs from across the globe to Wanaka, NZ. With Internet speeds 100x faster than the national average, Wanaka offers entrepreneurs the opportunity to innovate on the broadband platform of the future.

Throughout the ACCELERATE experience, startup teams enjoy support from a robust network of mentors, industry specialists and business development resources as they prepare their next-generation ideas for the marketplace over a 3 month period.

### Health Services in 2024

The major winners of gigabit technology are the community members most at risk.

A real advantage is the ability to deliver specialist services in the mental health and specialist service industry. Gigabit services enables both the import and export of high value medical skills. Via high definition video, specialist scan assess medical conditions as if they are present in the room. Disciplines such as psychologists, psychiatrists and other specialists can engage with remote clients through high-speed data services. The quality of the service is such that the practitioners can 'read' the clients as if they were in the room. There is also the economic and environmental benefits to the local community. Bringing expert services into the Wanaka community reduces the need to travel, saving both money and reducing our environmental footprint.

Local medical experts can draw on national and international expertise in an immediate and interactive way, greatly improving the patient experience and outcomes.

The above are just a handful of examples of how gigabit services enhance Health Services and the wellbeing of our community, not only through the offering of health services but also through the reduction of the feeling of isolation for our community to health services.

Health is a data intensive industry. Gigabit services not only removes the barriers to many existing issues, they also create an environment for future thinking.

Place this inside an Innovation hotspot and the potential is limitless.

### **New Zealand Most Efficient Town**

Growth requires planning. Planning requires data. Wanaka is perfectly positioned to lead New Zealand in the development of Smart Town Planning.

In 2014 Wanaka had approximately 7000 permanent residents, a number that swelled to 12,000 – 13,000 during peak tourist seasons. The permanent resident number is now closer to 20,000 in 2024, with visitor numbers expected to be equal to the permanent resident numbers at peak tourist times.

So how do we manage this variability? We capture and model information from several sources to identify and mitigate town flow blockages by incorporating machine to machine opportunities and deployment of kiosk, sensors and connected devices allowing measurement of the town's performance in a more granular way.

For example, we embed sensors in car park's that capture occupancy. We also embed sensors in the roads to capture traffic volume. Where the car park occupancy is at 100% and the local traffic volume is high we can identify a shortage in parking. Not only does this benefit long term strategic planning, it also provides real time information to motorists and residents on where parking is available and/or allows people to avoid congestion.

Street lighting can be managed based on activity. Sensors embedded in lamp posts can identify foot traffic in the area and activate lighting on an as required basis. This will improve security, reduce crime, reduce council expenditure and reduce the town's carbon footprint.

This same principle can be applied to virtually any council managed resources, from water services, waste services, lighting, roading and more.

In terms of strategic planning, this data is invaluable. Gigabit data services will allow the aggregation of huge levels of data which can be used for predictive modelling for council provided services. We can predict the blockages and pressure points before they happen, resulting in better management of council resources and expenditure.

### **A Smart Town is an Educated Town**

A key initiative to driving opportunity in the town is ensuring access to technology is available to all ages. We removed these barriers by providing free public access via the library and other community spaces for the purpose of further education.

Aligned to the Innovation Ecosystem Blueprint program, there are a number of programmes to develop skills that add value to the Innovation Ecosystem Blueprint.

Working with age groups from the very young to the more experienced, the programmes aim is to provide the spring board into further education and cement a culture of Innovation, creativity and technical aptitude within the community.

It has been recognised that exposure to technology benefits not only the youth of the town, but the town itself. There is evidence that engaged youth go on to develop better social and life skills and are less likely to be involved in crime.

Educating both parents and children on the best application of technology removes the fear of the unknown, promotes safe use of technology and installed the value of technology in the home.

Many senior members of the community are looking for further education. This not only promotes better engagement within the community but also breaks down barriers to technology playing a role in monitoring their health and wellbeing.

An educated town will both feed into and benefit from each other, providing a diverse, interesting, creative culture. It is this culture that develops and attracts likeminded people to the town.

## **A Smart Town is a Safe Town**

Wanaka is a safe and friendly town but technology has kept it safe. The police and community have adopted tools such as high definition CCTV, facial recognition software, number plate tracking. These tools all demand Big Data services. The combination of these tools has provided local law enforcement the tools to identify and predict crime.

Search and Rescue has become much more effective with the ability to create and share local GIS data. Drones are now common-place tools on the search for missing skiers and hikers, utilising GEO-DATA to perform grid searches in challenging terrain.

## **Collaboration is the Key**

Under the umbrella of Wanaka Gigatown Limited, the community panel groups (refer Innovation Eco-system | Appendix 2) comprising appropriately qualified people has been formed to develop a technology blueprint for the town. This group is tasked with identifying milestones, identifying commercial and technology partners, attracting and managing funding and providing governance across the process.

### Category 3. INNOVATION ECOSYSTEM

#### **Staying in 2024, let's reflect on the journey.**

Identified as one of the critical components, Gigatown Wanaka Limited was created combining a governance structure alongside community advisory panels to collaborate and drive the town forward in sustainable economic diversification. (Refer Appendix 3)

Its mission statement was

*To develop an integrated commercial ecosystem that promotes the creation and commercialization of knowledge based products*

*To develop a collaboration framework between business, local and global educators and the broader community to foster talent, entrepreneurship and leadership skills*

*To build and promote the global GIGATOWN brand as a catalyst for growth, prosperity and opportunity*

Overview of key services provided by GIGATOWN WANAKA LTD:

- Governance & Leadership
- Education
- Access to Funding - Investment Panel
- Mentoring
- Business Networks
- Collaboration with the Community Advisory Panels. Individually once a quarter and collectively once a year.
- Operational management including Business Development, marketing and communications and PR
- Event and Conference facilitation and management
- Management of The Cell – open collaboration workspace for the community
- Assistance of recruitment for Businesses
- Facilitation of business start-ups and growth – through Start up programmes (Co-Starters) and working with incubator growth programmes
- Facilitation of investment and access to funding opportunities.
- A liaison portal with the community
- Repositioning Wanaka as not just a tourist town

#### **Strategy to Action**

Delivery of the strategy required a change in mind-set. A move from traditional competitive commercial environments towards collaborative engagements where strategic complementary relationships are formed and fostered.

The initial challenge was to build Wanaka's knowledge industry core. In 2014 a number of significant businesses and educational institutions had signaled that they wanted to invest in Wanaka (Refer Appendix 5) once gigabit internet services were available. Due to the unique environment Wanaka provided in terms of locations and advanced connectivity, major local and global players in the tech space had already indicated strong interest in placing resources in the town.

The focus was on attracting global 'Big Data' businesses to leverage off the Gig. An example of this is the Education industry. This industry was changing through a new approach that delivers specialist education via virtual classrooms, enabled through high definition streaming video.

Combining traditional education with virtual classrooms, Wanaka was able to take full advantage of this model and offer high end exclusive international student services locally. Conversely Wanaka based students have access to international education providers providing higher education not available locally.

Further to this, through public/private enterprise, the town took full advantage of the remote education market by delivering high definition outdoor technology specific specialist education to global markets.

The film industry has also taken full advantage of the technology. In 2014 the National Transport and Toy Museum General Manager Jason Rhodes had a vision to bring major film companies to Wanaka such as Disney and Paramount Studios by providing infrastructure and props not available elsewhere. Having realised his vision, this has been the catalyst for the growing post production and animation industry.

