

ORDINARY MEETING
OF
ENVIRONMENT COMMITTEE
AGENDA

Time: 9.15am
Date: Thursday, 15 October 2015
Venue: Committee Room 1
Ground Floor, Council Offices
101 Wakefield Street
Wellington

MEMBERSHIP

Mayor Wade-Brown

Councillor Ahipene-Mercer
Councillor Coughlan
Councillor Eagle
Councillor Foster
Councillor Free
Councillor Lee
Councillor Lester

Councillor Marsh
Councillor Pannett (Chair)
Councillor Peck
Councillor Ritchie
Councillor Sparrow
Councillor Woolf
Councillor Young

Have your say!

You can make a short presentation to the Councillors at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 803-8334, emailing public.participation@wcc.govt.nz or writing to Democratic Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number and the issue you would like to talk about.

AREA OF FOCUS

The Committee will focus on climate change initiatives, enhancing the city's open spaces, protecting biodiversity in plant, bird and animal life, and ensuring there are high quality outdoor areas for residents and visitors to enjoy. The committee is also responsible for waste minimisation, energy efficiency and the three waters (drinking water, stormwater and wastewater).

Quorum: 8 members

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Meeting Conduct

1.1 Apologies

The Chairperson invites notice from members of apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

1.2 Conflict of Interest Declarations

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

1.3 Confirmation of Minutes

The minutes of the meeting held on 17 September 2015 will be put to the Environment Committee for confirmation.

1.4 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 3.23.3 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

1.5 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows:

Matters Requiring Urgent Attention as Determined by Resolution of the Environment Committee.

1. The reason why the item is not on the agenda; and
2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

Minor Matters relating to the General Business of the Environment Committee.

No resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Environment Committee for further discussion.

2. Policy

WELLINGTON CITY COUNCIL'S SUBMISSION ON THE PROPOSED NATURAL RESOURCE PLAN

tem 2.1

Purpose

1. To seek the Committees approval to lodge a submission (see Attachment 1) on Greater Wellington Regional Council's (GW) Proposed Natural Resources Plan (PNRP).

Summary

2. The submission highlights a number of areas of concern and seeks a number of changes to the PNRP. These issues were raised in Wellington City Council's (WCC) submission on the draft Natural Resources Plan.
3. The Plan takes a 'one size fits' all approach to many issues across the region and does not recognise or make distinctions between modified and natural environments or rural and urban environments.
4. The PNRP will increase the regulatory burden for WCC and the private sector at a time when the Council is investing in initiatives to increase economic activity in the City.
5. The PNRP will make it more difficult to:
 - provide a range of activities and infrastructure within the Coastal Marina Area (CMA); and
 - provide for new urban development in the northern growth framework area.
6. The submission raises concerns with:
 - the use of non-complying activity status and a restrictive policy approach of 'avoid adverse effects' for activities and infrastructure that are required in certain environments;
 - the extent of identification of sites of significance to birds within the urban environment;
 - heritage listing of a number of WCC's infrastructure items; and
 - cross boundary issues as a result of the above approach.
7. Changing the activity status of a few key activities from non-complying to discretionary activities and including policies recognising the benefits of both new and existing urban environments would address WCC's concerns. Specific amendments to existing rules, policies and the extent of sites of significance will also address a number of concerns.
8. A submission will ensure that WCC's concerns are heard through the plan process and that its interests are taken into account when decisions are issued on the PNRP.

Recommendations

That the Environment Committee:

1. Receive the information.
2. Agree to lodge a submission on the Proposed Natural Resources Plan as set out in Attachment 1 of this report.

Background

9. In October 2014 GW released a non-statutory draft Natural Resources Plan for public and stakeholder consultation and sought feedback on that draft. The draft plan combined GW's 5 existing Regional Plans into one Plan. WCC made a submission outlining a number of key areas of concern.
10. GW has now released a Proposed Plan for formal consultation. GW has made a number of changes to the PNRP but these have not addressed the principle concerns raised by WCC in its submission.

Discussion

11. The submission outlines a number of concerns and seeks changes to specific rules and policies. Informal discussions have been undertaken with other urban territorial authorities and they share the same concerns. Porirua, Hutt and Upper Hutt cities and Kapiti District will all be making submissions on the PNRP. The principle concerns are outlined below and the detailed changes are outlined in the attached submission (Attachment 1).

Urban Environment and Non-complying activities

12. A number of activities that would reasonably be expected (including the provision of Council infrastructure) in the urban environment or are necessary to undertake urban development (in areas already identified for urban development) will be non-complying activities. This category of resource consent means that the activity is contrary to the objectives and policies of the PNRP and the presumption would be against approving the development. In many cases the application would be publicly notified.
13. In addition the plan has a narrow policy approach of 'avoiding' adverse effects in relation to these activities rather than taking account of wider economic, social and cultural benefits. This 'wider' approach is consistent with the sustainable management principle contained in Section 5 of the Resource Management Act (RMA) and the requirement to provide for integrated management.
14. For many of these activities the need to get a resource consent is not opposed, instead a more appropriate approach would be for the activity to be discretionary unrestricted. In addition the inclusion of policies that recognises the importance of the urban environment to the Wellington Region will assist in the establishment of activities essential for urban growth.
15. In summary the PNRP lacks recognition of the urban environment and the benefits it provides to people's social, economic and cultural well-being. As a result it will be more difficult and potentially more expensive for the Council and private developers to provide infrastructure and for development to occur in greenfield areas.

Sites of Significance

16. A large portion of the Wellington Harbour and the south coast (urban portion) have been identified as 'Sites of Significance' for birds, indigenous biodiversity, geology, heritage or mana whenua reasons. Being within a site of significance means a more restrictive policy and/or rule framework will apply and a greater level of assessment of the effects of the activity is required.
17. Large portions of WCC's urban harbour and south coast has been identified as a 'site of significance to birds'. When a resource consent is required within these identified areas the effect of the activity on birds will need to be assessed. The policy framework will require all adverse effects to be avoided, remedied, mitigated or offset. In contrast, on WCCs' more natural coastal line (which potentially has higher values and hasn't been identified as significant to birds) the policy approach is simply one of 'minimising' adverse effects on birds.
18. The submission requests that:
 - the identified sites of significance to birds within Wellington Harbour and on the urban south coast be reviewed
 - greater consideration be given to identifying particular areas that represent core habitat or breeding areas;
 - provision be made for a policy and rule framework that protects these defined areas; and
 - the urban nature of the coast line within Wellington Harbour and south coast urban areas be acknowledged.
19. Te Aro Pa (Frank Kitts Lagoon) has been identified as a Site of Significance to Mana Whenua. Activities and structures in identified mana whenua sites will trigger a change in activity status (i.e. from permitted to restricted discretionary or from discretionary to non-complying) to allow for consultation with Iwi partners and to allow for consideration of any effect on the relevant mana whenua value.
20. The identification of sites and the requirement to consult are supported. However, Te Aro Pa is a modified coastal environment in which activities and structures would be expected and for this reason discretionary unrestricted activity status is considered more appropriate than non-complying activity status. Discretionary unrestricted activity status will still enable consultation and consideration of the effects on mana whenua values.
21. The identification of sites of significance will create cross boundary issues across the Mean High Water Springs boundary (MHWS) as the District Plan is required to be 'not inconsistent with' a regional plan. Any identification of a site of significance that crosses MHWS will require a policy and rule change in the district plan.

Heritage and Infrastructure Management

22. A number of changes are sought to make the heritage policy more workable and flexible. The changes will allow matters relevant to the demolition of a building/structure to be considered on their merits.
23. The PNRP identifies a number of seawalls owned and maintained by WCC as heritage structures. Seawalls will be affected by the climate related effects of sea level rise on an ongoing basis and will require a long term strategy for their ongoing maintenance and/or replacement. Seawalls are key aspects of WCC infrastructure and essential to the functioning of Wellington's roading network. Listing these as heritage items will adversely affect WCC's ability to maintain, repair and replace these items of

infrastructure. The submission will request that these items be removed from the PNRP heritage list.

Conclusion

24. Greater Wellington Regional Council (GW) has publicly notified a Proposed Natural Resources Plan (PNRP), which is now open for submissions. Wellington City Council (WCC) has the opportunity to make a submission on the PNRP and to request changes to the Plan to address its concerns.
25. The PNRP has a number of policy and operational implications for WCC. Officers have a number of concerns which have not been addressed and recommend that the Council take a strong position on these matters in the submission to GW.

Attachments

- | | | |
|---------------|--|---------|
| Attachment 1. | Wellington City Council Submission Proposed Natural Resource Plan (PNRP) | Page 12 |
| Attachment 2. | Banded dotterel breeding site | Page 35 |

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Authoriser	Warren Ulusele, Manager City Planning and Design

SUPPORTING INFORMATION

Consultation and Engagement

Relevant WCC Officers have been consulted and asked for comments on the Proposed Natural Resource Plans. The paper outlines issues facing the Council as an infrastructure provider, asset manager and regulator. No community consultation is required

Treaty of Waitangi considerations

There are no relevant Treaty of Waitangi considerations for the Council.

Financial implications

There are no financial implications.

Policy and legislative implications

This paper and submission outline future policy implications for the Council as a regulator through the district plan, as an asset owner and as an infrastructure provider.

Risks / legal

This paper is seeking approval to make a submission on a statutory process. We will have the option to present our views at a hearing. If Council is not happy with the decision the option of appealing the decision to the Environment Court will be available.

Climate Change impact and considerations

There are no climate change implications.

Communications Plan

Not applicable.

To: The Proposed Natural Resource Plan
Greater Wellington Regional Council
Freepost 3156
PO Box 11646
Wellington 6142

From: Wellington City Council
P O Box 2199
Wellington 6140

Contact: Alison Newbald
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Wellington City Council wishes to be heard in support of its submission.

Wellington City Council is not a trade competitor and would not gain an advantage in trade competition through this submission.

Wellington City Council's (WCC) submission is set out below.

1. General Comments

Wellington City's population is expected to grow by around 50,000 people and 22,000 new homes over the next 30 years. The Urban Growth Plan is our strategy to manage this growth sustainably and integrate our transport planning. To do this, we will need to ensure new houses, transport networks, infrastructure and services are provided.

The guiding principles behind the plan are:

- keep our city compact, walkable and supported by an efficient transport network
- maintain the features that support our high quality of life
- protect the city's natural setting and reduce the environmental impacts of development and transport
- make the city more resilient to natural hazards, such as earthquakes, and the effects of climate change.

Our strategy is to direct urban growth where it will benefit the city most and is supported by a quality transport network:

- along the 'growth spine', between Johnsonville and the airport

- around the central city
- around selected suburban centres which can support intensification
- in 'greenfield' areas, north of the city, at Lincolnshire Farm and Stebbings Valley.

Many of GW's functions either directly or indirectly impact on the provision of infrastructure and/or are required for the functioning of the urban environment. In addition, the vibrancy and vitality of Wellington depends on its interaction and relationship with the coast. The coastal interface provides for a range of recreational and economic opportunities and contributes to the social, economic and cultural wellbeing of the people and communities of Wellington.

For Wellington to thrive we need to understand and prepare for climate impacts, assess our vulnerability to extreme weather events and sea level rise. WCC is responding through mitigation and adaption initiatives within the Council and the community to enhance resilience. Council's approach to climate change is outlined in its Climate Change Action Plan.

Likely impacts of climate change are:

- more frequent extreme storms causing flooding and slips and coastal erosion
- changing rainfall patterns and increased temperatures leading to pressures on water supplies
- Sea level rise leading to increased coastal erosion and effects on coastal infrastructure

There are a number of choices in how we respond to climate change. In the case of sea level rise we can accommodate the changes, enhance natural or engineered defences, retreat and focus on less vulnerable parts of the city. Whatever response it is likely to have an impact on some aspect of infrastructure or activities within the CMA and the beds of lakes and rivers.

Having an attractive and healthy environment is important and WCC's Biodiversity Action Plan expresses WCC's vision, goals and priorities in protecting and restoring Wellington's indigenous biodiversity. WCC has moved from a position of identifying significant biodiversity to actively managing it and a number of these management activities occur in or near the coastal marine area and the beds of lakes and rivers. We recognise that Wellington is an urban environment and will achieve our goal of protecting biodiversity by focussing on the protection of priority biodiversity sites and rare, threatened or locally significant species.

WCC's submission will focus mainly on:

- the implications of the provisions relating to the City's greenfield growth areas
- the implications for providing supporting infrastructure to allow for the ongoing use and development of the urban areas of the city
- the impact of climate change and the need to be resilient
- the importance of having an appropriate policy framework for the recognition and protection of indigenous biodiversity.

1.1 Urban Environment

The existing urban environment is an important regional resource and its continued operation as well as the development of new urban environments cannot occur without the use and development of some natural resources. The PNRP does not recognise or provide for the benefits of the use and development of the urban environment.

The definition of '*regionally significant infrastructure*' does not include local roads or associated infrastructure (seawalls). WCC has a significant amount of important infrastructure in areas adjoining the CMA. The Council needs to be able to maintain and replace this infrastructure without unreasonable controls being placed on its statutory responsibilities under both the Resource Management and Local Government Acts. Lack of recognition of the value of the urban environment and associated supporting infrastructure will mean that the positive effects of the provision of roading and network infrastructure are not given sufficient weight when assessing resource consent applications for the ongoing use and development of land and infrastructure.

WCC is a key owner, provider, and maintainer of infrastructure and recreational facilities within the Coastal Marine Area (CMA). The PNRP will increase the regulatory burden to WCC, significantly increasing the cost of providing infrastructure, structures and activities in the CMA. This will impact WCC's ability to continue to provide and operate infrastructure and recreational facilities in the CMA.

The PNRP makes a number of activities that are either required for urban development or would be an expected part of the urban environment non-complying activities, with a policy framework that focuses solely on adverse effects. In order to ensure integrated resource management the benefits to the region of the ongoing operation and provision of new urban environments should be recognised. The location of Mean High Water Springs (MHWS) is an important factor in determining whether the Regional or District Plan applies. Within the urban environment this is particularly important as there are a large number of structures and activities that cross the MHWS boundary. The PNRP identifies large areas of the urban coastal environment as sites of significance but does not include accurate information as to the location of MHWS. WCC considers that within the urban coastal environment and any sites of significance the MHWS boundary should be clearly shown.

Decision Requested

1.1.1 Include a new policy (or similar) in Section 4.2 Beneficial use and development:

Recognise the contribution existing urban areas, identified urban growth areas and infrastructure make to the social, economic and cultural wellbeing of people and communities and provide for their ongoing use and development.

1.1.2 Define the location of MHWS in relation to all listed sites of significance and within the urban coastal environment.

1.2 Non Complying Activity status and Policy approach of 'avoid adverse effects'

The PNRP adopts a 'one size fits all' approach to some activities regardless of the location of that activity within the Region or within different environments; and uses the non-complying activity status for activities or structures that are often necessary for urban development. In many instances the policy framework seeks to either 'avoid' an activity or location or 'avoid adverse effects' of an activity.

The PNRP makes a number of activities that would normally be anticipated within the urban environment non-complying activities. When the non-complying activity status is combined with a policy framework that seeks to 'avoid adverse effects' those activities are going to be difficult if not impossible to establish. This could adversely affect WCC's economic growth objectives and the continued functioning and operation of the urban environment.

Where activities can be reasonably expected and anticipated (e.g. the piping of streams in an urban development area) then a discretionary unrestricted activity status, rather than non-complying activity status is more appropriate.

WCC believes that recent case law (i.e. King Salmon Case) has interpreted the use of 'avoid' in policies to mean that **all** adverse effects must be 'avoided'. There is concern that this judgement has overturned the 'balancing' approach that RMA decisions makers have commonly taken and that where the term 'avoid' is used it is a bottom line. Where activities are a prerequisite for urban growth or where adverse effects on habitats and ecosystems can be expected, but might not be able to be completely avoided, the threshold adopted by the PNRP maybe too high.

Decision requested

1.2.1 Review the use of the non-complying activity status where activities, structures and infrastructure are an expected part of the environment and in areas that have been identified by territorial authorities as urban development areas.

1.2.2 Remove the use of 'avoid' in the policies.

1.2.3 Any other changes necessary to address WCC's concerns

1.3 Climate Change

Much of Wellington's coastal development is at risk from sea level rise and climate change has the potential to increase the risk of adverse effects from natural hazards. WCC will need to address how it manages its infrastructure, operations and facilities in the coastal marine area to improve the City's resilience, as well as how it plans for existing and future development at risk from sea level rise. In addition, WCC will need to consider and manage the expectations of the community in relation to the protection and maintenance of the wider environment from the effects of climate change. Climate change adaption will be fundamental to all aspects of Council's operations and

asset management. All available options including accommodating change, enhancing natural or engineered defences or retreating from the coast will need to be considered. The ability to adapt and prepare for the impacts of climate change and to safeguard the community, environment and economy is important in all aspects of the use and development within the coastal marine area and the beds of lakes and rivers.

The PNRP requires that 'particular regard' (Policy 29) be given to the potential for climate change to cause or exacerbate natural hazards and sea level rise. While the principle of this policy is supported it is considered that the use of the words 'particular regard' does not provide adequate weight to the issue of climate change. In addition, it is unclear how applications that will improve Wellington City's resilience to climate change (either in the short or long term) will be assessed. WCC is concerned that the need to maintain or upgrade structures to avoid or reduce the effects of climate change will not be given appropriate weight. This is of particular concern when the policy approach to seawalls is that they should be 'avoided', and the policy approach to the demolition of heritage structures is that it is only appropriate after they have been damaged by a natural hazard.

WCC considers that the issue of climate change adaption and the need to be resilient are important considerations for all aspects of the use, maintenance and upgrading of structures that protect infrastructure and facilities in the coastal marine area and beds of lakes and rivers.

Decision requested

- 1.3.1 Amend Policy 29 to provide stronger wording for the recognition of the potential for climate change to exacerbate natural hazards.
- 1.3.2 Amend the Plan to make climate change adaption and resilience an important consideration in all parts of the policy framework.
- 1.3.3 Clarify how the policy approach to seawalls and heritage structures will be considered when the primary purpose of undertaking an activity is to improve WCC's resilience to the effects of climate change.

1.4 Indigenous Biodiversity

The recognition and protection of indigenous biodiversity is supported by WCC. WCC works to actively build the City's natural capital within the urban environment. Indigenous biodiversity is part of our local economy and WCC is committed to working collaboratively and sharing knowledge to protect and enhance our City's biodiversity.

Decision requested

- 1.4.1 Support the provisions of the Plan that recognise and protect indigenous biodiversity, subject to the specific comments and amendments sought in Sections 2 and 3 of this submission.

2. Specific Comments - Policy and Rule Framework

2.1 Urban Infrastructure and Water Sensitive Urban Design (Policies 8, 73 and Method 15)

WCC supports the inclusion of policies and methods that will achieve better environmental outcomes for urban infrastructure and methods that encourage and promote water sensitive urban design (WSUD).

WCC supports and encourages the use of WSUD to minimise the adverse effects of stormwater discharges. However, Wellington's topography and soil type does not always make it possible in new development. WCC's wishes to encourage WSUD and make it best practice, however any policy approach has to recognise that WSUD may not always be possible.

Decision requested

- 2.1.1 Retain Policies 8 and Method 15.

- 2.1.2 Amend Policy P73 to state:

The adverse effects of stormwater discharges shall be minimised including by:

- (a)....
- (b)...
- (c) Implementing water sensitive urban design in new subdivisions and development (where appropriate), and

2.2 Definition of Regionally Significant Infrastructure

The Plan recognises and provides for regionally significant infrastructure however there is no recognition of the importance of roads that aren't part of the Strategic Transport Network (i.e. the majority of WCC's roads). The continued operation of the road network is critical to the safe and efficient movement of people and goods. Many of WCC's roads are located close to the coast and their maintenance and upgrade will require work within the CM. It is important that the maintenance and upgrade of the road asset is appropriately provided for.

Decision Requested

- 2.2.1 Amend the definition of Regionally Significant Infrastructure to include all roads; or

2.2.2 Ensure that the objectives and policies recognise and provide for the local roading network, in a similar way as they provide for Regionally Significant Infrastructure.

2.3 Minimising Adverse effects (Policy 4)

General Policy 4 sets out what is required to satisfactorily 'minimise' adverse effects and requires that adverse effects of an activity be 'reduced to the smallest amount practicable'. The policy lists a number of matters that all must be met (as they are connected with an 'and') before something can be regarded as being satisfactorily 'minimised'.

Matter (b) of the policy requires that activities have to be located 'away' from scheduled sites, but it is unclear what 'away' from means and how this will be implemented. The policy implies that it is not only the sites of significance that are important but also the area surrounding them as well. This has the effect of extending the scheduled sites, but provides no certainty as to the extent that this area may cover.

This policy is potentially onerous and does not recognise the location and operational needs of infrastructure.

Decision requested

2.3.1 Amend Policy 4 to state:

Where minimisation of adverse effects is required by policies in this plan.....to the smallest amount reasonably practicable and shall include giving consideration to:...

2.3.2 Delete matter (b)

2.4 High Hazard Areas (Policy 27 and definition of High Hazard Areas)

High hazard areas are defined as 'all areas in the coastal marine area and the beds of lakes and rivers'. Policy 27 requires the use and development in high hazard areas to be avoided, which is a very high threshold. The policy provides a list of exemptions which are joined with an 'and'. Consequently, all the matters in the exemptions list must be met before an activity is appropriate.

This policy has the potential to unnecessarily constrain and restrict activities necessary for the maintenance and upgrade of the road asset and coastal structures. These activities and structures are often essential to the functioning of the urban environment.

Decision requested

2.4.1 Reconsider the definition of the high hazard areas so that it is based on an appropriate assessment of actual hazard; exclude small waterways which are not high risk.

2.4.2 Clarify the circumstances in which a risk assessment is required with a resource consent application.

2.4.3 Ensure that where a risk assessment is required the scope of any assessment is commensurate to the scale of the proposed activity.

2.4 Hazard mitigation measures (Policy 28)

Policy requires that hard engineering mitigation and protection methods be avoided and outlines a number of exceptions where 'avoidance' is not necessary. Avoid is a high threshold and the exceptions do not adequately recognise the benefits of hard engineering in certain circumstances. Hard engineering structures are often the only reasonable and practical option to protect roads from stream erosion.

It is unclear what policy approach would apply to an application for 'hard engineering' if you fall outside the scope of this policy (i.e. meet one of the exceptions listed in the policy). The policy does not adequately recognise the benefits of hard engineering in a range of circumstances.

Decision requested

2.4.1 Amend Policy 28 or include a new policy that recognises the benefits of hard engineering in protecting infrastructure and development.

2.5 Seawalls (Policy 139, Rules 165 and 166)

WCC acknowledges the changes made to the seawalls policy as a result of submissions on the draft Natural Resources Plan. However the policies and rules for the upgrade and maintenance of existing seawall are considered onerous.

Provision should be made for seawalls to be extended seaward within the controlled activity rule. In addition, the coastal management general conditions that relate to the depth of disturbance and discharge of sediment may be unrealistic for work on seawalls.

Decision requested

2.5.1 Amend Policy 139 to:

- recognise that seawalls might be the only practical option to protect important community assets; and
- explicitly reference roads.

- 2.5.2 Amend the definition of 'soft engineering' to include a broader range of engineering options that have lesser environmental impacts.
- 2.5.3 Include a policy that recognises the benefits of existing seawalls and provides for their alteration, addition, replacement (and any associated occupation of the seabed).
- 2.5.4 Amend the coastal management general conditions that relate to the depth of disturbance and discharge of sediment.
- 2.5.5 Insert a definition of seawall.

2.6 Piping of Streams (Rule 127 and Policies 102, and Policies 40, 41 and 42)

The PNRP makes the piping of streams a non-complying activity. Special housing areas and areas that have been through a process under the Local Government Act are areas that have been excluded from Policy 102.

It is accepted that a resource consent should be required for the piping of a stream. However the approach adopted by the PNRP is a 'one size fits all' approach that does not recognise the difference between catchments, or streams or differences within a TA's boundaries or across the region. In addition it does not recognise existing areas that have been identified for urban growth. While some streams have been identified as sites of significance to indigenous biodiversity (migratory fish and threatened fish habitat), the activity status for the piping of streams compared to another stream that has not been identified is the same.

A more balanced approach would be to identify the priority streams in which piping is to be avoided (based on a range of criteria) and other areas where piping may be acceptable. A hierarchy of rules and policies would then be possible to differentiate between different streams and provide a degree of guidance as to where the piping of streams may be appropriate and areas where it is not. Such an approach could also identify where the values of ephemeral streams maybe important and where they are less so.

It is not clear what policy approach applies to the piping of streams in structure plan areas (e.g. Lincolnshire Development Area), special housing areas (Lincolnshire-Woodridge, and Lower Stebbings), and areas identified though a Local Government Act process (e.g. Northern Growth Management Framework). Under the current approach a resource consent for a non-complying activity is still required, but there are no directly relevant policies that apply. An alternate policy framework for these areas identified as urban growth areas in the district plan should be provided.

A hierarchy of rules and policies that recognise the values of different streams and the benefits of urban development is required. Such an approach will ensure a balanced assessment of the adverse effects and benefits of the piping of streams, and provide for integrated resource management.

Decision Requested

2.6.1 Amend Policy 102 Reclamation or drainage of the beds of lakes and rivers to state:

The reclamation or drainage of the beds of lakes and rivers and natural wetlands shall be avoided except where the reclamation or drainage is:

- (a) partial reclamation of a river bank for the purposes of flood prevention, or
- (b) associated with a qualifying development within a special housing area, or
- (c) associated with an urban growth area identified in a structure plan, and/or development framework, or strategy approved by a local authority under the Local Government Act 2002 or contained within a District Plan.
- (d).....

2.6.2 Include the following new Policy (or similar) to state:

Manage the reclamation or drainage of the beds of rivers associated with:

- (a) a qualifying development within a special housing area; or
- (b) associated with a growth or development framework or strategy approved by a local authority under the Local Government Act 2002 or contained within a District Plan;
to remedy, mitigate or offset adverse effects on instream values.

2.6.3 Amend Rule 127 Reclamation of the beds of rivers or lakes – non-complying activity

The reclamation of the bed, or any part of the bed of a river or lake:

- (a) associated with the piping of a stream (except those associated with a qualifying development within a special housing area; or associated with a growth area or development framework or strategy approved by a local authority under the Local Government Act 2002 or contained within a District Plan)
, or
- (b).....

2.6.4 Include a new Rule Reclamation of the beds of rivers – discretionary unrestricted activity

The reclamation of the bed of a river:

- (a) associated with the piping of a stream; and
- (b) within a qualifying development within a special housing area; or
- (c) associated with a growth area or development framework or strategy approved by a local authority under the Local Government Act 2002 or contained within a District Plan

is a discretionary unrestricted activity

2.6.5 Any other subsequent amendments required as a result of the above changes.

2.7 Heritage (Policies 46 and 47)

WCC supports the inclusion of Heritage items and policies that recognise and provide for the ongoing protection and management of items with significant heritage value. A policy framework for heritage needs to consider the effects of an activity on an items heritage value, recognise the need to be resilient, and allow heritage items to continue to be used and have a functional purpose.

Policy 46 states that *'more than minor adverse effects shall be avoided, remedied or mitigated by managing activities'* and then lists a range of matters that are required to be met. The individual matters are linked with an 'and', which has the effect of requiring each of the individual matters to be met for an activity to 'meet' (and therefore be consistent with) the policy. This approach does not allow an activity or the effect of an activity on heritage value to be determined on its merits. Rather it predetermines that an activity is only suitable if an activity meets all these matters.

While all the matters listed in Policy 46 are supported, for an activity to meet each individual matter is considered unrealistic, and places an unreasonable burden on landowners. The matters are more appropriately joined with a semi-colon.

Policy 47 addresses the circumstances where demolition may be appropriate. Again the individual matters in the policy are linked with an 'and' which will require all matters to be met before demolition is deemed to be appropriate. WCC considers that each of these matters has merits on its own and should be able to be considered as the sole reason for demolition.

Policy 47 contains a *'Note'* requiring the consideration of all the matters listed in Policy 46 when considering an application for demolition. When demolishing a structure the heritage value is lost, therefore none of the matters listed in Policy 46 will be met. Referencing Policy 46 in Policy 47 is therefore redundant.

Oriental Bay Seawall, Evans Bay Seawall and Aberdeen Quay are listed as Heritage Items in Schedule E1. These are infrastructure items that are essential parts of WCC's roading and coastal protection network. Their location adjoining the CMA will mean that they are increasingly likely to be affected by climate change weather related events in the near future. Their ongoing maintenance, repair and/or replacement are important to the continued functioning of Wellington's urban environment. The heritage reports prepared by GW variously describe the structures as highly modified and not particularly rare or old.

Many of the values associated with the seawalls such as the walls 'townscape values' are values associated with the portion of the wall above MHWS. These values have been recognised by Wellington City Council through their listing in the District Plan. On this basis WCC considers that the decision to list these seawalls and the policy to support their retention, modification or replacement should remain with WCC not GW.

Decision Requested

2.7.1 Amend Policy 46 to remove the connecting 'ands' between matters (a) to (h). Replace with semi-colons.

2.7.2 Amend Policy 47 to remove the and/or at the end of each matter and replace with semi-colon's and remove the 'Note' at the end of the policy as follows:

"Demolition or removal of a structure with significant historic heritage value identified in Schedule E1 (heritage structures), Schedule E2 (wharves and boatsheds), Schedule E3 (navigation aids), or Schedule E5 (freshwater heritage) is inappropriate except where the structure:

(a) is substantially damaged by fire or natural hazard; ~~and/or~~

(b) poses a significant risk to human safety; ~~and~~

(c) it is not reasonably practicable to repair it.

Note

~~*Applications for demolition should consider any relevant matters of Policy P46"*~~

2.7.3 Remove Oriental Bay, Evans Bay seawalls and Aberdeen Quay from Schedule E1 – historic heritage structures.

2.7.4 Provide an additional policy that recognises the need to maintain, upgrade or improve heritage infrastructure items to be resilient and adapt to the weather related effects of climate change and sea level rise.

2.8 Indigenous Biodiversity – Birds (Policies 4, 36, 40 and 40 and Schedule F2c)

The Regional Plan identifies large areas of 'sites of significance to birds' (in the CMA). For Wellington City a large portion of these areas occur along Wellingtons (modified) urban coastline. In these areas an assessment of the effects on birds is required. The plan provides no guidance as to what effects are to be avoided or how the effects will be assessed.

WCC is not opposed to the identification of Sites of Significance to birds where these areas can be demonstrated to be significant. The current extent of the areas identified, and the fact that no portion of the undeveloped south or west coast of Wellington is identified raises issues with the methodology used to identify the areas.

The policy framework for considering the effects on birds within identified sites of significance is '*protect and restore ecosystems and habitats*'. In determining how to protect and restore ecosystems, in the first instance, the ecosystem or habitat must be '*avoided*'. If the ecosystem or habitat cannot be avoided then the adverse effects of the activity will be managed by avoiding, remedying, mitigating or offsetting more than minor adverse effects. The policy goes on to say that an activity is inappropriate where there are more than minor adverse effects on indigenous biodiversity values that cannot be avoided, remedied, mitigated or offset.

Policy 4 states that minimising adverse effects will mean locating activities away from identified areas and timing the activity to avoid the area when receiving environments are more sensitive.

WCC agrees that the effects on birds should be considered. However, having to avoid a location and/or avoid, remedy, mitigate or offset all '*more than minor adverse effects*' is unachievable in the urban environment where infrastructure and existing recreational activities are located. The proposed rule and policy framework will make it difficult and expensive to undertake work in the CMA despite there being community expectation that WCC will continue to provide infrastructure and recreational facilities in this area.

Within WCC's harbour and south coast urban area the adverse effects on bird habitat must be '*avoided, remedied, mitigated or offset*', while in WCC's rural south and west coast the effects on bird habitat must only be '*minimised*'. The current approach means key bird areas (breeding and nesting) are under protected, while areas where birds may have only a transitory presence (and are highly urbanised) must meet a very high policy threshold.

The current policy framework would result in a situation where, in the first instance, activities around Evans Bay marina (identified under Schedule F2) should be '*avoided*' (Policy 41) and the ecosystem should be '*protected or restored*' (Policy 40). If that area cannot be '*avoided*', effects on bird habitat are to be '*avoided, remedied, mitigated or offset*'. Policy 36, on the other hand only requires that the adverse effects of works carried out in other areas along the South Coast (not identified in Schedule F2 yet known to contain threatened species such as banded dotterel) shall only be minimised.

The policy framework adopts a more restrictive approach to the effects on birds in areas where the continued functioning of infrastructure is essential and development can reasonably be expected. It adopts a more permissive policy approach to birds in the natural south and west coast and area of little or no development.

The presence of birds has occurred *despite* urban development occurring in these areas. In WCC's view the Regional Council has not demonstrated that there is a resource management issue that justifies the proposed restrictive policy approach.

WCC believes that bird habitats (significant or not) within an urban environment require a different policy and management approach to bird habitats in an unmodified or more natural environment. The Regional Plan should recognise and provide for these differences within its rule and policy framework.

Decision requested

- 2.8.1 Review all identified Sites of Significance to Birds along the urban and south coast portion of WCC's coastline (Wellington Harbour and south coast) in Schedule F2c, in consultation with Wellington City Council.
- 2.8.2 Include the following new area of WCC's south coast in Schedule F2c:
- Map A (attached) – NZ Banded Dotterel breeding site
- 2.8.3 Include a new policy framework (or similar) for the management of Wellington Harbour and South Coast Indigenous Biodiversity Values – Birds, as follows:

Recognise the contribution that Wellington Harbour and south coast makes to the breeding, roosting, feeding and migration of birds.

Ensure that new development, activities or structures along the urban coastline (within the coastal marine area) avoid, where possible, more than minor adverse effects on bird habitats.

Ensure that new development, activities and structures are designed, constructed, and undertaken in a way that enhances bird habitat, where appropriate.

- 2.8.4 Review Policy 36 to ensure that if significant habitats are identified at a later date, it can trigger a more restrictive policy approach.
- 2.8.5 Any changes to other areas of the Region or inclusion of other urban harbour areas that have similar issues.

2.9 Indigenous Biodiversity – Freshwater (Schedule F1) Policies 33, 40 and 41

WCC supports the identification of specific streams with indigenous biodiversity value but seeks clarification around the mapping of these areas; how the policy framework will apply to some of these

areas; and how structures and activities essential to the functioning of the urban environment (including roads) will be assessed.

As currently mapped a number of streams identified in Schedule F1 within the Wellington urban area are piped e.g. Kaiwharawhara Stream. It appears that Policies 40 and 41 will apply to the piped portion of the streams. Policy 40 requires that identified ecosystems values shall be 'protected and restored' and Policy 41 requires that if the activity must locate within that habitat/ecosystem adverse effects must be avoided, remedied, mitigated or offset.

Rule 112 allows the maintenance, and repair, replacement and use of an existing structure within the bed of a stream. However, if some aspect of the permitted activity conditions or the activity itself is not permitted a resource consent for a discretionary unrestricted activity will be required along with assessment against Policies 40 and 41.

WCC actively works to improve freshwater ecosystems and habitats within a number of urban catchments, but recognises that within an urban environment it will not be possible to restore all freshwater ecosystems that have been piped. The policy framework needs to recognise the difference between piped and natural streams within Schedule F1.

Policy 33 requires that the 'more than minor adverse effects of activities on species' shall be avoided.

Decision requested

- 2.9.1 Clarify how the policy approach of 'protect and restore' and 'avoid, remedy, mitigate or offset' applies to piped sections of Schedule F1 streams.
- 2.9.2 Amend the policy framework to acknowledge the difference between piped and natural streams in Schedule F1.
- 2.9.3 Amend Policies 33, 40 and 41 or include new policies that address the issue of where there may be significant adverse effects as a result of essential works for the maintenance of infrastructure assets (including roads).

2.10 Indigenous Biodiversity – Inanga Spawning

WCC supports the identification and recognition of Inanga spawning sites.

Decision requested

- 2.10.1 Retain the identification of Inanga spawning sites.

2.11 Sites of Significance to Mana Whenua (Rule 161 and 162 and Policy 44, 45)

WCC supports the identification of Sites of Significance to Mana Whenua but requests a number of changes.

A number of these sites are adjacent to WCC's urban coastline, and are within highly modified urban environments. Activities that would otherwise be permitted (e.g. temporary activities or replacement structures) become restricted discretionary activities. New structures and additions and alterations to existing structures within sites of significance to mana whenua become non-complying activities.

Sites of significant mana whenua value have been identified around our urban and southern coastline. Policy 44 requires that sites with significant mana whenua values shall be '*protected and restored*'.

Te Aro Pa Mana Whenua Site is a highly modified (artificial) urban coastal feature which provides a range of active and passive recreational opportunities. The lagoon makes a significant contribution to the vibrancy and vitality of the waterfront and its ongoing use may require the development of new or replacement structures. Such structures and activities are an expected and anticipated part of this urban environment.

WCC understands the need to consider effects on mana whenua values. However, WCC considers that non-complying activity status is inappropriate, given the highly modified urban environment of this location. Discretionary unrestricted activity status still provides the ability to consider the effects of the activity and would be more appropriate.

Decision requested

- 2.11.1 Change the activity status of new structures, additions or alterations to structures in the Te Aro Pa (Site of Significance to Mana Whenua identified in Schedule C) and any other site of significance to Mana Whenua within the urban area, from non-complying activities to discretionary unrestricted activities (Rules 161 and 162).
- 2.11.2 Clarify how a policy framework of 'protect and restore' will work within a modified /artificial urban environment.
- 2.11.3 Amend the policy (or include a new policy) to recognise that some sites of significance to Mana Whenua are within a modified/artificial urban environment.

2.12 Lambton Harbour (Policy 142)

The PNRP provides a specific policy for Lambton Harbour. The provision of a specific policy and the matters covered in the policy are supported, however changes are sought to the structure of the policy.

As currently worded any 'use or development' of the Lambton Harbour Area 'may be appropriate' if a range of matters listed in the policy are met. The matters are then listed and each matter is joined by an 'and'. The use of 'and' to join each of the individual matters has the effect of requiring any new development to meet all of the matters listed in the policy to be considered 'appropriate'. As a result, the policy predetermines that the only developments that are suitable are the ones that meet all the listed matters and precludes the consideration of developments that may be suitable but not meet all the listed matters.

WCC agrees that any new development should meet as many of these matters as possible. However, there will be circumstances where a development may not be able to, or it may not be appropriate for a development to meet all of these listed matters. In this case such developments should be able to be considered and assessed on their merits.

Decision Requested

2.12.1 Amend Policy P142 to remove the 'and' between each of matters (a) to (j) and replace with semi-colons.

3. Clarifications and queries

The following portion of the submission seeks clarification on how specific rules or definitions work or seeks amendments to the rules of a technical nature.

3.1 Agrichemicals (Rule 36 and 38)

Rule 36 includes a reference to a 'residential area' for agrichemical use. Clarification is sought as to what area this will practically apply to. Is this land that is zoned 'residential' in the District Plan or does it incorporate the entire urban area? A map or better description of what is meant by 'residential area' is required to determine whether the rule will apply to reserves in urban areas.

Rule 38 requires that agrichemical discharge that is not permitted by Rules 36 and 37 are a discretionary unrestricted activity. The draft Natural Resources Plan made this activity a restricted discretionary activity with a clear list of matters for discretion, an approach that provided more certainty and direction to those using agrichemicals. WCC considers that a restricted discretionary activity status is more appropriate for agrichemical use that is not permitted.