NASA and Google have also developed significant footprints in the area. NASA was first to set up in Wanaka. Their interest was in launching balloons in the clear skies coupled with world class data services. On the back of research coming out of the area, Google recognised the unique environment and the depth of intellectual capital now resident in Wanaka, not only through NASA's presence but also the film and education industries, investing in an education and development facility in collaboration with NASA and local educators.

Using this group of high profile customers as a cornerstone, GIGATOWN WANAKA LTD created an Innovation Ecosystem Blueprint (IEB), profiling complementary education and business models, then identifying suitable national and global candidates for active recruitment. A key criterion was the ability for these candidates to set up a presence without any significant impact on the social and environmental assets which make Wanaka unique.

### **The Innovation Framework**

The concept was simple. To enter into the Wanaka commercial ecosystem via GIGATOWN WANAKA LTD, businesses must commit to supporting a number of deliverables including a 'social responsibility' element within their business plans through mentorship, education and funding.

The program pathways were developed as part of the IEB and were run by GIGATOWN WANAKA LTD. These pathways were not necessarily industry specific and included a broad range of initiatives from business, to Social Services, Arts & Culture and more. The objective was to address not only the business and innovation requirements but also to build an engaged community where social, environmental and artistic endeavors held an equal balance with commerce and innovation. This holistic approach would go on to provide an environment that supported not only commercial needs but provided a unique social and cultural experience for the whole the community

The focus of the programmes was to target and build elements of the Innovation Ecosystem that require further strengthening. The growth was organic but within a framework that ultimately delivered a fully integrated, collaborative environment.

This published framework allowed both businesses and educators to model their products and services around the blueprint, delivering complementary products and services into a known market. This provided increased security around their investments and was a catalyst for the influx of investment in to the area.

This framework offered a blueprint for growth for aspiring entrepreneurs, coupled with a quality support framework and skills base

This reached a level of cultural maturity where the barriers to sharing ideas and collaboration were largely removed within 3 years. By 2019 the collaboration culture was firmly embedded in the Innovation ecosystem and was part of the DNA of the Wanaka business and education environment

Now, in 2024, this innovation framework is being rollout out across towns and cities nationwide as part of the National GIGATOWN LEADERSHIP PROGRAMME

### **The Innovation Ecosystem Blueprint**

There were a number of key deliverables for the Innovation Ecosystem Blueprint.

- It must consider the environmental impact to the town
- It must contribute to the local economy
- It must commit to engage, educate and employ locals where possible
- It must be able to honour a minimum commitment to one or more of the IEB program pathways.
- It must advocate the GIGATOWN principles, values and framework

The Innovation Ecosystem Blueprint provided a holistic approach to ensuring an equal balance of commerce, innovation, creativity and social responsibility within an integrated framework

### **The Wanaka Business Centre**

To foster innovation GIGATOWN WANAKA LTD created The Cell, a shared space offering access to general office facilitates, business education material, video conferencing facilities and business mentor/advisory services. The Cell in managed under the GIGATOWN WANAKA LTD framework and are largely funded via the Innovation Ecosystem Blueprint program with funding and services provided by local businesses

To encourage collaboration, Wanaka Unlocked was created. Wanaka Unlocked is a quarterly meeting of existing businesses and aspiring entrepreneurs run by GIGATOWN WANAKA LTD. The format is “What can we create today together”, fostering innovative collaboration, initially with an ‘Outdoor Technology’ focus.

Examples of some of the programmes run by the Cell are:

- “Co-Starters” programme. A 9 week programme conducted by trained facilitators to assist start-up businesses in understanding the business requirements around start-ups and provide opportunity to test their business cases.
- “Unlocked” Nights. A quarterly event where Gigatown Wanaka Limited invites along key mentors, entrepreneurs and possible investors from the community to have a beer and rub shoulders with businesses or entrepreneurs looking for some direction or assistance or just to sound some ideas.
- Discovery Day. Already in planning, Gigatown Wanaka Limited intend to run regular “Discovery Days” where businesses that are already utilising technology to advance their business or those that have had key successes and learnings to share with the local community. These are run by the individual businesses themselves and Gigatown Wanaka Limited is responsible for the setup, marketing and management of the event.

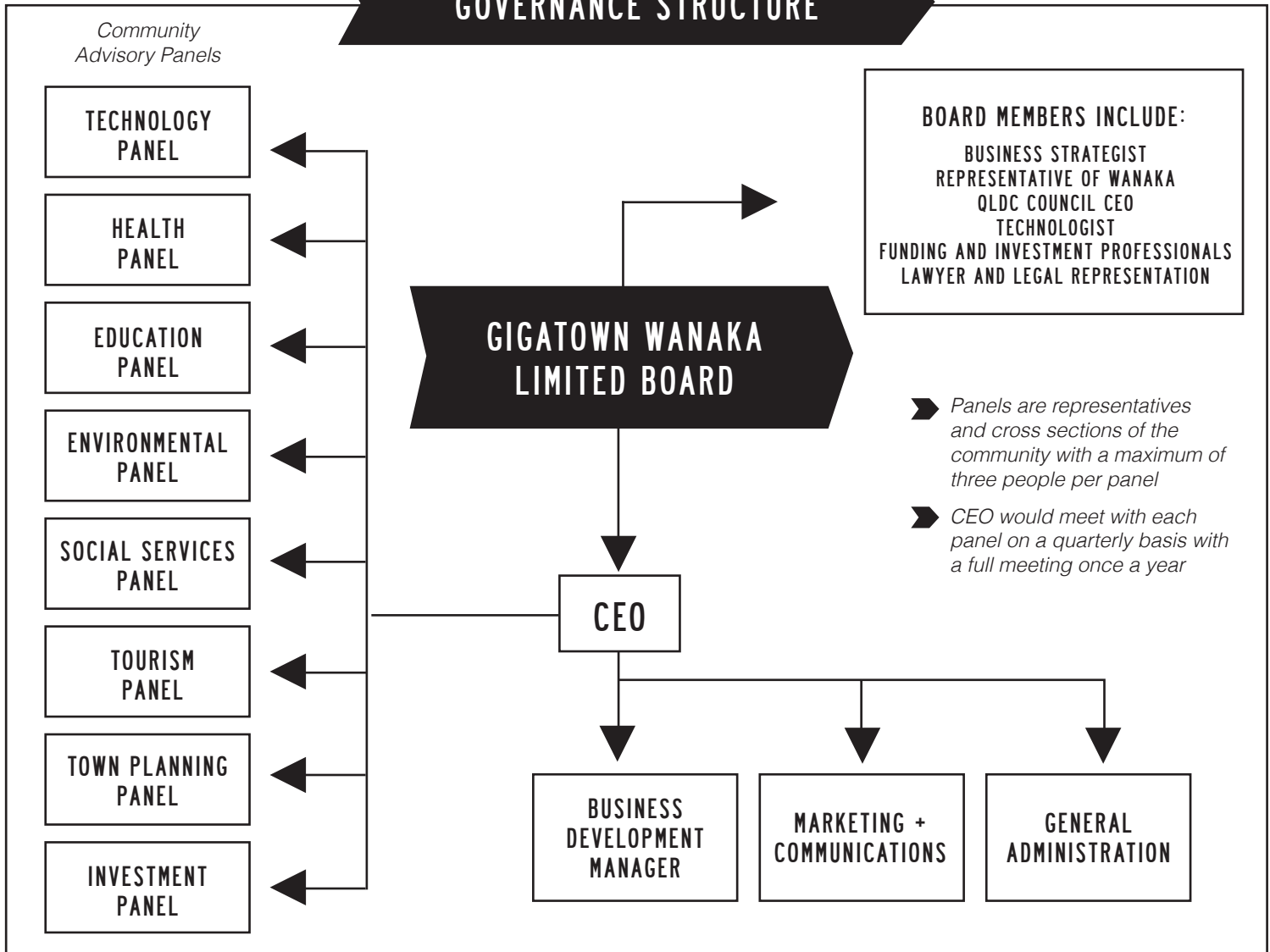
Investment is critical to innovation and growth of concepts and ideas developed through The Cell. Bi-Annually the GIGATOWN WANAKA LTD Investment panel is convened. The panel is made up of 5 local investors and 5 international investors. The international investors have the option to physically attend or participate via a live video link. The investors are by invitation only and are selected based on the concepts and ideas being proposed