Decision requested

- 3.1.1 Map the areas where Rule 36 applies or define the residential area to which the rule applies.
- 3.1.2 Agrichemical use that is not permitted should be restricted discretionary activity.

3.2 Definition of Erosion Prone Land (and Rule 100)

The definition of erosion prone land is unclear. The definition does not state how land slope is calculated, whether the slope is averaged and if so over what area. From the definition it is not possible to quickly and easily determine if your property is erosion prone and therefore whether Rule 100 applies.

Decision requested

- 3.2.1 Map Erosion prone areas to determine the areas to which rule 100 applies; or
- 3.2.2 Amend the definition to show how a slope of 20 degrees is determined.

3.3 Definition of Property

Many of the earthworks rules require the discharge to not create effects outside of the 'property'. Property is defined s 'any contiguous are of land held in one ownership'. It is unclear how these rules would be applied to locations such as rivers.

Decision requested

- 3.3.1 Clarify how the air quality rules apply to areas that are not land, such as rivers.

3.4 Definition of Reclamation

The definition of reclamation is confined to reclamation in the CMA. The plan contains many other policies and rules that relate to reclamation on the beds of lakes and rivers. Clarity is required about what constitutes reclamation in relation to the beds of lakes and rivers.

Decision requested

- 3.4.1 Amend the definition of reclamation to clarify its meaning in relation to the beds of lakes and rivers.

3.5 Definitions for types of Water Course (and all provisions relating to watercourses)

It is appropriate that watercourses are regulated differently depending on their flows and naturalness. However the definitions are currently confusing and incomplete and may result in the over-regulation of

some water courses. Artificial water courses and ephemeral flow paths are not 'rivers' under the RMA and should not be subject to provisions relating to River beds (Section 13).

Decision requested

3.5.1 Insert new definitions to clearly define the different types of water courses including:

- continuous/permanent water course
- Intermittent water course
- Drains
- Ephemeral flow path
- Surface water bodies

3.5.2 Ensure that rules that apply to the relevant water courses are appropriate for the type of water course.

3.6 Abrasive Blasting (Rules 25 and 26)

Rules 25 and 26 permit abrasive blasting subject to conditions. Abrasive blasting either within or outside an enclosed booth is not permitted if it involves blasting lead based paint. There are effective measures that can be used to ensure that lead based paint is not discharged into the environment.

Where the appropriate measures are used to avoid the discharge of lead based paint into the environment, it should be a permitted activity.

Decision requested

3.6.1 Amend the rules to permit the blasting of lead based paint when the activity is managed to prevent the discharge of lead into the environment.

3.7 Stormwater from the roading network (Rules 48-53)

It is unclear whether Rules 48-53 are intended to apply to the stormwater run-off from roads.

The single permitted stormwater rule (Rule 48) relates to the discharge of stormwater from an individual property. Roads are contiguous and in one ownership and therefore the entire road network within the district could be considered one property. However, WCC understands that this rule is not intended to relate to the roading network.

If the individual property rules do not apply to the road network it is unclear what rules would apply. WCC considers that requiring a consent for the discharge of stormwater from roads would be unduly onerous.

Decision requested

- 3.7.1 Clarify how Rules 48-53 relate to stormwater runoff from the roading network and ensure that a resource consent for stormwater run-off is not required.

3.8 Redistribution of River Bed Material (Definitions and Rule 119)

Rule 119 permits the clearing of flood debris and (river) beach re-contouring. WCC supports this activity being permitted subject to reasonable conditions.

'Flood debris' and 'river beach' (as it relates to river beaches) are currently not defined. Interpretation of the rule could be improved if definitions were provided for these activities. Beach re-contouring is defined but should include all bed material not just gravel.

Condition (f) of Rule 119 requires that operation to occur only on those parts of the river not covered by water at the time of the work. While this is generally possible often a small amount of work is required in the flow channel to ensure effective re-contouring and pre-empting future obstructions.

Condition (g) of Rule 119 appears to relate to the depth of excavation, but the wording is not clear.

Decision requested

- 3.8.1 Include a definition of 'flood debris' (that includes the wide range of materials that can build up and cause blockage during a flood)
- 3.8.2 Include a definition of 'river beach' (that includes material build up around bridge piers)
- 3.8.3 Amend the definition of 'beach recontouring' to include all river bed materials.
- 3.8.4 Amend Rule 119 condition (f) to permit a reasonable amount of recontouring in the flow channel.
- 3.8.5 Amend Rule 119 (g) to clarify it relates to the depth of excavation, if this is the intention.

3.9 Definition of Zone of reasonable mixing (and Policy 71)

The definition of 'zone of reasonable mixing' states that for consented and permitted activities the zone of reasonable mixing will be determined on a case by case basis in accordance with Policy 71. Policy 71 outlines a number of factors that must be taken in account when determining the zone of reasonable mixing. The definition and Policy provide no certainty to activities involving discharges to coastal water and it is not possible to determine if a particular activity will be permitted. The current provisions require Greater Wellington to exercise discretion in determining what activities are permitted and which are not and this is potentially ultra vires.

Decision requested

- 3.10.1 Amend the definition of the 'zone of reasonable mixing' (in relation to coastal water) to be certain and not require the exercise of discretion.

3.10 New Structures (Rule 117)

Rule 117 lists specific structures that are anticipated and therefore permitted in the beds of lakes and rivers. Erosion protection structures are not mentioned. Erosion protection structures are common and necessary for the continued functioning of infrastructure, roads and other Council assets.

Decision requested

- 3.9.1 Include erosion protection structures in Rule 117. Make any necessary subsequent amendments to the policies to recognise and provide for these structures.

3.10 Temporary damming and diversion for in-stream works (Rules 112 – 118)

Rules 112 – 118 permit a range of instream works related to structures. When these works are undertaken temporary stream damming and diversion is often required to create a dry work environment. It is unclear whether any temporary damming and diversion, is covered by these (and therefore permitted) or whether the separate damming and diversion rules apply (making it a discretionary activity).

Any damming or diversion undertaken in association with Rules 112-118 would only be temporary and for the duration of the works, and as such should be permitted (subject to appropriate conditions).

Decision requested

- 3.10.1 Clarify whether temporary stream damming and diversion required for instream structure works (Rules 112- 118) are covered by the rules (i.e. included in 'associated' works);
- 3.10.2 If the temporary damming or diversion of water is not included, make it a permitted activity subject to appropriate conditions.

3.11 Beach Grooming (Rule 191)

Rule 191 permits beach grooming on certain listed beaches subject to conditions. One of the conditions is that they must not be on an identified Site of Significance to Mana Whenua (Condition (f)). However, in some circumstances (e.g. Island Bay) the entire beach is identified as a site of significance to mana whenua. Therefore the permitted activity status is negated by the condition, which won't be met, resulting in the activity being considered a non-complying activity.

The rule is made more confusing by an associated 'Note' that says an agreement with DOC has been reached as the area is also a Marine Reserve. The note implies that beach grooming is in fact permitted however, as the area is identified as a site of significance and therefore fails condition (f), it would appear not to be permitted.

Decision requested

- 3.11.1 Clarify whether beach grooming at Island Bay is a permitted activity. If not WCC submits that beach grooming at Island Bay should be permitted.
- 3.11.2 Ensure that there are no other places within Wellington City (or the Region) where condition (f) of Rule 191 conflicts with the primary part of the rule.

3.12 Motor Vehicles on the foreshore (Rule 190, 196 and 197)

Rule 190 permits the launching of boats if there is a boat ramp and Rule 196 permits motor vehicles on the foreshore providing they are not in Sites of Significance.

Makara Estuary is listed as a 'site of significance'. Rule 196 means that launching a boat at Makara Estuary boat ramp will require a resource consent. In addition, sections of the road around the south coast (that starts at Owhiro Bay) are also within a listed site (Schedule C and Schedule F2c) making vehicles in this location on an existing road a non-complying activity.

Decision requested

- 3.12.1 Clarify the relevant rule for boat launching at Makara Estuary and ensure it is a permitted activity.
- 3.12.2 Clarify whether Rule 196 applies to the coastal road around the south coast (starting at Owhiro Quarry).
- 3.12.3 Ensure that the identification of the coastal road as a site of significance to Mana Whenua does not preclude the ongoing use of the road by motor vehicles.

3.13 Destruction Rules (Rules 204 -205)

The construction of coastal protection structures such as revetments may constitute 'destruction', but maybe more appropriately assessed under other rules.

Decision requested

- 13.3.1 Clarify that coastal protection structures such as revetments are excluded from the destruction rules.

13.14 Improving Water Quality (Method M10)

Karori Stream is recognised as a priority site in Schedule H2, but is not listed in Method 10 Water quality investigations and remediation actions. But actions are listed for lower priority streams. The Plan should include actions (and timeframes) for water quality improvement in Karori stream under this method and acknowledging its priority status.

Karori Stream is also not covered by Method 27 as that refers to Schedule H1 water bodies.

Decision requested

- 3.14.1 Include actions (and timeframes) for water quality improvement in Karori stream under Method 10, acknowledging its priority status.

3.15 Principles for Biodiversity offsets (Schedule G)

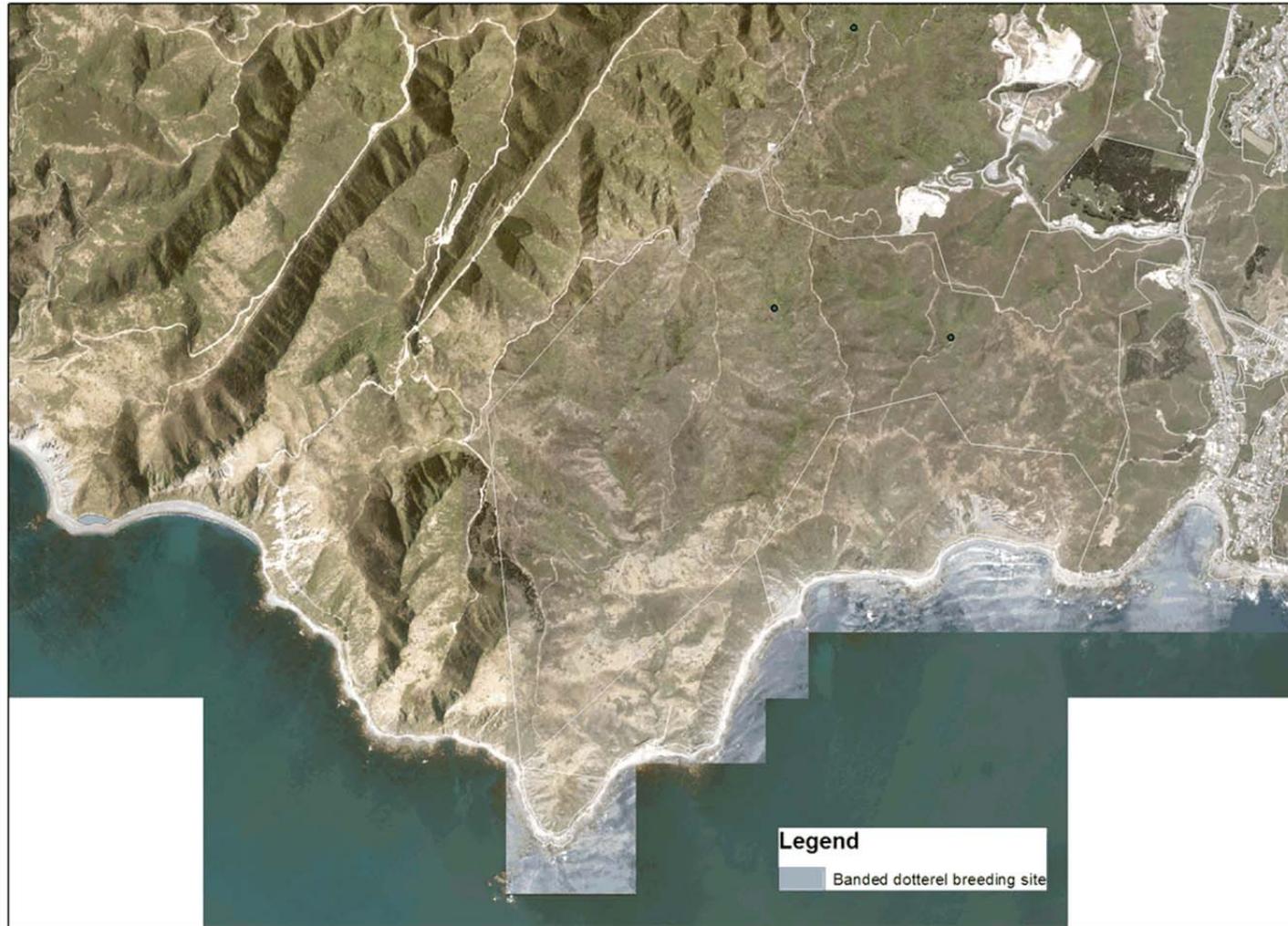
Schedule G outlines the principles to be applied when proposing and considering mitigation and offsetting in relation to biodiversity. Point 6 states that there should be no net biodiversity loss and that biodiversity should be provided at the site. Where offsets cannot be provided at the site then they should be provided within the ecological district.

Overall the provisions are supported, however WCC requests that rather than offsets being provided at the site or in the alternative within the ecological district, consideration should first be given to providing the offset within the site, then within the catchment, then within the ecological district.

Decision requested

- 3.15.1 Amend Point 6 (or wording to similar effect) to say:

Any proposal for biodiversity offsets will provide measurable positive effects on biodiversity at the site, or within the catchment. Consideration will be given to offsets ~~where appropriate~~ within the ecological district if offsets are not possible within the site or catchment, . which can reasonably be expected. The expected outcome is no net loss and preferable a net gain of biodiversity.



3. Monitoring

REVIEW OF ANNUAL REPORTS FOR COUNCIL CONTROLLED ORGANISATIONS FOR THE YEAR ENDING 30 JUNE 2015

Item 3.1

Purpose

1. This report provides the Committee with a review of the annual reports submitted by the Wellington Zoo Trust and the Karori Sanctuary Trust for Council approval in compliance with the requirements of the Local Government Act 2002. Reports analysing the entities' performance are included with this report.
2. This report also provides the Committee with the annual report and audited financial statements of Wellington Water Limited (the company) for the year ended 30 June 2015 for Council approval in compliance with the requirements of the Local Government Act 2002.

Recommendations

That the Environment Committee:

1. Receive the information.
2. Note any issues for the Chair to raise with the entities covered by this report.

Background

3. It is a requirement of the Local Government Act 2002 (the Act) that where the Council is a shareholder in a council organisation it must regularly undertake performance monitoring of that organisation to evaluate its contribution to the achievement of:
 - The Council's objectives for the organisation
 - The desired results, as set out in the organisation's Statement of Intent
 - The Council's overall aims and outcomes.
4. The Environment Committee is tasked with the assessment of the efficiency and effectiveness of the following entities:
 - The Wellington Zoo Trust
 - The Karori Sanctuary Trust
5. All shareholders of Wellington Water Limited jointly monitor the company via the Wellington Water Committee.
 - At year end 30 June 2014, Wellington Water Limited (formerly Capacity Infrastructure Services Ltd) was owned by Hutt City Council, Porirua City Council, Upper Hutt City Council and Wellington City Council. In September 2014, Wellington Regional Council became the fifth shareholder in the company and its name was changed to Wellington Water Limited.

Discussion

6. Audited annual reports and financial statements have been received from the following entities and are attached:
 - The Wellington Zoo Trust
 - The Karori Sanctuary Trust
 - Wellington Water Limited
7. The annual reports received from the Wellington Zoo Trust and the Karori Sanctuary Trust have been reviewed by officers to assess any risks or issues from the Council's perspective. Any significant issues that were identified have been discussed with the relevant entity.
8. Representatives of the entities covered in this report will attend the meeting to present the annual reports and answer any questions from the Committee.
9. In the case of the Wellington Zoo Trust and the Karori Sanctuary Trust, if the Committee needs to clarify further the information presented or requires additional assistance with its monitoring role, it can ask officers or the Chair of the Committee to seek responses from the Board Chair of either Trust.

Wellington Zoo Trust

EXECUTIVE SUMMARY

The Wellington Zoo Trust had a strong year, meeting or exceeding 17 of 21 targets or an 82% success rate compared to 76% last year. In addition to having the third highest visitation in the Zoo's history, Wellington Zoo also recorded the following highlights:

Capital Projects

- The Trust met its 25% funding target associated with the 10-year Zoo Capital Programme (ZCP).
- The Grassland Cats exhibit, featuring Servals and Caracals, was opened by the Mayor in September 2014.
- Construction on the final phase of the ZCP programme, the New Zealand precinct called Meet the Locals, continued during the year and is due for completion in October 2015.
- New accommodation for the Baboons was completed during the year.

Visitor Engagement

- The Zoo has continued to develop its visitor experience offerings and this year experienced its highest level of animal contact time, recording 1,263 hours of contact time across the Zoo.
- Online engagement has increased significantly, with the numbers on the newsletter database increasing by 57% and the Zoo's Twitter following growing from 6,140 to 6,967 (13.5%).
- Following up from research in 2009, the Zoo undertook a major visitor research project. The results were very positive with respect to visitors' value-rating of the Zoo and their understanding of the Zoo's work in the areas of conservation and learning.

Conservation and Sustainability

- Wildlife conservation continues to be an important strategic focus of Zoo activity. Delivered through dedicated staff and visitor activities and supported by the Wellington Zoo Conservation Fund, the Zoo contributes to a number of national and international field projects and animal conservation missions.
- The Nest Te Kōhanga treated over 450 birds and animals this year, including those brought in by the SPCA, DOC and Zealandia with a success rate of 57% returned to the wild – well above global benchmarks.

- The Zoo again successfully retained its carboNZero certification and has demonstrated a 4% reduction in its carbon footprint over the last two years.

Formal Learning

- The Zoo's Bush Builders programme to connect children with the natural environment continues to grow with over 425 students from five urban schools taking part this year.
- 12,380 students from more than 280 schools participated in Zoo-based learning experiences. Some programmes, such as *The Living Room*, were run in partnership with the Ministry of Education.
- Now in its second year, *Zoofari* continues to be popular with over 2,200 students (2013/14: 1,700) from 19 low-decile schools in Wellington and Tasman visiting the Zoo. This programme is a partnership between Wellington Zoo and The Warehouse.
- Almost 1,600 children participated in the Zoo's school holiday programme (2013/14: 1,300).

SUMMARY FINANCIALS

FINANCIAL PERFORMANCE (\$000) 30 JUNE	Actual 2012/13	Actual 2013/14	Actual 2014/15	Budget 2014/15	Variance
Total Revenue	6,414	6,008	7,756	6,037	1,719
Total Expenses	6,320	5,936	6,703	6,037	(666)
Net Surplus	94	72	1,053	0	1,053
FINANCIAL POSITION					
Total Assets	2,537	2,527	3,967	1,579	2,388
Total Liabilities	1,720	1,638	2,025	836	(1,189)
Equity	817	889	1,942	743	1,199
CASH FLOWS					
Total Net Cash Flows	489	106	1,519		
Opening Cash	1,342	1,831	1,937		
Closing Cash	1,831	1,937	3,456		

A review of the financial statements of the Wellington Zoo Trust highlights the following points:

- The Trust generated 59% of its operating costs this year.
- Revenue of \$7.8m was \$1.7m (29%) better than budget. It includes Admissions revenue of \$2.6m (up \$201k (8%) on 2013/14), unbudgeted capital grants and donations of \$1.25m, and sales revenue of \$339k (up \$32k (10%) on 2013/14).
- Expenses of \$6.7m were \$666k over budget, but include \$595k of vested capital grants and donations.
- The Trust ended the year with a positive operating surplus of \$1,053k which becomes an operating surplus of \$12k after transfers to and from restricted funds.
- Restricted funds include Trusts and Capital grants that are tagged for specific projects, provision for Animal Transfers, and the Trust's allocation to the Conservation Fund.
- Closing cash of \$3.46m includes capital grants and other restricted funds (\$1.64m), revenue in advance (\$64k) and Trade Payables (\$1.8m).