Wanaka, due to its high representation of entrepreneurs, financiers and investors, has the global network to attract the right type of investor. With gigabit services in place, barriers to access these investors have been opened up due to the combination of existing relationships and high-speed communication capabilities

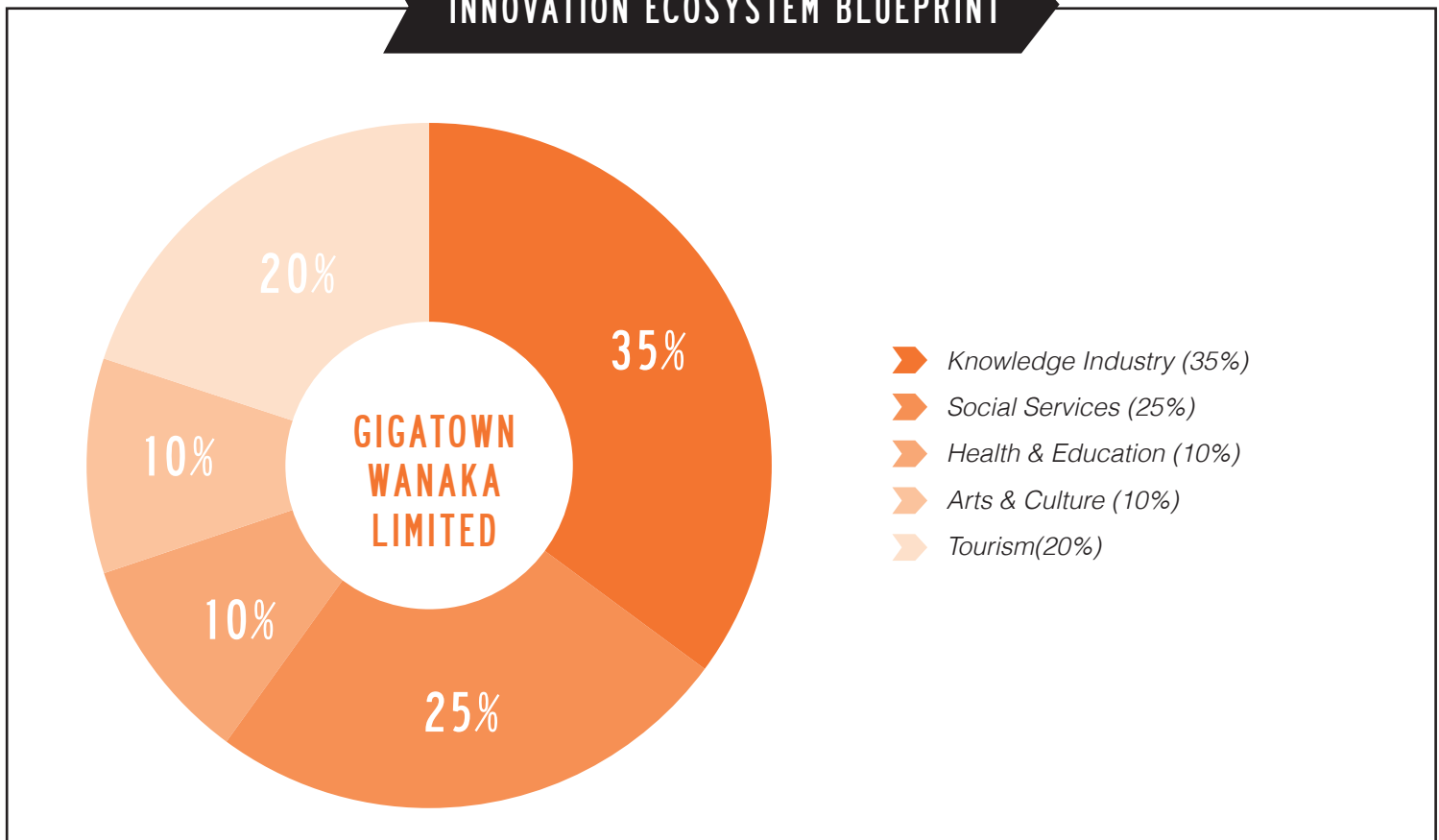
## **BACK TO TODAY...**

We have the vision...we have the plan...we have the people...we have the energy... we have the partnerships...we are ready to go....We just need the GIG!

## GOVERNANCE STRUCTURE



## INNOVATION ECOSYSTEM BLUEPRINT



## Category 4. FUNDING & INVESTMENT

Gigatown Wanaka Limited has been structured to ensure appropriate funding and investment for participants of the IEB programme, now and in the future.

To achieve our goals we have leveraged off our relationships within Wanaka's existing investor community and established a business hub that focuses on the commercialisation of outdoor technology.

### GIGATOWN WANAKA LIMITED FUNDING

To successfully implement the plan detailed throughout this document GIGATOWN WANAKA LTD established funding from a number of sources. Experience in other parts of New Zealand has shown that economic development agencies work best under a combination of private, council and government funding sources.

GIGATOWN WANAKA LTD has been successful to date by having a combination of local, national and council funding partnerships in place. We expect these partnerships to continue with additional partnerships established with new stakeholders.

Funding sources for GIGATOWN WANAKA LTD's \$1.050 million annual budget include:

- 43% QLDC Council funding
  - *GIGATOWN WANAKA LTD enjoys a strong, supportive and cohesive relationship with QLDC. Together we have agreed on a resource allocation to underpin our effort. We are excited to have them in our corner as we develop and execute our plan the plan.*
- 33% Income from operations
  - *As the operating sponsor for the Cell (Wanaka's new incubator environment) we will earn income from rent and formal mentoring events and direct consulting for companies. Further, GIGATOWN WANAKA LTD will use the Cell hub as a platform for additional income opportunities such as conferences and other events.*
- 17% Private and public sponsors.
  - *GIGATOWN WANAKA LTD's aggressive reach out to technology companies and influencers to have a physical and employment presence in Wanaka has "turfed-up" a number of attractive funding sources we expect to be able to close on under the umbrella of winning the Gigatown competition. We are highly confident we can exceed our funding requirement for our budget from these potential sponsors.*
- 7% Existing Wanaka business community.
  - *Our highly engaged existing business community has already demonstrated their appreciation for GIGATOWN WANAKA LTD's ability to facilitate economic growth, by funding much of our current budget. As winners of Gigatown we are confident their wallets will remain open to help execute the plan.*

GIGATOWN WANAKA LTD's \$955K of budgeted annual expenditures are outlined in appendix 4. Budget expenses can be summarized as follows: 38% for staff wages, 21% for producing conferences and events, 18% for office expense, 10% for PR & marketing and 12% for general and administrative.

### PUBLIC/PRIVATE PARTNERSHIPS

Wanaka has established partnerships with equipment and software providers. Wanaka has positioned itself as a "test bed" for new services and equipment. By establishing partnerships with major companies (e.g. Google, Samsung, Dell, Microsoft), Wanaka has leveraged off the Innovation Ecosystem to deliver cutting edge innovation that major technology businesses will want to align to.