KEY PERFORMANCE INDICATORS

- *Achieved* ✓ *Not Achieved* ✗. The tables contain a selection of KPIs and not a complete list.

30 JUNE		2013	2014	2015
25% Vesting Target for CAPEX- based on actual CAPEX, targets in the SOI were based on possible CAPEX spend.	Target	\$461.3	\$240.7k	\$595,438
	Actual	\$461.3 ✓	\$240.7k ✓	\$595,438 ✓
Increase admissions by 2% pa on Business Case base 2005-06. <i>Note: targets were recalibrated upward in 2012/13.</i>	Target	206,703	216,890	230,111
	Actual	232,130 ✓	227,434 ✓	225,927 ✗
Average Income per visitor (ex WCC grant)	Target	>\$14.88	>\$14.82	>\$14.25
	Actual	\$13.82 ✗	\$14.01 ✗	\$15.37 ✓
Ratio of Trust generated income as % of WCC grant	Target	110%	118%	119%
	Actual	115% ✓	117% ✗	126% ✓
Average WCC subsidy per visitor	Target	<\$13.54	<\$12.52	<\$11.98
	Actual	\$12.06 ✓	\$11.94 ✓	\$12.20 ✗
Volunteer Hours (9600 hours = 5FTE)	Target	> 5FTE	> 5FTE	>5FTE
	Actual	4.19FTE ✗	4.6FTE ✗	7FTE ✓

KPI COMMENTARY

The following explanations were noted for significant variances on KPI targets:

- The Zoo met its vesting target of raising 25% of the actual capex spend. This target has been met every year of the ZCP.
- Visitor numbers were 4,184 (2%) under target for the year. However, the 2015/16 result represents the third highest visitor numbers in the Zoo's history and remains well ahead of the 2% per annum year on year expectation set in the original capital development business case.
- For the first time since 2011, the Zoo exceeded its Average Income per Visitor target of \$14.25, generating an average income per visitor of \$15.37, up \$1.36 (10%) on 2013/14. This was due largely to increased returns on commercial products such as Close Encounters, and a strong uplift in sales at the Zoo shop.

OUTLOOK

Key activities and issues anticipated in 2015/16 include:

- *Meet the Locals* is on track to open in October 2015 and will mark the end of the Council's initial 10-year investment in the Zoo's capital development.
- Work will continue on developing the business case and funding partnerships for a new Snow Leopard habitat to complete the Asia precinct.
- The Zoo will continue to strengthen their leadership and engagement in conservation projects with particular focus on critically endangered species.

Karori Sanctuary Trust

ACTIVITY SUMMARY

Visitation: The Trust (or ZEALANDIA) had a successful year marked by its highest ever visitation (97,543) in a year that it did not host Sirocco (the celebrity Kakapo which normally draws a crowd of between 3,000 to 4,000 visitors). Locals (including members) account for about 61% of total visits. Paid admissions for non-members (48,607) were higher than the previous year (44,438). One in five (20%) non-member visitors come from other parts of New Zealand, while two in every five (40%) paid admissions are international visitors. 5,187 people (most outside of Wellington) attended one of the custom tours contributing \$162k (+GST) in revenue. Over 2,700 people attended 89 functions at Rata Café and 5,175 visitors attended the Gold Coin open weekend run jointly with Wellington Zoo Trust on the weekend of 16–17 May 2015.

Members: At the end of the 2014/15 year, ZEALANDIA had 9680 individual members, about 3% below target. While disappointing, this reflected an interruption to the renewals and membership system at the transition point in August to October 2014. The Trust learned lessons from the delays and is now able to process memberships quickly and efficiently. The Trust now receives positive feedback on the same-day service for membership processing which previously took in excess of 2 weeks.

Staff: The whole-of-organisation staff realignment was completed in October 2014. Its aim was to streamline programme delivery, reduce the number of casual staff and attract and retain skilled employees. Before realignment, the total staff headcount was 77 (38.3 FTE, excluding casuals). Following realignment, total staff headcount is now 34 (31.7 FTEs, excluding casuals). Hilary Beaton, who joined the Karori Sanctuary Trust as Chief Executive in October 2013, left in July 2015. The recruitment process for a new Chief Executive is advanced.

Volunteers: A Volunteer Advisory Group was established in October 2014 to lay foundations for creating a relevant and flexible volunteer experience that can respond to evolving needs and organisational growth. Quarterly “Veteran Volunteers” morning teas and talks were well attended and helped to give the more senior members a continuing opportunity to connect with the Sanctuary’s work. The Trust also holds an annual Volunteer Appreciation Evening to formally recognise Volunteer’s efforts and successes.

Trading Revenues: Retail income of \$162,723 was behind target, but sales recovered during the summer high season. \$2.569m (or 75%) of revenues were earned by trading activities (i.e. non-Council funding). Rata Café and Functions have become increasingly important to ZEALANDIA’s financial sustainability. Rata enjoyed a busy winter period – signalling that the café and function venue is growing into a promising year-round operation. The retail store continues to shift its focus from a selection of high-end slow moving stock to a broader range of more affordable and locally sourced souvenirs, giftware and books.

Education: The Trust had 6,890 education & youth visits including 110 school trips to ZEALANDIA, plus the education team visited 19 schools and 34 other groups visited including cubs, scouts, brownie and early childhood, and university students. The Education Programme gave complimentary admission to 886 students from three low-decile primary schools and funded transport for two of these schools through a Hutt Mana Trust grant, a 50% increase from 2013/14. 267 children attended education sleepovers, which begin with a night tour searching for kiwi, tuatara, pāteke and other nocturnal animals followed by an overnight stay. As part of the Outreach Programme, traps have been set up in Wainuiomata Primary School, St Teresa’s (Karori), Karori Normal School, Makara Model School, Kilbirnie Primary School and Victoria University. 17 research projects were undertaken at ZEALANDIA including 10 from Victoria University of Wellington and 1 from Massey University.

Conservation Achievements: The 600th kākā was banded in January 2015 and the 500th Kākāriki was banded in March 2015. Hihi and kākāriki numbers continue to increase with at least 37 pairs of kākāriki and 29 pairs of hihi nesting in the Sanctuary, the highest numbers to date. Over 800 native plants were planted by volunteers, most at the south end of the Sanctuary. The first known successful tīeke nest outside the sanctuary was recorded in the adjacent Polhill Gully restoration area. ZEALANDIA staff banded and fledged two tīeke on 9th November. At least one other pair was discovered nesting outside the sanctuary perimeter, the outcome of this nesting attempt is unknown.

There were no known mammalian biosecurity breaches in 2014/15.

SUMMARY FINANCIALS

* Variance (Actual minus Budget). ✓ Favourable variance to budget ✗ Unfavourable variance to budget

FINANCIAL PERFORMANCE					Budget	Variance*
(\$000)	30-Jun-12	30-Jun-13	30-Jun-14	30-Jun-15	30-Jun-15	30-Jun-15
Total Revenue	2,654	2,749	3,444	3,374 ✗	3,485	(111)
Op. Exp. before Deprn .	3,112	2,986	3,419	3,300 ✗	3,281	20
Earnings before Deprn & Int.	(397)	(196)	65	74 ✗	205	(131)
Surplus (Loss) after Deprn.	(1,386)	(1,917)	(1,373)	(293) ✓	(1,263)	970
FINANCIAL POSITION						
Total Assets	19,141	17,169	15,588	15,366 ✗	15,669	(302)
Total Liabilities	11,594	11,538	11,331	11,403 ✗	11,318	84
Equity	7,547	5,630	4,257	3,964 ✗	4,350	(387)
CASH FLOWS						
Total Net Cash Flows	(727)	(331)	(246)	150 ✓	15	135
Opening Cash	1,793	1,066	735	489	742	n/a
Closing Cash	1,066	735	489	639	757	n/a

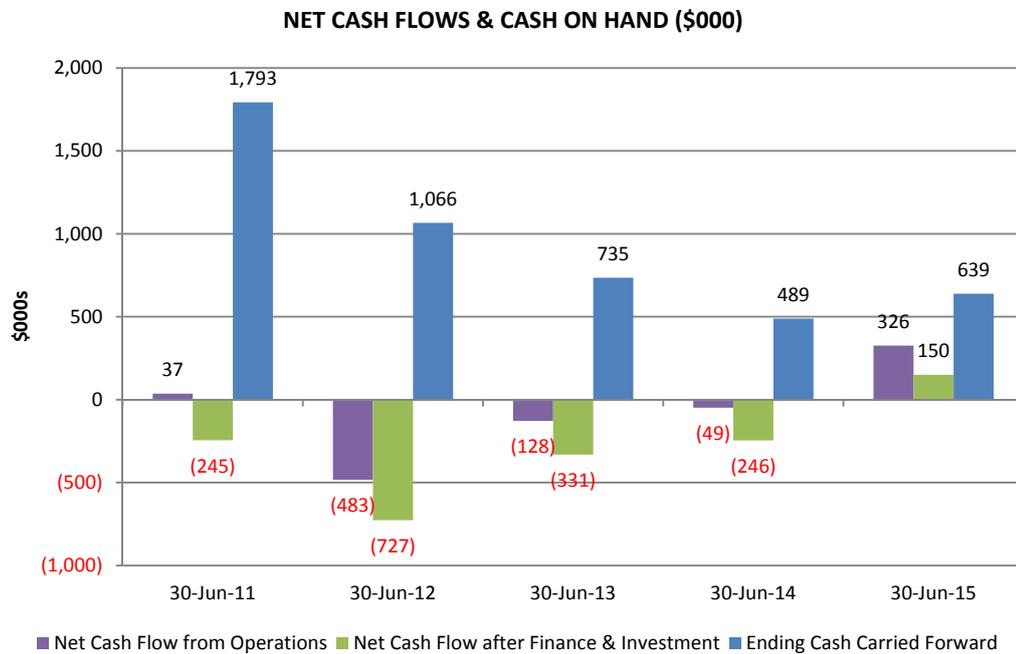
At first glance the unfavourable variances to budget give a misleading view of the Trust's financial performance in 2014/15 which has been a very positive year for the Trust. Although total revenue was below budget by \$111k, and operating expenses are just above budget for the period, this is a function of slightly aspirational budgeting (in a non-Sirocco year). Earnings before depreciation and interest totalled \$74k for the year ended 30 June 2015. This result continues a return to operational sustainability (before depreciation) following losses in 2012 and 2013. Council's operating grant represents approximately 25% of the Trust's total revenue. Other revenue streams are explained below.

Revenue Stream	2013/14	2014/15	Comments
Admissions	\$922k	\$802k	Due to reduced marketing following prior year Spring re-launch.
Food, beverage & function hire	\$880k	\$861k	Just below 2013/14, but 16% up on comparable (non-Sirocco) year.
Memberships	\$283k	\$274k	Memberships dipped mid-year due to a change in staffing. Corrected now.
Grants & donations	\$231k	\$292k	Includes Learning Experiences Outside The Classroom (\$72k) plus capital grants (\$51k).
Retail	\$205k	\$163k	Shifted focus from high-end retail to local souvenirs, gifts & books.

SUMMARY FINANCIALS

In the balance sheet, the Trust's equity is reducing in tandem with the depreciation of its fixed assets while its loan from Council of \$10.3m remains unchanged. The Trust is in discussions with Council in relation to the Visitor Centre and Council's loan.

With earnings before depreciation, tax & interest on an improving trend now, it is pleasing to see the strengthening trend in the Trust's net cash flows which in 2014/15 was positive \$150k for the first time in many years. This performance is a tenfold improvement on the forecast net cash flow for the year of \$15k and has resulted in the Trust growing its cash reserves from its operating activities for the first time in many years. Although it is not disclosed in the table above, the financial statements show that the Trust earned positive operating cash flow of \$326k in the year to 30 June 2015, and this was the first operating cash surplus since 2011. More importantly, the Trust grew its cash reserves after its investing and financing activities by \$150k for the year and this is the first time since prior to the completion of the Visitor Centre that the Trust has grown its cash reserves from its operating activities.



KPI DASHBOARD

- *Achieved* ✓ *Not Achieved* ✗. The tables contain a selection of KPIs and not a complete list.

30 JUNE	2011	2012	2013	2014	2015	2015
Non-financial	Actual	Actual	Actual	Actual	Actual	Target
Visitors	89,643 ✗	87,897 ✗	82,749 ✗	99,213 ✓	97,543 ✓	91,400
Membership units	5,034 ✗	4,830 ✗	4,527 ✗	n/a*	n/a*	n/a*
Individual members				10,919 ✓	9,680 ✗	10,000
Students & education visits	7,068 ✓	6,556 ✗	8,121 ✓	8,048 ✗	6,890 ✗	8,350
Satisfaction rating **	91% ✓	92% ✓	93% ✓	93% ✓	91% ✗	92%
Volunteer numbers	>400 ✓	>400 ✓	428 ✓	450 ✓	>400 ✓	>400
Financial						
Average subsidy per visit	\$7.81 ✗	\$0.45 ✓	\$4.23 ✗	\$8.82 ✓	\$8.97 ✓	\$9.57
Average revenue per visit	\$25.69 ✓	\$29.13 ✓	\$28.69 ✓	\$25.64 ✗	\$25.52 ✗	\$27.46
Conservation						
Percentage native flora	--	--	--	46% ✓	46% ✓	46%
Total native plant species	182 ✓	--	177 ✓	180 ✓	182 ✓	177
Total exotic plant species	212 ✓	--	215 ✗	215 ✓	215 ✓	215
Percentage native fauna	--	--	--	71% ✓	71% ✗	73%
Total native fauna	43 ✓	--	42 ✗	42 ✓	45 ✓	45
New native fauna released	3 ✗	--	3 ✓	0 ✓	0 ✗	2
Total exotic fauna for control	34 ✗	--	41 ✓	17 ✓	17 ✓	17

* This KPI has changed to provide a better understanding of ZEALANDIA'S actual membership.

** This satisfaction rating is based on ZEALANDIA data and is independent of the Council's residents survey.

Learning Experiences Outside the Classroom visits (4,739) exceeded target (4,660). However, total Education visits were below target due in part to lower than usual school visits due to the ANZAC centennial commemorations in the first part of 2015.

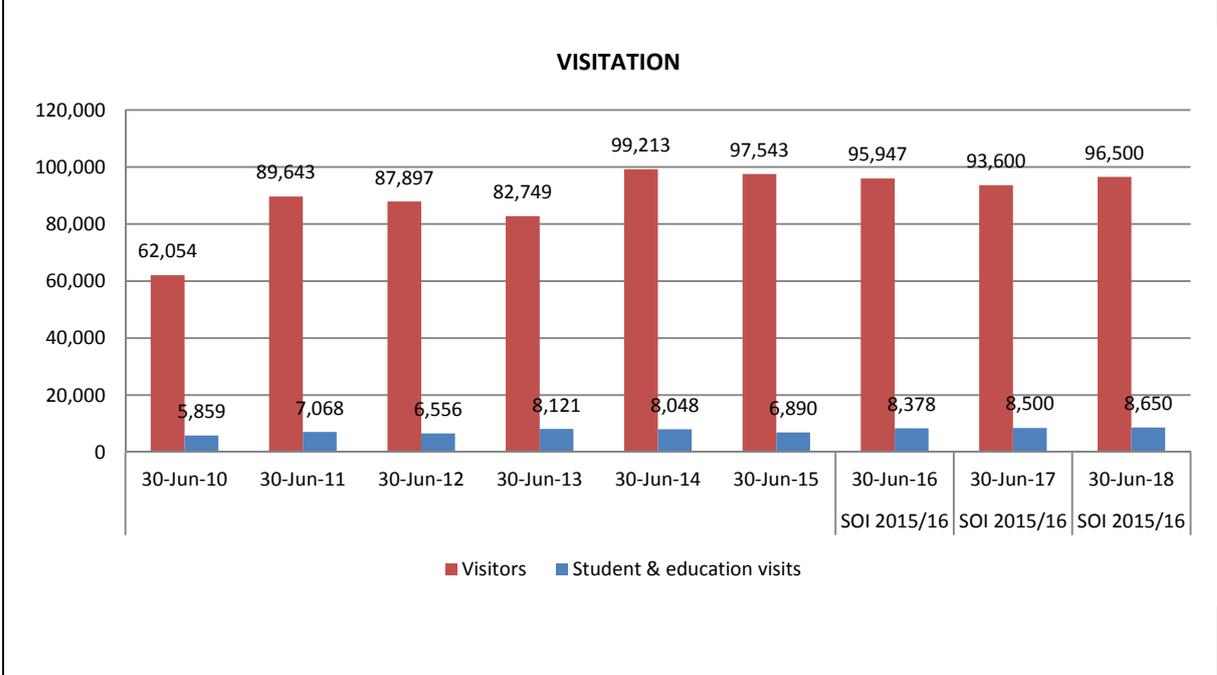
During the year 94% of respondents to Council's residents survey rated their experience at ZEALANDIA as Good or Very Good (up from 91% in 2014 and 86% in 2013).

ISSUES & OUTLOOK

The Trust celebrated its 20th anniversary in July. ZEALANDIA'S 2014/15 strategy marked the turning point between the first generation of effort to establish the Sanctuary and its next generation aspirations for fully harnessing the benefits and opportunities of the Sanctuary. The Trust believes that ZEALANDIA has the capacity to greatly increase its contribution as a vital part of Wellington's natural capital. This future contribution will be based on extensive partnerships including those with the Council, Victoria University, and with other Wellington organisations such as Te Papa, the Wellington Zoo, Otari-Wilton's Bush, the Department of Conservation, and the Tenth's Trust, among others.

During the year the Trust entered into discussions with Council in relation to the Visitor Centre and Council's loan.

EFFECTIVENESS INDICATORS



Wellington Water Limited

All shareholders of Wellington Water Limited jointly monitor the company via the Wellington Water Committee.

Attachments

Attachment 1. Wellington Zoo Trust Annual Report 2014/15 Page 48
Attachment 2. Karori Sanctuary Trust Annual Report 2015-2014 Page 113

Authors	Richard Hardie, Portfolio Manager Warwick Hayes, CCO Project Manager
Authoriser	Derek Fry, Director City Growth & Partnerships

SUPPORTING INFORMATION

Consultation and Engagement

The organisations in this report consult with the Council on a wide range of matters as part of our “no surprises” relationship.

Treaty of Waitangi considerations

This report raises no new treaty considerations.

Financial implications

The CCOs work within the context of the Council’s overall Long Term Plan and Annual Plan framework.

Policy and legislative implications

This report complies with the legislative requirements of the Local Government Act (2002) and is consistent with existing Council policy.

Risks / legal

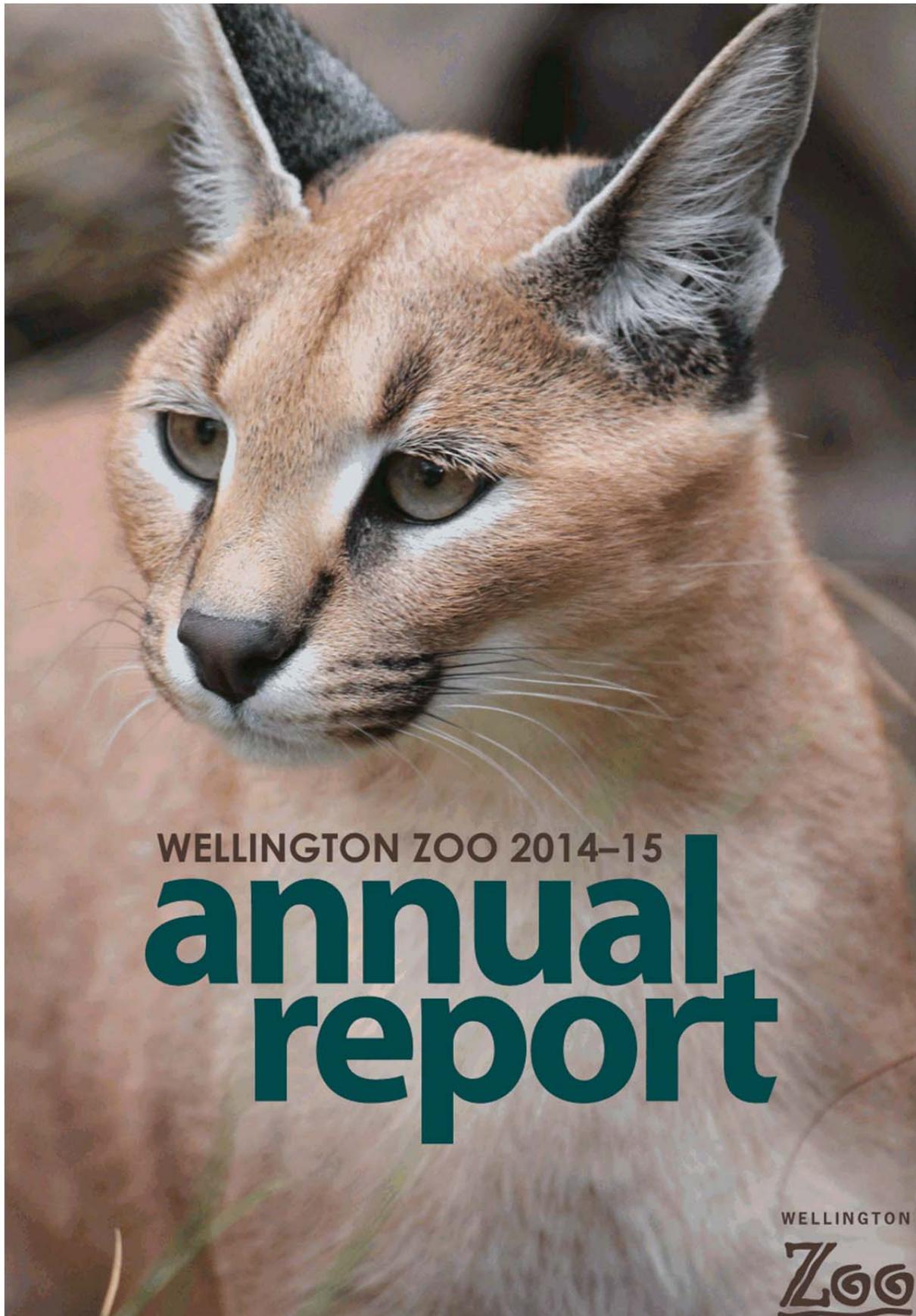
Not Applicable.

Climate Change impact and considerations

The CCOs work with the Council and other organisations in considering the environmental sustainability of their operations, including with the Council’s Our Living City programme.

Communications Plan

Not Applicable.



STRATEGIC DIRECTION

OUR DREAM

To be the best little zoo in the world.

OUR PURPOSE

We encourage people to find their personal connection with nature.

OUR SIX STRATEGIC ELEMENTS:

Our six strategic elements have guided our progress over the last 12 months, helping us to build the best little zoo in the world.

1. CREATE OUTSTANDING, INTIMATE AND UNIQUE VISITOR EXPERIENCES

- New animal arrivals
- Building our 21st century Zoo
- New achievements in visitor engagement across the Zoo
- LEOTC and Wild Start

2. INTEGRATE CONSERVATION AND SUSTAINABILITY ACROSS THE ORGANISATION

- Environmental sustainability
- Conservation action

3. ACHIEVE FINANCIAL SUSTAINABILITY

- Visitor numbers and revenue
- Growing support from partners

4. BUILD LASTING COMMUNITY SUPPORT AND PARTICIPATION

- Zoo Crew
- Nature Connections
- Growing volunteer programme
- Record attendance on Neighbours' Night and Open Weekend
- Increased involvement with our community
- Raising our profile

5. SHOW INDUSTRY LEADERSHIP

- Animal Welfare Committee
- Staff representation on industry boards and other committees
- Staff presentations at conferences for the zoo and aquarium industry, learning, conservation and advocacy
- Industry recognition for our people
- Veterinary excellence and research

6. ENSURE ALL STAFF ARE MOTIVATED AND VALUED

- Building the capability and performance of our people
- Growing our people engagement
- Strengthening leadership and management capabilities

TRUST CHAIR REPORT

This year has been another successful year for Wellington Zoo. As Chair I am extremely proud of our achievements and also that the whole team embraces our strategy and consistently works to support the very best outcomes for our Zoo.

The construction of Meet the Locals, our New Zealand precinct, is underway and will open in the latter half of 2015. This innovative and beautiful precinct will be our love story to New Zealand. I am very excited about this project and as the last of the ten-year Zoo Capital Programme, it is fitting that it celebrates New Zealand in a very Wellington Zoo way.

We are busy making plans to acquire Snow Leopards in the coming few years. We are constantly thinking about how we can continue to add value to our city and provide our community with a quality Zoo. Snow Leopards will help us do that, as they would be the only ones in New Zealand, and they have a compelling story as an endangered species. Snow Leopards will add to our strategy to ensure more endangered species will call Wellington Zoo home in the future.

We have developed a new strategic framework for our Zoo for the coming three years. This strategy will build on the six strategic elements which have guided our decision making over the last few years. Our aim is to ignite a zoo revolution by connecting people with animals, saving animals in the wild, having a zoo that people love, and leading the way in conservation and sustainability. It is an exciting new paradigm for our Zoo.

I would like to express my thanks for the dedication of our Trustees in supporting the work of the Zoo. The Trustees work in partnership with the Zoo's Strategic Management Team to ensure Wellington Zoo achieves its goals.

As we move into 2015–16 we are very clear about the role Wellington Zoo plays in our community. We take our community service role very seriously; we are here to manage the Zoo well and build a community forum for behaviour change to protect our planet.

Wellington Zoo is well placed for the next stage of our journey to ignite a zoo revolution. We hope you will be part of it with us.

Wellington Zoo is well placed for the next stage of our journey to ignite a zoo revolution.



ROSS MARTIN
Chair, Wellington Zoo Trust

CHIEF EXECUTIVE REPORT

I am immensely proud of our achievements in 2014–15. Our people have shown leadership across the organisation and, together with our partners, funders and community, we have created a boutique and mighty Zoo that is well placed to achieve even more in the coming years as we embark on our new strategy.

But first, let's take a snapshot of the year just gone. We opened Grassland Cats this year and we now have Caracals in the Zoo – the only ones in New Zealand.

We continue to grow our field conservation support for our critically endangered and endangered species we house at the Zoo. These animals are under pressure in the wild and we support field conservation programmes in their range states which seek to keep them safe in the wild.

We have welcomed new animals to the Zoo, notably a male Sumatran Tiger and five Asian Small-Clawed Otters. We were honoured that Dr Jane Goodall DBE named our new chimpanzee baby, Kitwe, and we were saddened by the death of Chima, one of our female chimpanzees, after a failed breeding introduction to a male at Hamilton Zoo.

We have continued to reduce our carbon footprint and we have now achieved a four percent reduction over the last two years.

Our community access initiatives continue to grow and it was pleasing to gain a silver rating from Be.Accessible as recognition of the work we have done to ensure our whole community can enjoy their Zoo.

The Trust was able to generate 59% of its operational costs this year and finished with a positive financial result of \$12,099 after transfers to restricted reserves. Wellington Zoo Trust met or exceeded 17 of the 21 targets we set ourselves for 2014–15, an 81% success rate compared with 76% last year. We welcomed 225,927 visitors this year, the third highest visitation in the Zoo's history, and many have taken the time to write to us to say how much they enjoyed their Zoo visit.

As we prepare to start 2015–16 I am excited about our new strategic framework and what it will mean for Wellington Zoo. We ask that you join us in our zoo revolution over the coming years.

We have created a boutique and mighty Zoo that is well placed to achieve even more in the coming years.



KAREN FIFIELD
Chief Executive, Wellington Zoo Trust

1. CREATE OUTSTANDING, INTIMATE AND UNIQUE VISITOR EXPERIENCE

ANIMALS IN OUR CARE

NEWBORN DELIGHTS

We were delighted to welcome a baby Chimpanzee in November, born to first time mother Keza. The newest member of the troop was named by Dr Jane Goodall DBE: Kitwe, after an area south of Gombe that was once stripped of trees, and is now a lovely forest – ‘proof of the resilience of nature’. Wellington Zoo values our strong relationship with the Jane Goodall Institute.

Our Pygmy Marmosets continued to breed successfully, and four more infants were born this year. The family group in the Mojo Café exhibit welcomed a newborn in July, followed by twins on Boxing Day. The second Pygmy Marmoset breeding pair in the Mini Monkey House also gave birth in November.

We saw yet another primate baby boom in December and January with the arrival of six baby Bolivian Squirrel Monkeys, much to the delight of our visitors and staff.

Keepers incubated an Emu egg in The Roost Te Pae Manu, which hatched successfully in September. The friendly young bird, named Ellen, moved into the Neighbours precinct in February.

Our pair of Kea added to their family, with three precious female chicks hatching in November – the first of these endangered native parrots to be hatched at Wellington Zoo since 2011.

Our Nyala herd welcomed a new fawn to the African Savannah in October, and another on Valentine’s Day. Our Agouti bore young again, as did the Sun Conures in the Mini Monkey House, and the Giant Rainforest Mantids and Brazilian Black Tarantulas in Hero HQ.

We were delighted to welcome a baby Chimpanzee in November, born to first time mother Keza.



VALUABLE NEWCOMERS

We went crazy for cats in 2014 as we welcomed New Zealand's first Caracals to Wellington Zoo. The striking pair of large-eared felines travelled across the world from Copenhagen Zoo, and settled into our brand new Grassland Cats habitat in September. They are currently the only Caracals in Australasia.

We went crazy for cats in 2014 as we welcomed New Zealand's first Caracals to Wellington Zoo.

We also celebrated the arrival of Bashii the Sumatran Tiger, who journeyed from Australia Zoo to join Senja and Rokan in the Asia Precinct. Bashii is genetically the most important tiger outside Indonesia, and a vital part of the global breeding programme for these critically endangered big cats.

In March we were joined by a one-year-old Red Panda from Hamilton Zoo. Khusi, a young female, has settled in well next door to males Manasa and Ishah.

That same month an array of African animals arrived from the United Kingdom. Two Meerkat males from Twycross Zoo were successfully

introduced to our females, and we have high hopes they will form a new breeding group. They were joined shortly afterwards by two African Crested Porcupines from Chester Zoo.

We were thrilled to welcome five male Asian Small-Clawed Otters from Perth Zoo in May – brothers Bay, Eko, Si, Bhutan and Jambi. Their arrival has been a fantastic opportunity to encourage visitors to help these vulnerable animals and their wild habitats, by purchasing sustainable timber and paper products marked with the Forestry Stewardship Council (FSC) logo.

This year we also received a North Island Kiwi from Orana Wildlife Park and three Inland Bearded Dragons from Healesville Sanctuary. Two female Ostriches moved into the African Savannah and Hero HQ welcomed new Goliath Birdeating and Bolivian Blue-Legged Tarantulas.

We were thrilled to welcome five male Asian Small-Clawed Otters from Perth Zoo.



FOND FAREWELLS

This year we worked in partnership with a number of zoos in New Zealand and Australia by contributing to regional conservation breeding programmes to boost populations of several different species.

We introduced Pygmy Marmosets Gemini and Peru, who travelled to Nelson to become a breeding pair at Natureland Wildlife Trust – and have since welcomed their first born. Iti and Jo from the Mojo Café joined the regional breeding programmes at Symbio Wildlife Park and Queensland Zoo respectively.

We introduced Pygmy Marmosets Gemini and Peru, who travelled to Nelson to become a breeding pair.

Our male African Crested Porcupine also went to Natureland Wildlife Trust, along with two Agouti. Six male Bolivian Squirrel Monkeys left us to join the breeding programme at Mogo Zoo.

We were greatly saddened to farewell Chima the Chimpanzee in April, who headed to Hamilton Zoo to integrate with their troop and join the breeding programme. Initial introductions were promising, but a sudden attack by their alpha male greatly injured Chima and, despite best efforts of their staff, she did not survive.

Four of our Meerkat males moved to their new home at Australia's National Zoo & Aquarium. Te Puia the North Island Kiwi went to Otorohanga Kiwi House and Native Bird Park, and two New Zealand Sacred Kingfishers moved to Hamilton Zoo.

We were deeply saddened when Orolito, our male Golden Lion Tamarin, was found ill and unexpectedly passed away in August despite immediate supportive care in The Nest Te Kōhanga. Golden Lion Tamarins are highly social primates, so we are currently looking for a new companion for Clementine, our female.

Red Panda, Amy, was euthanised at the age of 15 after receiving ongoing treatment for arthritis and kidney problems. Amy was an important part of the international conservation breeding programme for Red Pandas, and her legacy lives on at Wellington Zoo through her son, Manasa.

When treatment and pain management for arthritis was longer effective, the decision was made to euthanase Bud, our 14 year old Asian Small-Clawed Otter. As Otters are social animals, our female, Jem, moved to Brooklands Zoo in New Plymouth to be housed with their group.

Amy was an important part of the international conservation breeding programme for Red Pandas, and her legacy lives on at Wellington Zoo through her son, Manasa.



BUILDING OUR 21ST CENTURY ZOO

Wellington Zoo is truly a 21st century zoo – capturing the imagination of our visitors and providing first class care for our animals. We are now entering the tenth year of the Zoo’s ten year Zoo Capital Programme (ZCP). This programme has vastly improved animal housing, staff facilities and visitor experience throughout the Zoo.

SIGNIFICANT STEPS

Our Grassland Cats habitat was officially opened at the end of September by Her Worship the Mayor, Celia Wade-Brown, and is the residence for our Caracals and Servals. The development of Grassland Cats continued Wellington Zoo’s reputation for designing and building innovative exhibits in-house. This engaging space has shone a well-deserved spotlight on these striking and fascinating African cats. The playful interpretation allows visitors a chance to experience hunting like a Serval or Caracal – both amazingly athletic animals with distinctive large ears.

Our Grassland Cats habitat was officially opened at the end of September by Her Worship the Mayor, Celia Wade-Brown.



In September we began construction on our New Zealand precinct, Meet the Locals.



In September we began construction on our New Zealand precinct, Meet the Locals – the final phase of the ZCP – which is due for completion in October 2015. This large revamped space in the Zoo is our love story to New Zealand. It will tell the unique stories of New Zealand’s native and introduced locals, and celebrate who we are as New Zealanders and what the land means to us. Meet the Locals will be a launching pad for discussion around our New Zealand of the future.

New housing for our Baboon troop is also complete.

Measure	Target 2014–15	Result 2014–15	Result 2013–14
Meeting ZCP project programme and budget	Phase One and Two of Meet the Locals	MTL Construction Phase 1 90% Complete Phase 2 100% Complete Phase 3 52% Complete Phase 4 90% Complete Phase 5 0% Complete	Dingoes, Wallabies (Neighbours) completed Tasmanian Devils completed Servals under construction. MTL Concept and Developed Design Completed

LOOKING AHEAD

As Meet the Locals will soon be open to visitors, we are looking ahead to the next 10 years.

We are extremely excited to be exploring possibilities for a new Snow Leopard habitat to complete the Asia Precinct. We are looking to redevelop the old Sun Bear exhibit to house these endangered big cats, with less than an estimated 7,000 remaining in the wild. Their plight is a reflection on the impact of climate change on their natural habitat, and this important project provides further opportunities for our community to engage with global conservation issues. We are yet to secure funding to build this exhibit.

We are extremely excited to be exploring possibilities for a new Snow Leopard habitat to complete the Asia precinct.

VISITOR EXPERIENCE

At Wellington Zoo we know that interaction plays an important role in creating connections and our visitors get the chance to meet fascinating native and exotic contact animals throughout their visit. This year we achieved our highest ever number of animal contact with visitors with 1,263 hours of contact time across the Zoo.

Our talk schedule was updated this year to include three brand new experiences for our visitors. We launched the Lion and Red Panda Talks, which provide a wonderful opportunity to help visitors learn more about these two popular animals. We also introduced Meet the Superheroes of Hero HQ – a unique way for visitors to find out more about the amazing animals that live at Hero HQ, and learn how to be a superhero in their own backyards.

In September we launched a Lemur Close Encounter, offering the opportunity to get up

close to our two Black and White Ruffed Lemurs, Lucky and Ankari. Visitors can meet these critically endangered primates up close and learn about their important roles as ambassadors for their wild cousins. 10% from every Close Encounter goes directly to the Wellington Zoo Conservation Fund, so visitors can feel empowered that by meeting our Lemurs, they're helping to protect their wild habitat.

In September we launched a Lemur Close Encounter, offering the opportunity to get up close to our two Black and White Ruffed Lemurs.

All Close Encounters have been incredibly popular this year, with a record 45% increase in bookings.

In April Be.Accessible undertook an assessment of the Zoo to gauge our level of support for visitors with accessibility needs. We achieved a silver Be.Welcome rating, showing that we have already achieved positive levels of accessibility in a number of areas – including vision, hearing, mobility and learning.



EVENTS

Creating opportunities to enrich our visitors' experience is another key element to making sure we recognise their needs. With the year filled with new animals, exhibit openings and special occasions, we hosted a multitude of events to engage our visitors with all the exciting new goings-on in the Zoo. Our events also prove effective in encouraging visitors to take action for the environment.

The visitor opening of our Grassland Cats habitat in the African precinct coincided with the first weekend of September school holidays, seeing the Zoo bustling with visitors of all ages enjoying the chance to discover the new cats at Wellington Zoo.

In November we held Do at the Zoo – our annual celebration of Conservation Week. 1,700 visitors enjoyed the day – a whopping 70% increase on last year's attendance. With a special entry of just \$2 for children 14 and under, all proceeds from the day went directly to the Wellington Zoo Conservation Fund. Our World Environment Day celebration in June was

also a big success and highlighted our Nature Connections partnerships.

We held a family 'Nestival' weekend in December to celebrate the fifth birthday of The Nest Te Kōhanga. The weekend long party highlighted some of the biggest stories in The Nest Te Kōhanga's five year history, and invited visitors to become honorary vets through special talks, games and activities. The weekend was a great success despite the rainy weather, with over 1,400 visitors enjoying the 'Nestivities'.

We held a family 'Nestival' weekend in December to celebrate the fifth birthday of The Nest Te Kōhanga.

Our annual Winter Wednesday promotion throughout August was another success with nearly 4,500 visitors taking on the opportunity to enjoy our winter wonderland. We once again invited our community to experience the magic of the Zoo after hours in summer, keeping our doors open late every Wednesday in February. And on Valentine's Day we hosted another wildly successful adults-only evening at the Zoo, with nearly 350 visitors treating their loved ones to a romantic night out.



LIVE LEARNING

The Living Room is the heart of learning at the Zoo. 12,380 students from over 280 schools visited this year to participate in Ministry of Education Learning Experiences Outside the Classroom (LEOTC) programmes. 63% of students came from the Wellington region and 37% outside the region visited Wellington Zoo to take advantage of our extraordinary learning opportunities.

We want all children to have the chance to connect with animals and in 2014 The Warehouse Wellington Zoofari entered its second year. A three year partnership between Wellington Zoo and The Warehouse, The Warehouse Wellington Zoofari helps low decile Wellington, Tasman, and Marlborough schools visit the Zoo for conservation based learning programmes. This year over 2,200 students from 19 low decile schools in Wellington and Tasman visited the Zoo to enjoy a hands-on animal rich learning experience.

Wild Start, our early childhood programme for Zoo Crew members, started with a roar in 2014. Designed for children 18 months – 3 years, Wild

Start utilises play based and interactive learning sessions to help toddlers celebrate the wonder of animals.

Our school holiday programme continues to be popular and we developed several new themed daily sessions. We accommodated nearly 1,600 children over the four school holiday periods throughout the year.

Wild Start, our early childhood programme for Zoo Crew members, started with a roar in 2014.