### THE NG CONNECT JOINT DEVELOPMENT FUND

Any new venture fund wants to be in an environment of other venture investors and technology talent with entrepreneur spirit. Very few venture funds can operate in remote and isolated environments. Accordingly, we believe the support NG Connect Fund requires is exactly the one we have developed in Wanaka. To be successful NC Connect Fund needs other investors and deal flow of ideas/entrepreneurs to invest in. That is exactly what Wanaka has. Successful new venture funds attribute their success to other investors in the area to work with and the robustness of ideas and talent to evaluate...Wanaka has that for NG Connect.

## **‘OUTDOOR TECHNOLOGY’ HUB**

GIGATOWN WANAKA LTD has set up a business incubator and collaborative workspace environment, so that local residents with new ideas in areas including “outdoor technology” can share their ideas with members of the local investment community (see below) and receive assistance and mentoring in developing those ideas.

The hub focus on “outdoor technology”, reflects the type of people who live in and come to Wanaka. For example we have a Snow Sports High Performance Centre, a High School that is known throughout the country for its high quality education and focus on outdoor pursuits.

Wanaka also hosts thousands of sports people on account of the activities available on the nearby rivers, lakes and mountains, be it multi-sports, fishing, sailing, hiking or mountain-biking. With its bi-annual Warbirds over Wanaka event, Wanaka also attracts thousands of visitors who love aircraft and flying,

All of these visitors and the locals who provide services to these visitors, provide a breeding ground for new ideas. And with a commercialisation hub such as The Cell, Wanaka has stimulated growth and attracted investment in new inventions that come out of the pursuit of outdoor activities.

We have secured space in the old police station in the Wanaka CBD, which would house a business incubator and collaborative workspace environment.

The objective has been to encourage outdoor technology inventors to meet with members of the local investment and advisory community to test the reality of their ideas and to help them commercialise their inventions.

This happened initially through establishing connections with existing incubators in other parts of New Zealand. Over time GIGATOWN WANAKA LTD set up its own incubator and connected with other incubators to set up a presence in Wanaka.

There has been a lot of interest from a number of major incubators around connecting to the Wanaka tech community.

## **ANGEL INVESTMENT GROUP**

A second approach was to establish a local angel investment group, comprising local, domestic and international investors.

A number of Wanaka residents have achieved commercial success both nationally and internationally and are already associated with other investment groups. GIGATOWN WANAKA LTD has built on these connections.

We have:

- built a database of permanent and semi-permanent Wanaka residents who are interested in (i) mentoring and assisting outdoor technology inventors; and (ii) investing in outdoor technology;
- facilitated connections with other angel investment and networking groups, in order to increase access to funding and avenues for commercialising the inventors’ ideas;
- facilitated relationships with national and local government organisations that can advise and assist companies (e.g. NZTE, Callahan Institute), as Kia Landing Pad, Kia Network);
- encouraged investment and networking groups to have a regular presence in Wanaka with frequent engagements with the Wanaka group to share information;
- educate other towns about our Gigatown and investing efforts; and
- Using the gigabit technology encouraged a commitment to regular engagement with GIGATOWN WANAKA LTD to meet prospective companies, the Angel Clubs and other Venture capital firms associated with Wanaka

## **THE BUZZ**

To attract capital to Gigatown Wanaka, we will created the “buzz” investors love and need to commit to a new environment.

Gigatown Wanaka is an exciting and productive outdoor technology environment and accordingly; angel/incubator/venture investors want to have either a virtual or physical presence and a commitment to the area, in order to be relevant in their field.

Gigatown Wanaka is the new and cool place to start and build businesses with a focus on outdoor technology, not just because we will have the infrastructure to support development needs of knowledge workers, but also because we will have the “buzz” of a creative, technology enabled environment. To develop the “Buzz” we:

- Funded through Gigatown Wanaka, we engaged our own PR firm to present a continuous, consistent and exciting message about the technology and investing environment in Wanaka;
- Hosted conferences and seminars to support our technology and investing environment;
- Proactively built on the Gigatown brand to build and promote a culture of innovation, investment and growth.

# APPENDIX FOUR

## GIGATOWN WANAKA BUDGETED FINANCIAL PERFORMANCE FOR THE YEAR ENDED MARCH 31, 2016

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DRAFT SUBJECT TO CLIENT REVIEW