Wellington Zoo is a magical place after dark – a sentiment supported by the 95 groups that took part in a Zoo Sleepover this year. Over 3,500 visitors experienced the Zoo after hours, getting to see what happens behind the scenes and working on a special behavioural enrichment project for our animals.

60 secondary school students attended our annual Careers Day in June. Zoo Keepers and members of the Veterinary Team spoke about their jobs to the enthralled students, who then got a look behind the scenes to get a taste of Zoo working life.



2. INTEGRATE CONSERVATION AND SUSTAINABILITY ACROSS THE ORGANISATION

Conservation is at the heart of everything we do at Wellington Zoo. We continue to develop our field conservation efforts, our conservation learning programmes and our sustainability initiatives.

In April we were thrilled to host Professor Stephen O'Brien, a world renowned geneticist and a pioneer of conservation genetics.

In April we were thrilled to host Professor Stephen O'Brien, a world renowned geneticist and a pioneer of conservation genetics, in partnership with the Allan Wilson Centre. Stephen joined Wellington Zoo Chief Executive Karen Fifield and other local conservation leaders to discuss the role of conservation genetics in New Zealand and the importance of a collaborative approach in securing long term populations of wildlife.



ENVIRONMENT SUSTAINABILITY

Two years after becoming the first carboNZero certified zoo in the world, we passed our audit with flying colours, retaining certification and showing a reduction in our carbon footprint of almost 4% from where we started. In December

we worked with the Sustainability Trust on a waste audit to find ways to further reduce our waste.

As members of the Sustainable Business Council, we have played an active role in supporting the development of sustainable procurement. We were proud to launch their new Sustainable Value Chain Guide at Wellington Zoo and to be one of the first five companies to trial this programme.

In March we hosted a Sustainable Business Network event, Sustainability 101, encouraging other organisations to start their sustainability journeys with a panel discussion lead by four Zoo staff members.

Two years after becoming the first carboNZero certified zoo in the world, we passed our audit with flying colours.



CONSERVATION ACTION

As Wellington's oldest conservation organisation, we are committed to growing and expanding our efforts for conservation. To this end, we are now measuring our contributions to field conservation yearly based on the framework developed by the American Association of Zoos and Aquariums (AZA) and recently adopted by the Zoo and Aquarium Association Australasia (ZAA). We are proud to announce that in 2014–2015 Wellington Zoo contributed just over \$263,000 in cash and in kind to field conservation including over 7,000 dedicated hours of staff time.

In 2014-2015 Wellington Zoo contributed just over \$263,000 in cash and in kind to field conservation including over 7,000 dedicated hours of staff time.

10 Zoo staff members were supported by the Wellington Zoo Conservation Fund to work on field projects or took conservation leave this year. This included Visitor Ranger Anna McKenzie-Pollock who went to Wildtracks in Belize, a non-profit conservation and research organisation that runs wildlife rehabilitation facilities for primates and manatees. Keeper Joakim Liman took conservation leave to volunteer with Te Motu Kairangi–Miramar Ecological Restoration project.

WILDLIFE CONSERVATION

Little Blue Penguins Korora

We have continued our partnership with Forest and Bird's Places for Penguins and Wellington Zoo staff have conducted fortnightly surveying of Little Blue Penguin nest boxes in Tarakena Bay and Moa Point to help monitor the breeding of this species on Wellington's coastline. We are currently providing expert advocacy assistance to Places for Penguins to launch a campaign that encourages dog owners to use leads when walking dogs on the coast.



Kea

Conservation Manager Daniela Biaggio joined the Kea Conservation Trust at Nelson Lakes National Park in December helping to monitor wild Kea. She also assisted with a 1080 drop to battle the impacts of the 2014 beech mast – heavy seeding in native forest that increases rodent and stoat numbers that prey on endangered birds like Kea that nest on the ground.



This year Wellington Zoo staff also assisted the Department of Conservation (DOC) with a new project aiming to introduce Kea, a highly social species, that have been previously held as single birds in human care. We successfully introduced two Kea and in December they went to their permanent home at Rotorua's Rainbow Springs Kiwi Wildlife Park.

Grand and Otago Skinks

We continued our work with the DOC in an ongoing recovery programme for Grand and Otago Skinks, New Zealand's two rarest reptiles. Our Veterinary Team administered health checks and assisted in the quarantine of all Grand and Otago Skinks in the programme. This year we also paired Grand and Otago Skinks at Wellington Zoo for conservation breeding, in hopes that their offspring can be released into the wild.



Yellow-Eyed Penguins Hōiho

This year The Nest Te Kōhanga admitted seven nationally vulnerable Yellow-Eyed Penguins Hōiho that suffered serious injuries after a series of Barracouta attacks off the Otago Peninsula. Our Veterinary Team successfully treated three of these birds, who were then released. Another bird is recovering well from a toe amputation, and will be prepared for release.

Veterinary Science Manager Dr Lisa Argilla travelled to the Catlins Coast to assist DOC and the Yellow Eyed Penguin Trust providing health checks and medical care to many more birds.



Black Stilts Kākī

Veterinary Nurse Sarah Van Herpt offered her expertise at the Kākī Recovery Programme's captive breeding centre run by DOC in Twizel. She contributed to the husbandry and welfare of the birds during hatching and development. Kākī are one of New Zealand's rarest birds and the world's rarest wading bird.



Cheetah

We continue to support Cheetah Outreach's Livestock Guarding Dog Project through sponsorship of an Anatolian guard dog, Wellington. In August, Cheetah Outreach's Research Coordinator and Project Manager Deon Cilliers presented to Wellington Zoo staff and interested community members on his experiences working to ease human/carnivore conflict in South Africa.



Sumatran Tigers

We continue to support the Kerinci Seblat Tiger Protection Project run by 21st Century Tiger. In an unprecedented start to 2015, the rangers in Sumatra's Kerinci Seblat National Park arrested five men for Tiger poaching offences. Two separate incidents, a month apart, followed joint operations with National Park staff and local police. We also donated funds to a conservation project in Nepal in the aftermath of the devastating April earthquake, to meet immediate needs for food, fuel, clean water and shelter for park staff, as well as safeguarding Nepal's national parks to curb Tiger poaching.



Sun Bears

Learning Manager Lynn Allan, General Manager Community Engagement Amy Hughes and Veterinary Nurse Sarah Van Herpt all spent time working with Free the Bears in Cambodia and Laos. They provided expert support with strategic direction, visitor experience programming, marketing and learning, and animal husbandry and enrichment.



Golden Lion Tamarins

This year we supported a young Environmental Education intern at Associação Mico-Leão-Dourado (Golden Lion Tamarin Association) to help engage children and tourists with the story of endangered Golden Lion Tamarins at Poço das Antas Biological Reserve in Brazil.

Cotton-Top Tamarins

With their holistic approach to the conservation of the critically endangered Cotton-Top Tamarin our partners at Proyecto Titi received numerous awards and mentions this year. Their efforts include researching wild populations, reducing illegal trade, and empowering local communities through job creation, sustainability, stewardship and education. Supported by the Wellington Zoo Conservation Fund, our Visitor Experience Coordinator Alison Mulford made the trek to Colombia this year to see this successful project for herself.

Combining her primate and visitor engagement expertise, she helped with the delivery of their education programme and the development of a volunteer scheme and assisted biologists as they monitored groups of Cotton-Top Tamarins in the forest of El Ceibal.



Illegal Wildlife Trade

We continued our partnership with TRAFFIC South East Asia, a conservation project working to stem the illegal trade of animals. We support TRAFFIC's Crime Data Analyst role making great strides in the systematic collection and analysis of data and collaboration with law enforcement.

Conservation is a collaborative effort. To help the vulnerable species mentioned above, and many more, we work closely with our conservation partners:



21ST CENTURY TIGER
 giving wild tigers a future



KEA CONSERVATION TRUST



UNMASK PALM OIL



Department of Conservation
Te Papa Atawhai



Measure	Target 2014-15	Result 2014-15	Result 2013-14
Collection in managed conservation breeding programmes (% of total Collection)	<41%	41.3%	40%
In the wild conservation projects supported	≥4	10	N/A

CARING FOR NATIVE ANIMALS IN THE NEST TE KŌHANGA

In December we celebrated five years of The Nest Te Kōhanga, our award winning animal hospital and centre for native wildlife. The Nest Te Kōhanga welcomes hundreds of native patients each year, and 2014–15 was no exception. Over 480 native birds and reptiles were treated by our dedicated Veterinary Team this year. January was the second highest month on record for wildlife admissions, with 63 new patients admitted. They were brought to us by the SPCA, DOC, Zealandia and members of the community, showing the recognition of The Nest Te Kōhanga as the hub for native wildlife care in the Wellington region.

In December we celebrated five years of The Nest Te Kōhanga, our award winning animal hospital and centre for native wildlife.

In July 2014 the team cared for a precious Haast Tokoeka Kiwi chick, which made excellent progress and was released at Orokonui Ecosanctuary near Dunedin. Endemic to the West Coast of the South Island, the Haast Tokoeka Kiwi is critically endangered with only an estimated 400 birds remaining in the wild. We took in another two chicks in April, both in very poor body condition due to a parasitic infection. The weaker of the two sadly didn't survive, but his brother responded well to treatment and headed back down south.

The year was also plentiful with penguins. Our Veterinary Team performed several long and complex surgeries on a juvenile Fiordland Crested Penguin Tawaki, one of New Zealand's rarest mainland penguins, who was sent to us with foot and cloaca bite wounds in December. We

also admitted an adult suffering from respiratory disease. Both birds are thriving after treatment, and they are currently housed together in The Nest Te Kōhanga's salt water pool until they are fit for release.

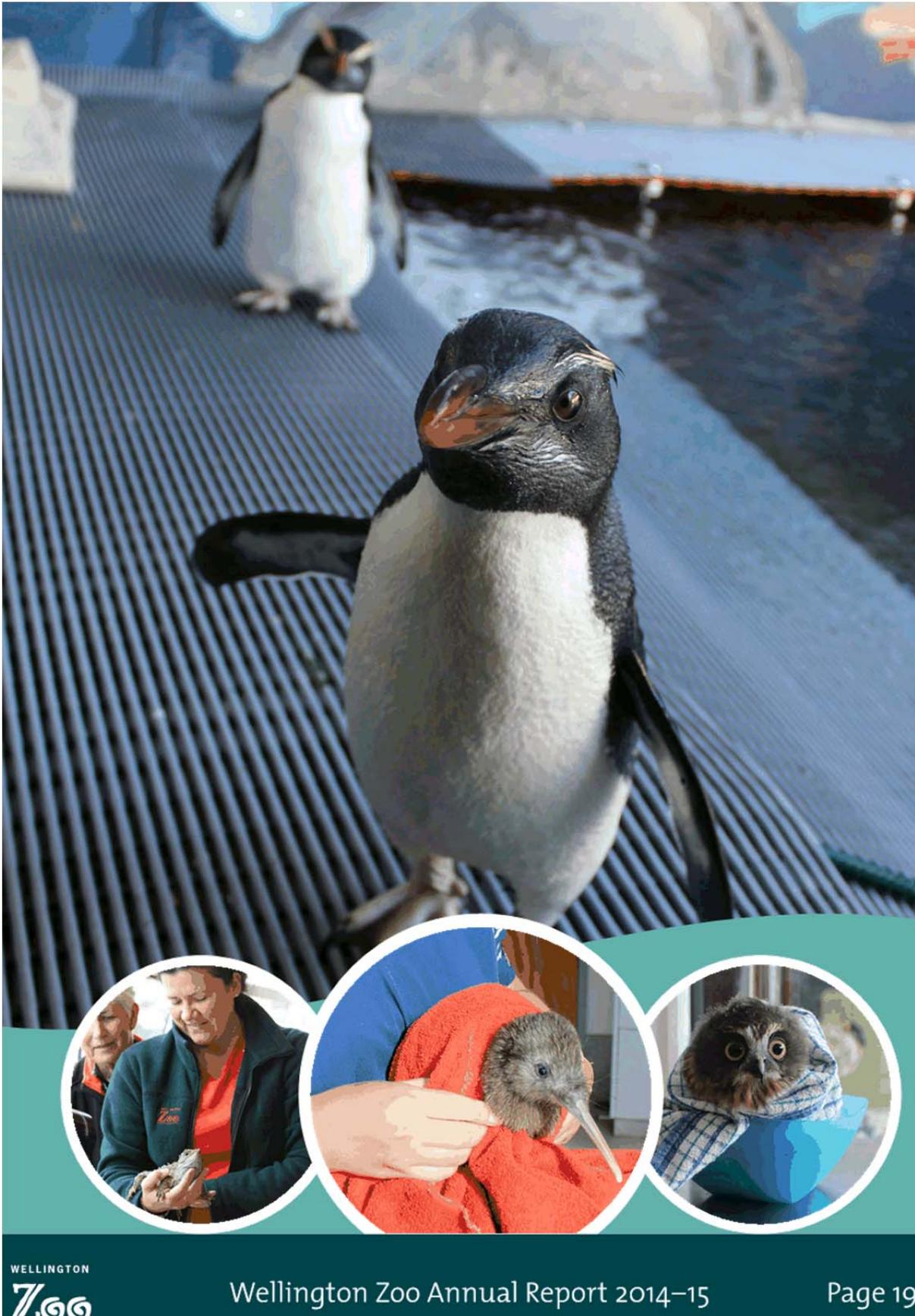
A Little Blue Penguin Kororā from Matiu Somes Island was also treated successfully by our Veterinary Team for a mouth infection and sent back to the island, healthy and well.

We treated a number of New Zealand native animals we have not had at the Zoo before. We treated our first Royal Spoonbill at The Nest Te Kōhanga along with an Antarctic Petrel, a Kergeulen Petrel and a Black-Bellied Storm Petrel.

We cared for a variety of native wildlife from Zealandia, and were able to release the majority back into the sanctuary after successful treatment, including two nationally endangered Hihī and six Kākā. A Tuatara that was found outside the perimeter fence with a badly injured tail was able to head back into the sanctuary in spring, after a successful tail amputation and nine months recuperation in The Nest Te Kōhanga.

January was the second highest month on record for wildlife admissions, with 63 new patients admitted.

Kererū were also a common admission, with injuries ranging from cat attacks to head trauma from window strike. A Morepork Ruru chick arrived in November, after falling from the nest and losing its parents. Veterinary staff hand-reared the tiny native owl, which then went to a rehabilitator for release.



ADVOCACY AND LEARNING

Our Bush Builders programme continues to connect local children with nature. In July the position of Bush Builders Educator was made a permanent role reflecting the importance of this programme to the Zoo. In 2014 we helped five urban schools and over 425 students improve their environmental literacy.



Participating students showed an overall increase in the awareness of flora and fauna around them. Feedback received from teachers and parents continues to be overwhelmingly positive. Five new schools have joined the Bush Builders programme for the 2015 calendar year, including our first kura and our closest neighbouring school, South Wellington Intermediate School, who are using Bush Builders to support their statistics learning.

Our Bush Builders programme continues to connect local children with nature.

In 2014 we held our second annual Conservation Challenge, aiming to inspire students to find their personal conservation connections. Eight teams from four schools participated in the programme, where they took action on an environmental issue that was important to them.

Our visitors signed thousands of postcards to support clear labelling of vegetable oil in food.



From April to June we ran a campaign to support Unmask Palm Oil. Unsustainable palm oil production has led to large scale deforestation endangering the homes of critically endangered species such as Sumatran Tigers. Our visitors signed thousands of postcards to support clear labelling of vegetable oil in food. Palm oil is estimated to be in about half of all products available in supermarkets with most labelled as 'vegetable oil'. Mandatory labelling will allow consumers to make informed choices about the products they buy. Along with Unmask Palm Oil, WWF and many other conservation organisations, we support the use of Certified Sustainable Palm Oil (CSPO).



3. ACHIEVE FINANCIAL SUSTAINABILITY

Significant investment is needed to run a 21st century zoo, keeping the needs of our visitors and community forefront whilst ensuring that we uphold the highest level of animal care. Since becoming a charitable trust in 2003 we continue to increase our share of our operational costs. This year we generated direct revenue through visitation and Zoo products to cover approximately 59% of these costs, and remain thankful for the generous support of principal funder Wellington City Council along with other partners and supporters.

We are proud to achieve another clean audit this year and have met or exceeded 17 out of 21 key performance measures including 8 out of 12 of our SOI measures.

Although we did not meet our visitor target, we achieved our third highest visitation to date. Two other SOI measures that were not met relate directly to visitation being below target: WCC subsidy per visitor and full cost per visitor including WCC costs. We did not meet our staff turnover target due to 12 staff leaving, and 12 joining the Zoo this year. This has been revised upwards for 2015–16 to reflect external not for profit benchmark data from the *New Zealand Staff Turnover* survey.



Zoo venue revenue has increased by 43% over the previous year. Revenue from Close Encounters is also well ahead of budget and last year supported by the brand new Lemur experience along with our popular Red Panda, Meerkat, Cheetah, Lion and Giraffe experiences.

2014–15 was our most successful year for retail sales. We have further increased our focus on environmentally friendly and conservation themed stock in our retail shop adding new items to our increasingly popular Green Zoo, Green You range of sustainable gifts.

2014-15 was our most successful year for retail sales.

In addition to our operating grant from Wellington City Council, this table below shows our key earnings for this financial year.

Visitor admissions:	\$2,644,106
Fundraising for capital projects:	\$1,251,885
Zoo shop retail sales:	\$338,925
Operational sponsorship and grants:	\$185,106

In addition to these returns we achieved our third highest visitation year ever, welcoming 225,927 visitors through our doors.

We achieved our third highest visitation year ever, welcoming 225,927 visitors through our doors.

Measure	Target 2014-15	Result 2014-15	Result 2013-14
Increase total admissions by 2% each year on base year 2005/06 (170,116 visitors) as per Business Plan	230,111	225,927	227,434
Ratio of Trust generated income as % of WCC grant	119%	126%	117%
Average income per visitor from Trust generated revenue	\$14.25	\$15.37	\$14.01
Average WCC subsidy per visitor	\$11.98	\$12.20	\$11.94
Full cost per visitor including WCC costs	\$20.06	\$20.54	N/A

STRONG PARTNERSHIPS

In 2014-15 we were touched by the phenomenal level of support from our sponsors and partners. A Night at the Zoo was held in December to celebrate the fifth anniversary of The Nest Te Kōhanga, and raised funds towards the cost of feeding and treating native wildlife. This evening was an outstanding success, and all who attended enjoyed a live auction and a menu designed by chef Martin Bosley. With the generous help of our sponsors and partners we raised over \$17,000.

Another successful event was held in March for supporters of the Zoo. We launched our 'Mark of Support' campaign, in which individuals, families and organisations can purchase an engraved metal plaque to be displayed in Meet the Locals.

We also brought back our Kākā membership, designed for our visitors and community to be able to provide ongoing support to the Zoo.

The financial support from our partners this year has been instrumental in the construction of our Meet the Locals precinct. A mid-term

CAPEX release from Wellington City Council grant enabled us to accelerate construction, giving us a green light to complete the project in 2015. We are also immensely grateful for grants for Meet the Locals from Pub Charity; the New Zealand Lottery Grants Board - Environment and Heritage Committee; the Stout Trust; the Lion Foundation; the Wellington Community Trust and Infinity Foundation, all of whom have helped us to complete our vision for our love story to New Zealand.

We launched our 'Mark of Support' campaign, in which individuals, families and organisations can purchase an engraved metal plaque to be displayed in Meet the Locals.

Measure	Target 2014–15	Result 2014–15	Result 2013–14
Fundraising targets for ZCP reached or exceeded	25% of CAPEX spend	25% target met: \$595,438 vested based on actual capital Spend of \$2,381,750	\$406,538

We continued our partnership with The Warehouse, who donated a cheque for nearly \$26,500 for the 2015 The Warehouse Wellington Zoofari programme, a tremendous result from their in-store fundraising efforts. This has allowed us to make Zoo-based learning accessible to even more low decile schools this year. We signed a new partnership agreement with Interislander in July, who also provided return ferry passage to help Zoofari students from the upper South Island travel to Wellington Zoo. NZ Bus continued their support of the programme and the Zoo by providing discounted transport to and from the Zoo.