|                                                                            | Total            | Apr-15         | May-15         | Jun-15         | Jul-15         | Aug-15         | Sep-15         | Oct-15          | Nov-15         | Dec-15         | Jan-16         | Feb-16         | Mar-16         |
|----------------------------------------------------------------------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|
| Sales - Council Support (to cover wages and rent)                          | 456,298          | 36,541         | 38,519         | 37,530         | 38,519         | 37,530         | 38,519         | 38,519          | 37,530         | 38,519         | 37,530         | 38,519         | 38,519         |
| Sales - Sponsorship/Business Contribution (\$250k)                         | 250,000          | 20,833         | 20,833         | 20,833         | 20,833         | 20,833         | 20,833         | 20,833          | 20,833         | 20,833         | 20,833         | 20,833         | 20,833         |
| Sales - Govt Support                                                       | 0                | 0              | 0              | 0              | 0              | 0              | 0              | 0               | 0              | 0              | 0              | 0              | 0              |
| Sales - Conference Income                                                  | 200,000          | 0              | 0              | 0              | 0              | 0              | 0              | 200,000         | 0              | 0              | 0              | 0              | 0              |
| Sales - Events and Functions                                               | 25,000           | 4,167          | 0              | 4,167          | 0              | 4,167          | 0              | 4,167           | 0              | 4,167          | 0              | 4,167          | 0              |
| Sales - "The Cell" rental income                                           | 117,900          | 9,825          | 9,825          | 9,825          | 9,825          | 9,825          | 9,825          | 9,825           | 9,825          | 9,825          | 9,825          | 9,825          | 9,825          |
| <b>Total Sales</b>                                                         | <b>1,049,198</b> | <b>71,366</b>  | <b>69,178</b>  | <b>72,355</b>  | <b>69,178</b>  | <b>72,355</b>  | <b>69,178</b>  | <b>273,344</b>  | <b>68,189</b>  | <b>73,344</b>  | <b>68,189</b>  | <b>73,344</b>  | <b>69,178</b>  |
| <b>Less Cost of Sales Conference and Events</b>                            |                  |                |                |                |                |                |                |                 |                |                |                |                |                |
| Purchases - Conference                                                     | 180,000          | 0              | 0              | 0              | 0              | 0              | 0              | 180,000         | 0              | 0              | 0              | 0              | 0              |
| Purchases - Events and Functions                                           | 24,000           | 4,000          | 0              | 4,000          | 0              | 4,000          | 0              | 4,000           | 0              | 4,000          | 0              | 4,000          | 0              |
| <b>Total Cost of Sales Conference and Events</b>                           | <b>204,000</b>   | <b>4,000</b>   | <b>0</b>       | <b>4,000</b>   | <b>0</b>       | <b>4,000</b>   | <b>0</b>       | <b>184,000</b>  | <b>0</b>       | <b>4,000</b>   | <b>0</b>       | <b>4,000</b>   | <b>0</b>       |
| <b>Gross Profit from Conference and Events (contribution to Overheads)</b> | <b>21,000</b>    | <b>167</b>     | <b>0</b>       | <b>167</b>     | <b>0</b>       | <b>167</b>     | <b>0</b>       | <b>20,167</b>   | <b>0</b>       | <b>167</b>     | <b>0</b>       | <b>167</b>     | <b>0</b>       |
| <b>LESS OVERHEAD EXPENSES</b>                                              |                  |                |                |                |                |                |                |                 |                |                |                |                |                |
| Accounting and Audit Fees                                                  | 12,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          |
| Accommodation Meals and Travel                                             | 30,000           | 2,500          | 2,500          | 2,500          | 2,500          | 2,500          | 2,500          | 2,500           | 2,500          | 2,500          | 2,500          | 2,500          | 2,500          |
| ACC Levies                                                                 | 2,896            | 229            | 245            | 237            | 245            | 237            | 245            | 245             | 237            | 245            | 237            | 245            | 245            |
| Bank and Credit Card Charges                                               | 6,000            | 500            | 500            | 500            | 500            | 500            | 500            | 500             | 500            | 500            | 500            | 500            | 500            |
| Cleaning                                                                   | 6,000            | 500            | 500            | 500            | 500            | 500            | 500            | 500             | 500            | 500            | 500            | 500            | 500            |
| Computer Expenses                                                          | 12,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          |
| Conference Expenses (external conferences attended)                        | 2,000            | 0              | 0              | 1,000          | 0              | 0              | 0              | 0               | 0              | 1,000          | 0              | 0              | 0              |
| Design and Website                                                         | 12,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          |
| General Expenses                                                           | 6,066            | 500            | 501            | 502            | 503            | 504            | 505            | 506             | 507            | 508            | 509            | 510            | 511            |
| Insurance                                                                  | 5,000            | 417            | 417            | 417            | 417            | 417            | 417            | 417             | 417            | 417            | 417            | 417            | 417            |
| Light, heat & power                                                        | 12,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          |
| Legal Fees                                                                 | 5,000            | 5,000          | 0              | 0              | 0              | 0              | 0              | 0               | 0              | 0              | 0              | 0              | 0              |
| Marketing, Promotions and PR firm expenses                                 | 100,000          | 8,333          | 8,333          | 8,333          | 8,333          | 8,333          | 8,333          | 8,333           | 8,333          | 8,333          | 8,333          | 8,333          | 8,333          |
| Meeting expenses (Board & Panels)                                          | 4,800            | 400            | 400            | 400            | 400            | 400            | 400            | 400             | 400            | 400            | 400            | 400            | 400            |
| Printing, Stationery & Consumables                                         | 12,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          |
| Rent - Office Equipment (IT, Print, AV, & VC)                              | 12,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          |
| Rent - "The Cell" (80% of rental income)                                   | 94,320           | 7,860          | 7,860          | 7,860          | 7,860          | 7,860          | 7,860          | 7,860           | 7,860          | 7,860          | 7,860          | 7,860          | 7,860          |
| Rental Outgoings - "The Cell"                                              | 10,000           | 833            | 833            | 833            | 833            | 833            | 833            | 833             | 833            | 833            | 833            | 833            | 833            |
| Repairs and Maintenance                                                    | 12,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          |
| Subscriptions                                                              | 2,000            | 0              | 500            | 0              | 0              | 500            | 0              | 0               | 500            | 0              | 0              | 500            | 0              |
| Telephone,Tolls & Connectivity                                             | 12,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          | 1,000           | 1,000          | 1,000          | 1,000          | 1,000          | 1,000          |
| Vehicle Expenses (incl lease)                                              | 19,000           | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          | 1,583           | 1,583          | 1,583          | 1,583          | 1,583          | 1,583          |
| <b>Wages</b>                                                               |                  |                |                |                |                |                |                |                 |                |                |                |                |                |
| CEO                                                                        | 150,824          | 11,951         | 12,775         | 12,363         | 12,775         | 12,363         | 12,775         | 12,775          | 12,363         | 12,775         | 12,363         | 12,775         | 12,775         |
| Business Development Manager                                               | 80,440           | 6,374          | 6,813          | 6,593          | 6,813          | 6,593          | 6,813          | 6,813           | 6,593          | 6,813          | 6,593          | 6,813          | 6,813          |
| Marketing & Communications Manager                                         | 80,440           | 6,374          | 6,813          | 6,593          | 6,813          | 6,593          | 6,813          | 6,813           | 6,593          | 6,813          | 6,593          | 6,813          | 6,813          |
| Office & Admin Manager                                                     | 50,275           | 3,984          | 4,258          | 4,121          | 4,258          | 4,121          | 4,258          | 4,258           | 4,121          | 4,258          | 4,121          | 4,258          | 4,258          |
| <b>Wages - Total</b>                                                       | <b>361,978</b>   | <b>28,681</b>  | <b>30,659</b>  | <b>29,670</b>  | <b>30,659</b>  | <b>29,670</b>  | <b>30,659</b>  | <b>30,659</b>   | <b>29,670</b>  | <b>30,659</b>  | <b>29,670</b>  | <b>30,659</b>  | <b>30,659</b>  |
| <b>Total Expenses</b>                                                      | <b>751,060</b>   | <b>65,337</b>  | <b>62,832</b>  | <b>62,336</b>  | <b>62,334</b>  | <b>61,838</b>  | <b>62,336</b>  | <b>62,337</b>   | <b>61,841</b>  | <b>63,339</b>  | <b>61,343</b>  | <b>62,841</b>  | <b>62,342</b>  |
| <b>Net Operating Profit</b>                                                | <b>\$94,138</b>  | <b>\$2,029</b> | <b>\$6,345</b> | <b>\$6,019</b> | <b>\$6,843</b> | <b>\$6,517</b> | <b>\$6,841</b> | <b>\$27,007</b> | <b>\$6,347</b> | <b>\$6,005</b> | <b>\$6,845</b> | <b>\$6,503</b> | <b>\$6,835</b> |
| <b>Less Tax</b>                                                            | <b>\$21,986</b>  | <b>\$0</b>     | <b>\$7,329</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$7,329</b>  | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$7,329</b> | <b>\$0</b>     |
| <b>Net Operating Profit after Tax</b>                                      | <b>\$72,153</b>  | <b>\$2,029</b> | <b>(\$983)</b> | <b>\$6,019</b> | <b>\$6,843</b> | <b>\$6,517</b> | <b>\$6,841</b> | <b>\$19,679</b> | <b>\$6,347</b> | <b>\$6,005</b> | <b>\$6,845</b> | <b>(\$825)</b> | <b>\$6,835</b> |

## Category 5. EDUCATION

### EDUCATION – WANAKA'S VISION

The following endorsement from Dr John Cossens encapsulates Wanaka's Vision for education:

*"New technology and the rise of internet based learning is rapidly changing the face of education. More importantly fast, reliable access to online learning significantly reduces traditional barriers to education of distance, time and money particularly in rural areas and amongst lower socio economic groups who are often isolated from technological advancements. The ability to base an online educational program in Wanaka very much depends on the quality and speed of the internet service provided and I fully endorse the Wanaka Gigatown bid simply because it would transform the provision of education in Wanaka and would mean being able to take our message to a global audience. The impact of bringing such innovation and technology to Wanaka would be profound."*

Dr John Cossens  
Online Educator and Education Consultant

There is a single and clear focus for education...to enrich people's lives. To provide the ability, access and energy and tools for individuals to expand their minds and opportunities. The impact that gigabit services will have on education will be both immediate and generational. Educating today's community. Building tomorrow's future.

### THE EDUCATION REVOLUTION

The way that students are being taught and the way they learn is undergoing a major paradigm shift. Print textbooks are being abandoned for their digital counterparts. More and more schools are flipping the traditional educational model, having students watch lectures at home and then collaborate in the classroom. Other innovative schools and teachers are expanding the four walls of the classroom to connect with students across town, across the country, or across the world. Advances in computing, mobile devices, storage, local networks, applications software and Internet access, make this all possible and have created a tipping point in education.