We also received extremely generous grants from Thomas George Macarthy Trust and the Wellington Community Trust for our Bush Builders programme, and the Nikau Foundation bestowed a grant from the Richard and Doreen Evans Charitable Trust towards Grand and Otago Skink conservation at the Zoo.

PRINCIPAL FUNDER

**Absolutely Positively
Wellington City Council**

Me Heke Ki Pōneke

MAJOR PARTNER



PARTNERS

- DOMINION POST
- INFINITY FOUNDATION
- INTERISLANDER
- KOALA TRUST
- MASSEY UNIVERSITY
- NEW ZEALAND LOTTERY GRANTS BOARD, ENVIRONMENT AND HERITAGE COMMITTEE
- NIKAU FOUNDATION – RICHARD AND DOREEN EVANS CHARITABLE TRUST
- NV INTERACTIVE
- NZ BUS
- PACIFIC RADIOLOGY
- PUB CHARITY
- THE HITS
- THE HOLDSWORTH CHARITABLE TRUST
- THE LION FOUNDATION
- STOUT TRUST
- THOMAS GEORGE MACARTHY TRUST
- THE WAREHOUSE
- TIP TOP
- TRADE ME
- WELLINGTON COMMUNITY TRUST
- WETA DIGITAL

4. BUILD LASTING COMMUNITY SUPPORT AND PARTICIPATION

As a charitable trust, the support and participation of our community is vital to Wellington Zoo. This year our Zoo Crew membership base continued to show that our community loves their Zoo. We launched a new Kea membership option, allowing students, seniors and Community Service Card holders to become Zoo Crew members at a discounted rate.

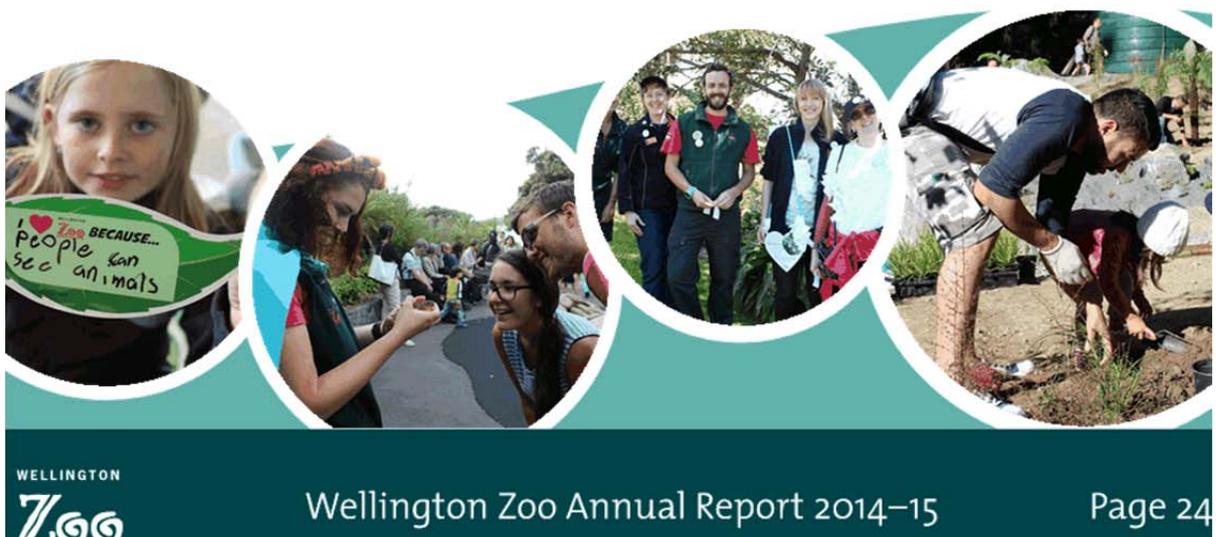
We launched a new Kea membership option, allowing students, seniors and Community Service Card holders to become Zoo Crew members at a discounted rate.

To make sure we understand our visitors and how we can offer them the best experience possible, we undertook a major piece of visitor research this year, a follow up to a previous large scale study undertaken in 2009.

When we asked visitors and focus group attendees to talk about the Zoo's goal, it was encouraging to note that two most frequently mentioned themes were conservation and learning. While 'being fun and interesting' has a higher impact on people's experience, visitors expect to see a learning and conservation focus at the Zoo. In fact many people wanted to see these goals combined, and the Zoo to provide an educational, fun, conservation-based experience.

We were thrilled with the results that show our visitors rate the Zoo as good value, with more than a third of visitors (37%) rating overall value 9 or 10, and 83% rating the Zoo at least 7 out of 10. Over half of our visitors are highly likely to recommend the Zoo to their friends, with just under 90% fairly likely to recommend.

Measure	Target 2014-15	Result 2014-15	Result 2013-14
Visitor Research Project	1 research project	1	N/A



Ratings of Zoo staff were exceptionally high, and our staff are recognised as a genuine strength of Wellington Zoo. Virtually everyone gave positive ratings around their staff interactions (including those who gave lower overall ratings of the Zoo).

We continue to embrace our role as lead partner in the Wellington Amenities Fund project Nature Connections. The project, which aims to strengthen the links between Wellington region ecological attractions to promote our natural capital, was awarded funding for its third year and celebrated its first anniversary in December with a celebration held at Wellington Zoo for partners and funders. This year saw the number of partner organisations grow to 10. In June, Nature Connections was selected as a finalist for the Team Gold award at the Wellington Gold Awards.

Our volunteers recognise Wellington Zoo as a valuable place to give back to their community, and we treasure their ongoing dedication and invaluable support. Their contributions help Wellington Zoo operate on a day-to-day basis, and also connect us with the wider community on a very personal level. Wellington Zoo celebrated International Volunteer Day in December by recognising the 113 people who make up the Zoo’s team of volunteers, contributing the time equivalent of seven FTEs. We also held our annual Volunteer Recognition Evening in June. We welcome the support of our corporate volunteers, with 38 groups offering a helping hand around the Zoo over the past year.

We love meeting our Newtown neighbours and we look forward each year to treating them to a night at their Zoo. In January we held our tenth

annual Neighbours Night, our busiest ever, thanks to the sunny weather and fantastic reputation this evening has amongst our locals. A record 1,550 visitors came along for a free sausage sizzle with ice creams supplied by Tip Top, face-painting and special animal talks and enrichment activities. We were extremely grateful for the participation from Zoo staff and volunteers, along with volunteers from Wellington City Council City Housing and our partners from ASB.

In January we held our tenth annual Neighbours Night, our busiest ever, thanks to the sunny weather and fantastic reputation this evening has amongst our locals.

It’s vital to us that Wellington Zoo remains accessible to our community. In partnership with Zealandia, we celebrated a special Open Weekend in May. It was a fantastic event and our busiest weekend of all time, with over 9,100 visitors enjoying the Zoo for a gold coin donation. Nearly \$14,000 was raised for the Wellington Zoo Conservation Fund.

That same month we held a special planting day in Meet the Locals inviting staff, volunteers, Zoo Crew members and partners the opportunity to make their mark on the new precinct. The sun was shining and together we planted 1,500 native trees on site by early afternoon.

Measure	Target 2014–15	Result 2014–15	Result 2013–14
Volunteer hours	9,600 hours = 5 FTE	13,440 hours (7 FTE)	8,804 hours (4.6 FTE)

We were excited to welcome a new Artist in Residence on board in 2015: Ash Sisson, a talented young graffiti artist otherwise known as Chimp. So far Ash has created two stunning murals for the Zoo – one to brighten up the Lion cave and the other to illustrate the beautiful native sea birds that frequent the salt water pool in The Nest Te Kōhanga – as well as a live painting for auction at A Night at the Zoo in December. We said farewell to Phill Waddington, our 2014 Artist in Residence, who created a gorgeous body of work influenced by our animals that will leave a lasting legacy at Wellington Zoo. Phill generously donated his commission to the construction of Meet the Locals.

In partnership with Zealandia, we celebrated a special Open Weekend in May. It was a fantastic event and our busiest weekend of all time, with over 9,100 visitors enjoying the Zoo for a gold coin donation.

RAISING OUR PROFILE

It has been a fantastic year for bringing new visitors to the Zoo. Our media profile continued to grow with over 230 news stories placing us in the spotlight.

This included great coverage of the fifth anniversary of The Nest Te Kōhanga, the birth of Kitwe the Chimpanzee, The Warehouse Wellington Zoofari and the opening of the Grassland Cats precinct – along with the arrivals of our Caracals, Red Panda and bachelor group of Asian Small-Clawed Otters. *The Dominion Post* published a lengthy piece on the Zoo’s achievements over the last 10 years praising our conservation efforts and community engagement.

We received strong interest in our conservation and sustainability stories this year. *Radio Live* interviewed Conservation Manager Daniela Biaggio about our support of Unmask Palm Oil, and *Wellington Access Radio* also highlighted our involvement in this important campaign. *The New Zealand Herald* profiled Visitor Experience Coordinator Alison Mulford’s adventures with Proyecto Titi in Colombia and *The Dominion Post* covered Visitor Ranger Anna McKenzie-Pollock’s conservation leave with Wildtracks in Belize; proving a keen public interest in the great work our people are achieving in conservation.

Stuff.co.nz and the *Otago Daily Times* covered Dr Lisa Argilla’s work treating nationally endangered Yellow-Eyed Penguins Hōiho in February, and several high profile native patients in The Nest Te Kōhanga also attracted media attention throughout the year. *3 News*, *The Dominion Post* and the *Otago Daily Times* all highlighted

our care for Haast Tokoeka Kiwi. The orphaned Morepork Ruru chick hand raised by our Veterinary Team rose to worldwide fame after being featured on popular website *Zooborns.com* while the two Fiordland Crested Penguins also made a splash in the media. *The Dominion Post* gave The Nest Te Kōhanga excellent coverage in June, with a feature story on how our Veterinary Team use behavioural enrichment to rehabilitate native birds.

Our new Lemur Close Encounter also featured in *The Dominion Post*, emphasising our support of the Madagascar Fauna and Flora Group. *The Wellingtonian* wrote a story on the Zoo’s second annual Conservation Challenge and *The Independent Herald* profiled Life Sciences Manager Amanda Tiffin on caring for Wellington Zoo’s Cheetah and how we’re helping their cousins in the wild.

We received strong interest in our conservation and sustainability stories this year.

Visitors continue to make the most of the Zoo’s online resources, increasingly using mobile devices to do so. Website visits from tablets grew by almost 11% and 53% of people accessed the website on their mobile phones. Our newsletter database doubled in reach, growing by more than 57%. Recognising the strong trend for engagement on digital channels we ran a successful Facebook promotion that grew our fanbase from 24,241 to over 31,283. Our Twitter following increased from 6,140 to 6,967.



5. SHOW INDUSTRY LEADERSHIP

LEADING THE WAY

In 2014–15 Wellington Zoo continued to lead with our Animal Welfare Committee, a testimony to our dedication to excellence in animal welfare. The Committee was established in May 2014 to ensure that the animals at Wellington Zoo are treated with dignity and respect, that their quality of life needs are met and that Wellington Zoo is positioned as an industry leader, an advocate and an authority on animal welfare best practice. The Committee is chaired by Wellington Zoo Chief Executive Karen Fifield and consists of Wellington Zoo staff and external experts: Councillor Iona Pannett, WCC Environment Committee Chair; Iain Torrance, Wellington SPCA Chief Executive; and Massey University Professors David Mellor and Ngaio Beausoleil.



After we hosted Dr Jane Goodall DBE during her 2014 visit to the capital, a group of Wellington Zoo staff became founding members of the Jane Goodall Institute (JGI) of New Zealand. Wellington Zoo also launched the Wellington chapter of JGI's Roots and Shoots which held its first event, Nature by Twilight: a night tour of Otari-Wilton's Bush, as part of Wellington City Council's Parks Week in March.

After we hosted Dr Jane Goodall DBE during her 2014 visit to the capital, a group of Wellington Zoo staff became founding members of the Jane Goodall Institute of New Zealand.

Wellington Zoo staff hold seven studbook and species coordinator positions which include the responsibility for studbook maintenance for animals of particular species in the Australasian region. Our Collections Development Manager, Simon Eyre, holds the studbooks for Tuatara, Meerkats, Porcupines, Nyala and Auckland Green Geckos. Simon also shares the species coordinator position for Pygmy Marmosets with Keeper Jacqui Hooper; and Cheetah with Life Sciences Manager Amanda Tiffin.

Our people also play important roles within the Zoo and Aquarium Association Australasia (ZAA) committees. In addition to her role as Wellington Zoo Chief Executive, Karen Fifield was the President of ZAA until May 2015 and now sits on the ZAA Board as Past President. She also sits on the New Zealand committee for the International Union for Conservation of Nature (IUCN) and the Wellington Conservation Board. This year, alongside the Director of Hamilton Zoo, she met with World Animal Protection representatives to discuss areas of common ground for animal encounters, in recognition of the importance of the zoo community working with like-minded NGOs on areas of commonality.

Karen is also a member of the NZ Animal Behaviour and Welfare Consultative Committee and sat on the GROW Wellington Board. She was a member of the Hamilton Zoo Master Plan project team in August and the Taronga Conservation Society Australia Gateway Project Review panel in September.



Collections Development Manager Simon Eyre is the convenor of the Carnivores and Small Exotic Taxonomic Advisory Group (TAG) and the ZAANZ liaison for the Ministry of Primary Industries and Environmental Protection Authority. Simon is also a member of DOC's Permitting Processing Review Working Group and the Australasian Species Management Programme Committee. Mauritz Basson, General Manager Animal Care, is the Ungulate TAG husbandry advisor.

Our Veterinary Science Manager, Dr Lisa Argilla was elected as President of the New Zealand Veterinary Association (NZVA) Wildlife Society. She is also the Principal Veterinary Advisor for the ZAANZ Fauna TAG. Our Veterinarian, Dr Baukje Lenting, remains as a committee

member of the Society for another term and is the secondary ZAANZ Fauna TAG advisor. Dr Argilla and Dr Lenting are also adjunct lecturers in the Institute of Veterinary, Animal and Biomedical Sciences at Massey University, and have both been reappointed as committee members for the NZVA Wildlife Society.

The leadership demonstrated by Zoo staff extends beyond animal care, as our expertise in other fields is also recognised. This year Visitor Experience Manager Oli du Bern was invited to join the Grand and Otago Skink management plan team to help develop a national advocacy strategy for these endangered reptiles. Visitor Experience Coordinator, Alison Mulford, was appointed secretary of the Interpretation Network New Zealand (INNZ) committee, leading the best practices and professional standards in interpretation. Learning Team Manager, Lynn Allan was invited to be the Australasian representative on the International Zoo Educators Board, the first New Zealander to hold this position. Educator Thom Adams sits on the Capital Science Educators Committee.



INDUSTRY RECOGNITION

This year was a source of great pride for Wellington Zoo, with our people again recognised as industry experts.

Chief Executive Karen Fifield was a finalist in the 2014 Westpac/Fairfax Media NZ Women of Influence Awards (Social Enterprise), and General Manager Community Engagement Amy Hughes was a finalist for 2014 Wellingtonian of the Year (Education).

Visitor Experience Manager Oli du Bern was named NZIM/Eagle Technology Young Executive of the Year Central Region, and was one of three national finalists for the 2014 Deloitte Top 200 Young Executive of the Year Award.

Veterinary Nurse Sarah van Herpt was awarded the Shape of Enrichment's ICEE Travel Grant, and selected to speak at the 2015 International Conference on Environmental Enrichment (ICEE) in Beijing in May.



Learning Manager Lynn Allan was awarded the 'Community Hero' Award from The Warehouse Wellington region in recognition of her work with The Warehouse Wellington Zoofari highlighting her commitment to making the programme a success.



This year was a source of great pride for Wellington Zoo, with our people again recognised as industry experts.

SHARING OUR STORIES

To share and exchange knowledge, our people actively participated in conferences around the world. Taking advantage of these opportunities ensures Wellington Zoo staff are at the forefront of industry developments, and the ability to share our stories with the wider industry.

In November Chief Executive Karen Fifield attended the World Association of Zoos and Aquariums (WAZA) Conference in New Delhi. She gave a presentation on Nature Connections as an example of regional collaboration and partnership building. She was invited to speak at the Australian and New Zealand Council for the Care of Animals in Research and Teaching (ANZCCART) Conference in July, presenting on 'Animal Care in Zoos in the 21st Century'. She also attended the IUCN World Parks Congress held in Sydney in November with Learning Manager Lynn Allan. This Congress occurs every ten years, with over 4,000 delegates attending. Lynn gave a presentation on Bush Builders as an example of engaging youth with conservation.

To share and exchange knowledge, our people actively participated in conferences around the world.



Conservation Manager Daniela Biaggio attended the Malaysia Palm Oil Familiarisation Programme in September as a guest of the Malaysian Government, and also presented at the conference. Wellington Zoo was one of three NGOs represented, alongside WWF Australia and Birdlife International. While in Kuala Lumpur Daniela also visited Wellington Zoo's conservation partner TRAFFIC South East Asia and met with staff to see how we can further partnerships between TRAFFIC and Wellington Zoo.

In May the Chief Executive, General Manager Community Engagement Amy Hughes, Conservation Manager and Collections Manager Simon Eyre all attended and presented at the 2015 ZAA Learning and Development Workshop event in Sydney. Visitor Experience Manager Oli du Bern travelled to Natureland Zoo in Nelson to deliver a visitor experience workshop for their staff.

VETERINARY EXCELLENCE

This year the Veterinary Team at The Nest Te Kōhanga continue to uphold their outstanding reputation for excellence in animal care and native species conservation. The team welcomed two new residents from the Massey University Masterate Programme in Zoo Animal and Wildlife Health. Supported by the Holdsworth Charitable Trust, this world-leading partnership between Wellington Zoo and Massey University helps to build specialist veterinary capability for New Zealand.

Cara, a female Chimpanzee, has undergone regular treatment for a chronic ear infection. She has continued to try to heal the ear herself by cleaning it with sticks, making it difficult to effectively administer long-lasting medication. Our Veterinary Team enlisted the expertise of ear, nose and throat specialist surgeon Dr Rebecca Garland to collaborate on a creative plan to save Cara's ear. During a general anaesthetic, a mould of the ear canal was successfully fashioned, which will be used to create a mesh plug insert. Staff hope that this will prevent Cara from putting sticks in her ear, while also trapping the medication in the ear canal so that it has a chance to work.

We worked with Massey University dental specialist Dr Angus Fechney again this year, for root canal work on Sean the Malayan Sun Bear, and Djembe the Lioness. Vicky Walsh, a specialist anaesthetist from Massey University, assisted with these procedures. This work proves the immense value of the partnership Wellington Zoo has with Massey University in providing our animals with the very best care.

The team performed an endoscopy on Georgia the Emu who mistook a stray sock for food. The procedure to remove it involved using a gastroscope – a large endoscope with a camera specifically designed for examining the gastrointestinal tract. Using this equipment meant the Veterinary Team could see the sock and guide the foreign body removal forceps to grasp the sock and remove it from her stomach.

This year the Veterinary Team at The Nest Te Kohanga continue to uphold their outstanding reputation for excellence in animal care and native species conservation.

Our Veterinary Team assisted the Ministry for Primary Industries and DOC with the quarantine of a pair of nationally endangered Jewelled Geckos. These precious native reptiles were confiscated in Germany and expedited back to New Zealand after being poached from Otago Peninsula over a year ago. These animals are now being cared for at Wellington Zoo. Three Veiled Chameleons were also confiscated from smugglers at Auckland Airport in October and joined our Jackson's Chameleons in Hero HQ following a period in quarantine.