These changes have significant impact on schools' and districts' requirements for high-speed Internet services. In a growing number of schools, this revolution is improving educational outcomes, improving test scores, and increasing student engagement. Now is the time to think about and plan for how these transformative technologies can become pervasive across the country.

Looking to the future, all teachers will be trained in digital learning. Printed textbooks will be phased out and the classroom model of today will be obsolete. Gigabit services will enable New Zealand to bring our education system take advantage of this education movement but also offer a unique environment in which to learn

There is a real opportunity for the Wanaka education community to be involved and assist in the development of new and exciting education formats, not only in mainstream education but also in specialist, environment specific subjects.

One example of this is LincSpun Group.

LincSpun Group are currently working on the development of a Wanaka based campus and complex incorporating state of the art seamless knitting technologies. Their aim is to pull education, retail and tourism together, with garment R&D. This will be based on the LincSpun Group merino/wool yarn technology and other related technologies.

The target audience is domestic and international students looking for further education around merino and wool technologies. There are already established linkages with New Zealand universities, poly-techs and international textile and fashion educators. Massey University Textile and Fashion school has confirmed the universities interest in a joint training and education partnership.

Gigabit services will enable Wanaka to be part of this exciting future, by building something new, unrestricted by the constraints of existing frameworks. A proving ground for new education services.

Gigatown Wanaka want to build and own this, shape it for New Zealanders and develop the blueprint for gigabit supported education services across New Zealand.

## **THE PARTNERSHIP BETWEEN EDUCATION AND THE ECONOMY**

In today's educational and commercial environments, there is a strong relationship between educators and business. Businesses embrace and support new technology that provides them the competitive edge in their respective markets.

In Lincspun's case it is highly likely that major global garment companies will want to be close to the technology in order to leverage a commercial outcome from it. This may be via funding/sponsorship or simply having commercial R&D services close. It is highly likely that businesses such as Lincspun will attract commercial and R&D entities to Wanaka to leverage off the intellectual property that Lincspun produces.

This is one example of one industry. Apply this to multiple examples for multiple industries and the economic benefits are significant. The 'Business Induction' services provided by Gigatown Wanaka Ltd will streamline the commercial setup processes.

## **EDUCATION FOR ALL**

Due to the opportunity gigabit speed data services provides, education services can be both imported and exported. Access to a globally connected education network will be mutually beneficial and provide a higher quality learning experience. A key deliverable of the Gigatown Wanaka Education Panel (refer Appendix 3) is to identify and proactively manage the expansion of specialist education services.

Wanaka's future technology structure and business induction framework will provide a depth of resources, industry experts and knowledge into the area. This IP would be channeled into the local and global education framework via the specialist education services mentioned above.

Access to education services is a major barrier for all ages. With gigabit access across the community, these barriers will be removed. Education services can be delivered to any building at any time. The Gigatown Education panel will be tasked with identifying strategic locations and partnerships that will provide access to high quality, subject matter specific education services. These may be channeled through existing community groups (church groups, sports groups, community groups), through council lead initiatives or as part of a negotiated offering by local educators.

"Education for All" means exactly that. Learning in the digital age is for all ages. Early learning will include online coding camps, exposing and upskilling our youth in the application and development of technology.

Programmes designed to 'demystify' the use of technology and promote safe use of technology will be available for all age groups, breaking down the physiological barriers to technology adoption.

## **TEACH THE TEACHERS**

It is critical that those in the community who influence and shape our young people are themselves, knowledgeable and comfortable with teaching and living in the digital age. Conversely it is imperative that our technologists understand how technology is introduced in schools and what are the best methods for identifying and developing future technologists.

For this reason Wanaka Gigatown Ltd will develop a collaboration programme between educators and technologists for the express purpose of lifting the understanding of the roll of technology in education.

Funded through sponsorship, the programme will involve domestic and international participants. Membership will be by invitation and target thought leadership within the respective industries.

## **THE OUTCOMES**

Wanaka intends to provide Leadership for other towns and communities on the integration of technology into education. We want to see increased digital equity in our communities and better inter relationships both through the technology and mentoring programmes with other communities.

## **BENEFITING NEW ZEALAND**

Getting the model right is critical. Gigatown Wanaka see their role as taking a leadership position, working with other global connected communities to align and refine the digital education model to New Zealand conditions. We have already started the journey through planned virtual monthly Google hangouts to drive and capture ideas around technology use.

Wanaka will spearhead a sister city scheme to support the expansion of the digital education revolution, transposing the learnings from the Wanaka experience to other centres for the benefit of all New Zealand

## **EDUCATION IN PARADISE**

New Zealand has an international reputation as a provider of quality education and demand for study in New Zealand is growing rapidly. New Zealand's pride of position as one of the best education locations is reflected by the fact that its education export industry is one of the country's top five export industries.

While enjoying the benefits of an internationally recognised and accredited education system, students choosing New Zealand also stumble across one of the world's best-kept secrets – easy, affordable access to superb sporting and recreational facilities and a unique natural environment.

Wanaka, with its unique and unparalleled environment, offers a huge range of things to see and do, meaning students can gain top quality qualifications while also having a lot of fun. Stepping out of the 'classroom' they experience snow covered mountains, rugged outdoors and a relaxed resort style culture - as well as all the sophisticated facilities one expects to find in modern, technologically advanced communities.

A wide range of inexpensive and easily accessible outdoor experiences is available in Wanaka. Skiing, kayaking, golfing, hang-gliding, bush walking and mountaineering are just some of the activities on offer, all to be enjoyed in a breathtakingly beautiful and pristine environment. In addition to adventures on the water and the slopes, it's easy to play team sports such as rugby, soccer and cricket and there is ready access to gymnasiums and health training facilities.

## **THE NEW AGE OF EDUCATION**

**Wanaka is ready, willing and able to take on the challenges of the digital education age...we just need the GIG**

## Category 6. THE GIG-CLUB

### THE GIG CLUB BRAND PROMISE

“ To deliver a smarter, connected New Zealand community through leadership in technology lead Innovation”

### MARKETING AND PROMOTING GIGATOWN

#### Access to Markets

Collectively, the team behind Gigatown Wanaka have successfully launched a large number of broad ranging products and services into the global market. Understanding all the moving parts to generate brand awareness, product value propositions and the required relationship are underpinned by a depth of global commercial experience.

Leveraging of existing relationships inside organisations such as the KEA Network and New Zealand Trade & Enterprise allows Wanaka to immediately start the brand build exercise and reach into global markets.

In support of the above channels an actively managed multi-platform social media program will be instigated, targeting both the innovator/entrepreneur and the end user, driving a clear consistent message of innovation and growth underpinned by gigabit connectivity.

Promotions and competitions will be developed to foster innovative thinking. Development challenges to take advantage of the GIGATOWN platform, multimedia presentations on local innovation, social benefits and education opportunities will be included in the ongoing story of Gigatown Wanaka. An online diary, telling the story of positive change to our community.

### SHARING THE GIGTOWN EXPERIENCE

The first conference will be focused on the GIGATOWN experience. The audience will be taken on a journey of discovery around what was involved in securing GIGATOWN, the startup learnings, the short-term benefits and the long-term vision.

The target audience will be other towns and cities, both domestic and international. From this first conference we will build a network of contacts, creating a collaborative network of sister city relationships. Through this network we will continue to engage and promote new ideas, concepts and innovations. We will also target and encourage part time residents to set up permanently in Wanaka, installing the virtues of a high tech, high value growth economy.

Some of these relationships already exist, allowing Wanaka to further develop and enhance existing frameworks. We will not be reinventing the wheel but we may improve its design.

Future GIGACLUB conferences would have one or more industry specific focuses, for example Agriculture, Education, Smart Town technology etc. Further to this GIGATOWN will have a presence in other conferences where possible and/or practical.

In addition to the Gig conferences we would set up a program to share our learnings of the GIGATOWN experience with other towns. We would pick a town and build a mentor structure in that would work with the town and the community sharing learnings and working with kids through their stages of education Eg: the transition from high school to tertiary and tertiary to business. It is our belief that we are the right size to achieve something like this faster and more effectively due to our depth of resource and talent.

### THE GIG CLUB CONFERENCE

The bi-annual Wanaka GIG Club conference will be the premier forum for sharing ideas, innovations, achievements and technology lead solutions for knowledge led communities in New Zealand.

Wanaka GIG Club will encourage participation from researchers, designers, educators, industry, and students from the many disciplines and perspectives focusing on the interaction between community and technology.

These participants will be a combination of local, domestic and international speakers and presenters. Domestic and international speakers will have the option of physically attending or participating via live video feeds, and looking forward holograms. This will widen opportunities for international speakers, adding value to the conference outputs.

We would also include a section on the GIGATOWN journey, sharing the learnings and experiences with the domestic and international markets, providing insight into the critical roles leadership and governance have, and to expose the execution model to interested towns.

Multiple presentations run concurrently over a multiday event. The presentations would be mostly interactive, with intimate groups but with the presentations being live streamed. Large screens with audio will be strategically placed around the Wanaka township to enable conference attendees to view the sessions.

Central to this concept is engaging the whole community. Immersing the attendees into the community so that they can experience first-hand the value of a smart town. This will be achieved by selecting a number of boutique sites across the Wanaka township to hold the presentations, leveraging and demonstrating the value in being a GIGATOWN. It is important that the attendees get the 'real' story and for that reason we would have the people who make, create, design and deliver these products and service, present the sessions.

Wanaka is the only GIGATOWN entrant that can offer this intimate, integrated engagement simply due to its small, agile socially connected community. Couple this with Wanaka's unique surroundings, and the experience would be unforgettable.

There will be flexibility around viewing sessions so you don't need to miss anything. Sessions will be accessible via the internet, either in real time or as a recorded session to be viewed at peoples convenience.

The conference would culminate in larger presentations with international speakers streamed in via the gigabit technology. Each year would have a primary theme, for example education, social reform, security and policing, with the multi-channel presentations demonstrating how they contribute to the primary theme.

The first GIG Club event would be all about the GIGATOWN journey. Where did the vision come from? The community effort behind the journey The achievements in year One. This would need to be the team behind the original bid as they are the best placed to talk to the journey.

#### Potential Speakers:

|                                       |                                                                                                                                                                                                                                                                     |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Hamish Ackland, Mons Royal            | A local exporter breaking down the isolation gap through the use of technology and creative inspiration.                                                                                                                                                            |
| Nick Mills, Rippon Vineyard           | Leveraging technology to create a sustainable environmental ecosystem.                                                                                                                                                                                              |
| Ken Hayes, Sister City in Chattanooga | The impact of gigabit technology and community collaboration on communities – Chattanooga 5 years on                                                                                                                                                                |
| Craig Elliot, Pertino                 | Discussion on the environment for technology development are changing and the opportunity for Wanaka in attracting talent in the Tech space.                                                                                                                        |
| NASA Spokesperson                     | What value Wanaka offered to NASAs R&D activities                                                                                                                                                                                                                   |
| Sister City Experiences               | Live streaming of active technology solutions that are adding value in other centres                                                                                                                                                                                |
| Dr Mark Bregman                       | Innovator/ex-CTO to Neustar, Symantec and Veritas.<br><br>Those that are entrepreneurial and use technology to innovate and develop or deliver products and services that customers need and want will grow the fastest, create the most jobs, and have the highest |

## BUSINESSES WHO HAVE SHOWN INTEREST AND/OR COMMITMENT TO INVESTING IN WANAKA 2014



### **LincSpun Group:**

LincSpun™ Group CEO vision was to develop a yarn that could be used in performance apparel and further research and development into the yarn ensured this. Independent testing has shown the LincSpun™ Technology produces one of the most durable, versatile and high performance yarns on the market. Wanaka is seen as a natural fit in terms of environment and culture to locate R&D services, given its proximity to the product source.

### **PERFORMANCELAB**



### **Performace Lab – Designing advanced training and coaching systems:**

Kerri McMaster, Founder, views Wanaka as a great tech hub proposition for their company. "Wanaka offers the opportunity to attract core resources and a cost effective option for tech companies which also offers these resources other important lifestyle options and opportunities. Performance Lab would attract a young emerging tech savvy talent pool to Wanaka. We see it as a significant draw card in attracting a perfect demographic match to our company culture."



### **Pertino - Cloud based computing in Silicone Valley:**

Craig Elliott, Co-founder and CEO, sees Wanaka as having a true opportunity to develop a 'Design Center' incorporating talented professionals that focus on the user interaction and graphic talents of professionals. "Pertino is very excited about the opportunity to work with the present designers in Wanaka, but also to invest in Wanaka to attract more talent to one of the most beautiful places on earth. We think that the distinct lifestyle benefits could attract the best and brightest and be a real asset to our company. With high speed networks offered by Gigatown and modern twenty four hour video conferencing technology we envision a "local" Pertino office that just happens to be 7000 miles away.



### **NASA:**

The main driver is the remoteness and air quality for their National Aeronautics and Space Administration's science balloon program, a 12 year program. Wanaka Airport to become a base for Nasa in March 2015. "Nasa will definitely put Wanaka on the map," airport operations manager Ralph Fegan said.

Nasa staff would begin arriving in mid-January and, depending on how the science programme progresses, Wanaka could get visits from scientists for the next 12 years, Fegan said.

Nasa Columbia Scientific Balloon Facility operations manager Dwayne Orr, of Texas, said the data would be used to investigate the origins of the universe and what was happening around the time of the big bang as well as the effects of cosmic rays on the atmosphere and finding planets. "We are really excited about the possibility of working here and, hopefully, a good long-term relationship," he said. Wanaka appealed because of its position in the southern hemisphere, its small population and the fact its weather conditions are considered ideal for launching balloons. "There are just a lot of good aspects in Wanaka," Orr said.

- Excerpt from NASA Press Release 11.07.2014 and Press Release Southland Times 15.11.2014



### **Queenstown Lakes District Council:**

Gigatown Wanaka has energised an entire district. It has been driven with energy and passion by people with vision and ambition and the Queenstown Lakes District Council and its community is right behind them.

The goals are bold but they very much align with Council's own outcomes and objectives. High performing, resilient, diverse, valued and engaged are all catch-words that flow from Council's future focus directly into the Gigatown Wanaka vision.

The potential is real. A future private-public partnership that delivers the ambitions dared by Gigatown Wanaka is entirely plausible. The Queenstown Lakes District Council is proud to offer its support in turning the Gigatown Wanaka vision into a reality.

- Mayor Vanessa van Uden and Chief Executive Adam Feeley



## APPENDIX 2

|                                                     | Total          | Jul-15         | Aug-15        | Sep-15        | Oct-15        | Nov-15        | Dec-15        | Jan-16        | Feb-16        | Mar-16         | Apr-16        | May-16        | Jun-16        |
|-----------------------------------------------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|
| Sales - Council Support                             | 200,000        | 16,667         | 16,667        | 16,667        | 16,667        | 16,667        | 16,667        | 16,667        | 16,667        | 16,667         | 16,667        | 16,667        | 16,667        |
| Sales - Sponsorship/Business in kind Contribution   | 60,000         | 5,000          | 5,000         | 5,000         | 5,000         | 5,000         | 5,000         | 5,000         | 5,000         | 5,000          | 5,000         | 5,000         | 5,000         |
| Sales - Govt Support                                | 0              | 0              | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0              | 0             | 0             | 0             |
| Sales - "The Cell" rental income                    | 37,800         | 3,150          | 3,150         | 3,150         | 3,150         | 3,150         | 3,150         | 3,150         | 3,150         | 3,150          | 3,150         | 3,150         | 3,150         |
| <b>Total Sales</b>                                  | <b>297,800</b> | <b>24,817</b>  | <b>24,817</b> | <b>24,817</b> | <b>24,817</b> | <b>24,817</b> | <b>24,817</b> | <b>24,817</b> | <b>24,817</b> | <b>24,817</b>  | <b>24,817</b> | <b>24,817</b> | <b>24,817</b> |
| <b>LESS OVERHEAD EXPENSES</b>                       |                |                |               |               |               |               |               |               |               |                |               |               |               |
| Accounting and Audit Fees (in-kind)                 | 12,000         | 1,000          | 1,000         | 1,000         | 1,000         | 1,000         | 1,000         | 1,000         | 1,000         | 1,000          | 1,000         | 1,000         | 1,000         |
| Accommodation Meals and Travel                      | 6,000          | 500            | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500            | 500           | 500           | 500           |
| ACC Levies                                          | 0              | 0              | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0              | 0             | 0             | 0             |
| Bank and Credit Card Charges                        | 360            | 30             | 30            | 30            | 30            | 30            | 30            | 30            | 30            | 30             | 30            | 30            | 30            |
| Cleaning                                            | 1,920          | 160            | 160           | 160           | 160           | 160           | 160           | 160           | 160           | 160            | 160           | 160           | 160           |
| Computer Expenses                                   | 4,800          | 400            | 400           | 400           | 400           | 400           | 400           | 400           | 400           | 400            | 400           | 400           | 400           |
| Conference Expenses (external conferences attended) | 2,000          | 0              | 0             | 1,000         | 0             | 0             | 0             | 0             | 0             | 1,000          | 0             | 0             | 0             |
| Design and Website                                  | 6,000          | 500            | 500           | 500           | 500           | 500           | 500           | 500           | 500           | 500            | 500           | 500           | 500           |
| Governance (in-kind)                                | 48,000         | 4,000          | 4,000         | 4,000         | 4,000         | 4,000         | 4,000         | 4,000         | 4,000         | 4,000          | 4,000         | 4,000         | 4,000         |
| Insurance                                           | 2,400          | 200            | 200           | 200           | 200           | 200           | 200           | 200           | 200           | 200            | 200           | 200           | 200           |
| Light, heat & power                                 | 3,600          | 300            | 300           | 300           | 300           | 300           | 300           | 300           | 300           | 300            | 300           | 300           | 300           |
| Legal Fees                                          | 0              | 0              | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0              | 0             | 0             | 0             |
| Marketing, Promotions and PR firm expenses          | 0              | 0              | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0              | 0             | 0             | 0             |
| Meeting expenses (Board & Panels)                   | 4,800          | 400            | 400           | 400           | 400           | 400           | 400           | 400           | 400           | 400            | 400           | 400           | 400           |
| Printing, Stationery & Consumables                  | 1,200          | 100            | 100           | 100           | 100           | 100           | 100           | 100           | 100           | 100            | 100           | 100           | 100           |
| Rent - Office Equipment (IT, Print, AV, & VC)       | 0              | 0              | 0             | 0             | 0             | 0             | 0             | 0             | 0             | 0              | 0             | 0             | 0             |
| Rent - "The Cell"                                   | 46,000         | 3,833          | 3,833         | 3,833         | 3,833         | 3,833         | 3,833         | 3,833         | 3,833         | 3,833          | 3,833         | 3,833         | 3,833         |
| Rental Outgoings - "The Cell"                       | 8,880          | 740            | 740           | 740           | 740           | 740           | 740           | 740           | 740           | 740            | 740           | 740           | 740           |
| Repairs and Maintenance                             | 2,400          | 200            | 200           | 200           | 200           | 200           | 200           | 200           | 200           | 200            | 200           | 200           | 200           |
| Subscriptions                                       | 2,000          | 0              | 500           | 0             | 0             | 500           | 0             | 0             | 500           | 0              | 0             | 500           | 0             |
| Telephone, Tolls & Connectivity                     | 3,000          | 250            | 250           | 250           | 250           | 250           | 250           | 250           | 250           | 250            | 250           | 250           | 250           |
| Vehicle Expenses (incl lease)                       | 19,000         | 1,583          | 1,583         | 1,583         | 1,583         | 1,583         | 1,583         | 1,583         | 1,583         | 1,583          | 1,583         | 1,583         | 1,583         |
| <b>Wages</b>                                        |                |                |               |               |               |               |               |               |               |                |               |               |               |
| Business Development Manager                        | 80,440         | 6,374          | 6,813         | 6,593         | 6,813         | 6,593         | 6,813         | 6,813         | 6,593         | 6,813          | 6,593         | 6,813         | 6,813         |
| Office & Admin Manager                              | 37,706         | 2,988          | 3,194         | 3,091         | 3,194         | 3,091         | 3,194         | 3,194         | 3,091         | 3,194          | 3,091         | 3,194         | 3,194         |
| <b>Wages - Total</b>                                | <b>118,146</b> | <b>9,361</b>   | <b>10,007</b> | <b>9,684</b>  | <b>10,007</b> | <b>9,684</b>  | <b>10,007</b> | <b>10,007</b> | <b>9,684</b>  | <b>10,007</b>  | <b>9,684</b>  | <b>10,007</b> | <b>10,007</b> |
| <b>Total Expenses</b>                               | <b>292,506</b> | <b>23,558</b>  | <b>24,704</b> | <b>24,881</b> | <b>24,204</b> | <b>24,381</b> | <b>24,204</b> | <b>24,204</b> | <b>24,381</b> | <b>25,204</b>  | <b>23,881</b> | <b>24,704</b> | <b>24,204</b> |
| <b>Net Operating Profit</b>                         | <b>\$5,294</b> | <b>\$1,259</b> | <b>\$113</b>  | <b>(\$64)</b> | <b>\$613</b>  | <b>\$436</b>  | <b>\$613</b>  | <b>\$613</b>  | <b>\$436</b>  | <b>(\$387)</b> | <b>\$936</b>  | <b>\$113</b>  | <b>\$613</b>  |
| <b>Less Tax</b>                                     | <b>\$556</b>   | <b>\$0</b>     | <b>\$185</b>  | <b>\$0</b>    | <b>\$0</b>    | <b>\$0</b>    | <b>\$0</b>    | <b>\$185</b>  | <b>\$0</b>    | <b>\$0</b>     | <b>\$0</b>    | <b>\$185</b>  | <b>\$0</b>    |
| <b>Net Operating Profit after Tax</b>               | <b>\$4,738</b> | <b>\$1,259</b> | <b>(\$72)</b> | <b>(\$64)</b> | <b>\$613</b>  | <b>\$436</b>  | <b>\$613</b>  | <b>\$428</b>  | <b>\$436</b>  | <b>(\$387)</b> | <b>\$936</b>  | <b>(\$72)</b> | <b>\$613</b>  |