VETERINARY RESEARCH

Veterinary Science Manager Dr Lisa Argilla and Veterinarian Dr Baukje Lenting co-authored a scientific paper on the diagnosis of cutaneous larval migrans in Rowi Kiwi, which was accepted for publication in the international Journal of Veterinary Parasitology.

Dr Lenting is also currently working in collaboration with DOC and Zealandia to investigate microchip migration issues in Kākā by undertaking an anatomical study using contrast

media and radiographs to determine how the microchips are moving.

One of our Massey Veterinary Residents is researching the impact of lead poisoning on urban Kākā populations. Wellington Zoo is providing data and assistance with this project, as we admit a large number of Kākā to The Nest Te Kōhanga with a significant proportion showing signs of lead poisoning.

Veterinary Science Manager Dr Lisa Argilla and Veterinarian Dr Baukje Lenting co-authored a scientific paper on the diagnosis of cutaneous larval migrans in Rowi Kiwi.



6. ENSURE VALUED AND MOTIVATED STAFF

BUILDING THE CAPABILITY AND PERFORMANCE OF OUR PEOPLE

Our people have the technical and professional skills, knowledge and attitudes to be high performers, enhance productivity and deliver professional and timely services to our visitors and stakeholders.

Staff shared their knowledge and experiences from field work and conservation leave.

To encourage a culture of continuous learning, we provide our staff with learning sessions throughout the year. Staff shared their knowledge and experiences from field work and conservation leave, and our Conservation Manager Daniela Biaggio ran series of learning sessions on Conservation Conversations, including familiarising staff with the workings of Proyecto Titi, the Kea Conservation Trust and Unmask Palm Oil.



External facilitators visited the Zoo and provided sessions to build on our existing knowledge. In October we hosted Ben Dowdle from Unmask Palm Oil, who talked to staff about palm oil, the challenges ahead, and the role of the campaign for mandatory labelling in Australasia. Mike Rumble, a long-serving Little Blue Penguin volunteer

researcher on Matiu Somes Island, presented to staff in February and shared his findings on one of our neighbouring Kororā populations.



Be.Accessible ran two development programme workshops in June to increase staff confidence in engaging with colleagues and visitors with special access needs.

Our people have also had external training opportunities to build capability and performance. Veterinary Nurse Sarah van Herpt organised New Zealand's first Shape of Enrichment workshop at Wellington Zoo in October with attendees from around the country.

Visitor Experience Manager Oli du Bern attended the Interpretation Australia conference and visited Dreamworld Corroboree to learn about their indigenous visitor experience. Volunteer Manager Danielle Oldbury attended a workshop run by Volunteering New Zealand in October exploring best practice guidelines for volunteer involving organisations.

Learning Manager Lynn Allan took part in the Wellington EnviroSchools Hui, a fantastic opportunity to network with environmentally minded schools and to discuss our conservation learning programmes. In May Keeper Philip Wisker attended the annual Kiwi Hui in Whangarei representing the Zoo's views on the importance of advocacy for our native animals.

GROWING OUR PEOPLE ENGAGEMENT

We held our third Gold Agoutis Annual Awards Night at Wellington Zoo in August. This event recognises excellence across the organisation. The evening also incorporates our Aoraki Awards, where we celebrate the commitment of our long serving staff.

Our annual Zoolympics event took place in March and was another action packed evening full of fun, laughter and quirky challenges that enhance morale and team building.

We want our core values to support the strategy for the future direction of Wellington Zoo. We hosted staff workshops to identify key values that represent Wellington Zoo. Further workshops are scheduled to identify behavioural indicators, and how we go about living and putting our values into action.



STRENGTHENING LEADERSHIP AND MANAGEMENT CAPABILITIES

General Manager Community Engagement Amy Hughes completed the Sustainable Business Council Future Leaders Programme in 2014. Learning Manager Lynn Allan successfully completed a year-long Kiwibank LEAD leadership development programme. This placement was offered to Wellington Zoo free of charge as their chosen NGO to participate in 2014. Chief Financial Officer Susan Macdonald has begun the four month long IMNZ Diploma of Project Management.



We hosted staff workshops to identify key values that represent Wellington Zoo.

HEALTH AND WELLBEING

We care about the health and wellbeing of our people, and this year we continued to utilise our wellness programme, Tracksuit-inc®. Staff are engaging positively with the online toolkit, which provides competitions, challenges and a vast array of other resources promoting health and wellbeing. Key health results gathered from the Tracksuit-inc® health questionnaire rank Wellington Zoo scores better than those of the health questionnaire average.

We passed our ACC Workplace Safety Management Practices Audit again in June, and qualified once more for accreditation at primary level.

Measure	Target 2014-15	Result 2014-15	Result 2013-14
Staff turnover (excluding casual and fixed term roles)	< 15%	21.24%	29.82%



TRUSTEES



STRATEGIC MANAGEMENT TEAM



Independent Auditor's Report

To the readers of
Wellington Zoo Trust's
financial statements and performance information
for the year ended 30 June 2015

The Auditor-General is the auditor of Wellington Zoo Trust (the Trust). The Auditor-General has appointed me, Mari-Anne Williamson, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust on her behalf.

Opinion on the financial statements and the performance information

We have audited:

- the financial statements of the Trust on pages 42 to 65, that comprise the statement of financial position as at 30 June 2015, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on pages 5 to 36.

In our opinion:

- The financial statements of the Trust:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2015; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Standards with disclosure concessions.
- The performance information of the Trust presents fairly, in all material respects, the company's achievements measured against the performance targets adopted for the year ended 30 June 2015.

Our audit was completed on 12 August 2015. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and the performance information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and the performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and in the performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and the performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Trust's financial statements and performance information in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board;
- the adequacy of the disclosures in the financial statements and in the performance information; and
- the overall presentation of the financial statements and the performance information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the performance information. Also, we did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

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

Responsibilities of the Board

The governing body are responsible for the preparation and fair presentation of financial statements for the Trust that comply with generally accepted accounting practice in New Zealand. The governing body are also responsible for preparation of the performance information for the Trust.

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

The governing body are responsible for such internal control as it determines is necessary to enable the preparation of financial statements and performance information that are free from material misstatement, whether due to fraud or error. The governing body are also responsible for the publication of the financial statements and the performance information, whether in printed or electronic form.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and the performance information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 69 of the Local Government Act 2002.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

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



Mari-Anne Williamson
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

STATEMENT OF COMPLIANCE AND RESPONSIBILITY

For the year ended 30 June 2015

COMPLIANCE

The Board and management of the Wellington Zoo Trust confirm that all the statutory requirements of the Local Government Act 2002 regarding financial and operational management have been complied with.

RESPONSIBILITY

The Board and management of the Wellington Zoo Trust accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

They also accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting and performance information of the Wellington Zoo Trust.

In the opinion of the Board and management, the annual Financial Statements for the year ended 30 June 2015 fairly reflect the financial position, results of operations and service performance achievements of the Wellington Zoo Trust.



Ross Martin
Chairperson and Chairperson Finance,
Audit and Risk Committee

12 August 2015



Karen Fifield
Chief Executive

12 August 2015

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 30 June 2015

	Note	Actual 2015 \$000	Budget 2015 \$000	Actual 2014 \$000
REVENUE				
Grants and Operating Revenue	1	6,390	6,007	5,817
Finance Revenue	4	114	30	84
Operating Revenue		6,504	6,037	5,901
Capital Grants and Donations	1	1,252	-	107
TOTAL REVENUE		7,756	6,037	6,008
EXPENDITURE				
Operating Expenditure	2	6,088	6,016	5,674
Depreciation	6	20	21	21
Operating Expenditure		6,108	6,037	5,695
Vesting of Capital Grants and Donations	3	595	-	241
TOTAL EXPENDITURE		6,703	6,037	5,936
NET SURPLUS/(DEFICIT) before taxation	5	1,053	-	72
Income Tax Expense	11	-	-	-
NET SURPLUS/(DEFICIT) for the year		1,053	-	72
Other Comprehensive Revenue		-	-	-
TOTAL COMPREHENSIVE REVENUE		1,053	-	72

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

	Note	2015 \$000	2014 \$000
Equity Opening Balances			
Accumulated Comprehensive revenue and expense		306	295
Restricted Funds		583	522
Total Equity-Opening Balance		889	817
Changes in Equity			
Retained Earnings			
T transfers from Comprehensive revenue and expense	14	(1,868)	(312)
T transfers to Comprehensive revenue and expense	14	827	251
Restricted Funds			
T transfers from restricted funds	15	(827)	(251)
T transfers to restricted funds	15	1,868	312
Net Revenue recognised directly in equity		-	-
Comprehensive Revenue			
Surplus/(deficit) for the year to retained earnings		1,053	72
Other comprehensive revenue		-	-
Total comprehensive revenue		1,053	72
Total changes in equity		1,053	72
Equity Closing Balances			
Accumulated Comprehensive revenue and expense		318	306
Restricted Funds		1,624	583
Total Equity-Closing Balance		1,942	889

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Note	Actual 2015 \$000	Budget 2015 \$000	Actual 2014 \$000
ASSETS				
Current Assets				
Cash and cash equivalents	7	3,456	1,421	1,937
Trade and other receivables	8	360	60	461
Prepayments	8	20	-	10
GST Receivable	8	-	-	2
Inventories	9	64	60	48
		<u>3,900</u>	<u>1,541</u>	<u>2,458</u>
Non-Current Assets				
Property, Plant and Equipment	10	49	38	69
Work in Progress	10	18	-	-
		<u>67</u>	<u>38</u>	<u>69</u>
TOTAL ASSETS		<u>3,967</u>	<u>1,579</u>	<u>2,527</u>
LIABILITIES				
Current Liabilities				
Trade, other payables and accruals	12	1,267	400	830
Revenue in Advance		209	-	201
Monies held in trust	12	262	200	333
Employee Benefits	13	275	224	262
		<u>2,013</u>	<u>824</u>	<u>1,626</u>
Non-Current Liabilities				
Employee Benefits	13	12	12	12
		<u>12</u>	<u>12</u>	<u>12</u>
TOTAL LIABILITIES		<u>2,025</u>	<u>836</u>	<u>1,638</u>
NET ASSETS		<u>1,942</u>	<u>743</u>	<u>889</u>
EQUITY				
Accumulated Comprehensive revenue and expense	14	318	307	306
Restricted Funds	15	1,624	436	583
TOTAL EQUITY		<u>1,942</u>	<u>743</u>	<u>889</u>

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
For the year ended 30 June 2015

	Note	Actual 2015 \$000	Budget 2015 \$000	Actual 2014 \$000
Cash flows from operating activities				
Cash was provided from:				
Operating Revenue		7,679	6,007	6,133
Interest Received	4	114	30	84
Net GST Received		17	-	61
Cash was applied to:				
Payments to Suppliers and employees		(6,273)	(6,016)	(6,174)
Net GST Paid		-	-	-
Net cash inflow from operating activities	16	1,537	21	104
Cash flows from investing activities				
Cash was applied to:				
Receipts from sale of property, plant and equipment		-	-	2
Purchase of property, plant and equipment		(18)	-	-
Net cash (outflow) from investing activities		(18)	-	2
Net Increase/(Decrease) in Cash and cash equivalents held		1,519	21	106
Cash and cash equivalents at beginning of year		1,937	1,400	1,831
Cash and cash equivalents at end of year	7	3,456	1,421	1,937
Made up of:				
Cash and bank balances		3,456	1,421	180
Current Investments		-	-	1,757
Closing Cash Balance		3,456	1,421	1,937

The accompanying notes form part of these financial statements.

STATEMENT OF ACCOUNTING POLICIES

For the year ended 30 June 2015

REPORTING ENTITY

The Wellington Zoo Trust (the Trust) is a charitable trust registered under the Charitable Trusts Act 1957 domiciled in New Zealand and is also a council-controlled organisation as defined under Section 6, Part 1 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees. The Trust was established on 1 July 2003 by the Wellington City Council.

The financial statements have been prepared in accordance with the requirements of the Charitable Trusts Act 1957 and section 69 of the Local Government Act 2002.

The Trust is reliant on the Wellington City Council (the Council) for the majority of its income and operates under a Contract for Services with the Council. The Contract for Services was negotiated for a period of 3 years to 30 June 2012. This contract has been re-extended to 30 June 2016. Ongoing funding for the Trust has been approved in the 2015/2025 Long Term Plan.

The primary objective of the Trust is to manage, administer, plan, develop, maintain, operate and promote the Wellington Zoo for the benefits of the inhabitants of Wellington and as an attraction to visitors to Wellington, not to make a financial return. Accordingly, the Trust has designated itself as a public benefit entity for the purposes of New Zealand PBE IPSAS

Under this framework, the Trust is eligible to apply the reduced disclosure regime (Tier 2 entity) of the Public Benefit Entity Accounting Standards.

The reporting period for these financial statements is for the year ended 30 June 2015. The financial statements were authorised for issue by the Board of Trustees on 12 August 2015.

STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to PBE IPSAS and other applicable Financial Reporting Standards, as appropriate for Tier 2 public benefit entities.

MEASUREMENT BASE

The measurement base applied is historical cost. The accrual basis of accounting has been used.

FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated. As a result of rounding there may be slight discrepancies in subtotals.



SIGNIFICANT ACCOUNTING POLICIES

Critical Accounting estimates and assumptions

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. The Trust has assessed the financial records and there are no significant critical accounting estimates. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Grants

Grants received from the Wellington City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the trust deed. The Trust also receives other assistance for specific purposes, and these grants usually contain restrictions on their use.

Grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if the conditions of the grant are not met. If there is such an obligation the grants are initially recorded as grants received in advance, and recognised as revenue when the conditions of the grant are satisfied.

Revenue

Revenue comprises, revenue from operating activities, investment revenue, grants and donations and other revenue and is measured at the fair value of consideration received or receivable.

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

Most of the services that the Trust provides for a fee are subsidised by grants therefore do not constitute an approximately equal exchange. Accordingly most of the Trust's revenue is categorised as non-exchange.

Donated, subsidised or vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Such revenue is recognised when control over the asset is obtained.

Interest

Interest revenue is recognised using the effective interest rate method.

Volunteer Services Recognition

The Trust benefits from the service of dedicated volunteers in the delivery of its activities. Due to the difficulty in determining the value of these donated services with sufficient reliability, donated services are not recognised in these financial statements.

Taxation

The Trust is registered as a Charitable Trust and is exempt from income tax under the Income Tax Act 2004. The Trust is not exempt from indirect tax legislation such as Goods and Services Tax and accordingly is required to comply with these regulations.

Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

Debtors and other receivables

Debtor and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of less than three months.

Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Inventory

Inventories are recorded at the lower of cost (determined on a first-in first-out basis) or net realisable value. This valuation includes allowances for slow moving and obsolete stock. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Property, Plant and Equipment

Recognition

Property, plant and equipment consists primarily of operational assets. Expenditure is capitalised when it creates a new asset or increases the economic benefits over the total life of an existing asset. Costs that do not meet criteria for capitalisation are expensed.

The Trust also manages the construction and development of buildings, structures and enclosures on behalf of the Council. These assets are not recorded in the Trust's financial statements as ownership vests in the Council.

Measurement

Property, plant and equipment are valued at historical cost less accumulated depreciation and impairment losses.

The initial cost of property, plant and equipment includes the purchase consideration, and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential is capitalised.



Impairment

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use.

Disposal

Realised gains and losses arising from the disposal of property, plant and equipment are recognised in the Statement of Comprehensive Revenue and Expense in the period in which the transaction occurs.

Depreciation

Depreciation is provided on all assets owned by the Trust excluding assets under construction (work in progress). Depreciation is calculated on a straight line basis, to allocate the cost or value of the asset (less any residual value) over its useful life. The estimated useful lives of the assets are as follows:

Plant

Audio Visual Equipment	3 years
Projector	5 years
Shade Sail	10 years
Hospital Equipment	10 years
Garden Furniture	10 years
Living Room Furniture	15 years
Endoscope	8 years

Furniture and Equipment

Composter	10 years
CCTV	3 years
Incubators	12.5 years

Work in Progress

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed and then depreciated.

Employee Benefits

A provision for employee benefits (holiday leave, long service leave, and retirement gratuities) is recognised as a liability when benefits are earned but not paid. The Trust recognises a liability and an expense for a one off payment where contractually obliged or where there is a past practice that has created a constructive obligation.

Short Term Employee Benefits

Holiday leave (annual leave, long service leave qualified for and time off in lieu) is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) & 16(4) of the Holidays Act 2003.

Long service leave (not yet qualified for) and retirement gratuities have been calculated on an actuarial basis based on the likely future entitlements accruing to staff, after taking into account years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and other contractual entitlements information. The present value of the estimated future cash flows has been calculated using an inflation factor and a discount rate. The inflation rate used is the annual Consumer Price Index to 31 March prior to year end.

Other Contractual Entitlements

Other contractual entitlements include termination benefits. Termination benefits are recognised in the Statement of Financial Performance only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

Other Liabilities and Provisions

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation.

Contingent Assets and Liabilities

Contingent liabilities and contingent assets are disclosed in the notes to the financial statements. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Animal Transfers

Animal transfers are recognised at cost.

Equity

Equity is the residual interest in the Trust and is measured as the difference between total assets and total liabilities. The components of equity are accumulated surpluses and deficits and restricted funds (special funds, trusts and bequests).

Restricted funds are those reserves that are subject to specific conditions of use whether under statute or accepted as binding by the Trust because of the specific reason for which the funds were provided.



Transfers from these reserves may be made only for specified purposes or when certain specified conditions are met.

Statement of Cash Flows

The statement of cash flows is prepared using the direct approach. Operating activities include cash received from all revenue sources of the Trust and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to transactions that change the equity and debt capital structure of the Trust.

Related Parties

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include Wellington City Council, key management personnel and the governing body (Trust Board).

Trustees' remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a trustee during the reporting period. The disclosures for the Trust include the remuneration of the Trustee board as they occupy the position of a member of the governing body of the Trust.

Transition to PBE IPSAS

Effect of first-time adoption of PBE standards

The changes to the accounting policies and disclosures (including comparatives) resulting from the first-time adoption of PBE standards are as follows:

Within the notes forming part of the financial statements presentational changes have occurred as follows:

- Changes to (Note 1) classifying the main revenue components as either exchange or non-exchange revenue.
- Changes to the receivables note (Note 8) and payables notes (Note 12) to reflect the disaggregation above
- Change to Revenue in advance reflecting the nature of the advance receipts and liabilities for transfers with conditional agreements
- Other minor terminology changes

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Revenue

	2015 \$000	2014 \$000
Exchange Revenue		
Sale of Goods	339	307
Other Corporate income	80	79
Total Exchange Revenue	<u>419</u>	<u>386</u>
Non-Exchange Revenue		
Admissions	2,644	2,443
Other Revenue	303	2
Contractual Revenue		
Ministry of Education	82	82
Wellington City Council Operating Grant	2,757	2,715
Operating Grants and Donations		
Koala Trust	6	7
Classic Hits	5	8
Fonterra Brands	19	25
Brian Whiteacre Trust	-	3
Dominion Post	-	9
Department of Conservation	-	10
ASB	-	12
T G McCarthy	10	-
General Donations	21	23
Holdsworth Trust	64	40
Trade Me	30	30
Interislander	10	-
Weta	-	20
Worldwide Fund for Nature	-	2
Wellington Community Trust	15	-
Nikau Foundation	5	-
Operating Grants and Donations	<u>185</u>	<u>189</u>
Total Non-Exchange Operating Revenue , Grants and Donations	<u>5,971</u>	<u>5,431</u>
Capital Grants and Donations		
General Donations	142	57
Pub Charity	500	-
Wellington Community Trust	-	50
Stout Trust	50	-
Lion Foundation	30	-
Lotteries Trust Board	500	-
Infinity Foundation	30	-
Total Non-Exchange Capital Grants and Donations	<u>1,252</u>	<u>107</u>
Total Non-Exchange Revenue	<u>7,223</u>	<u>5,538</u>
Total Revenue	<u>7,642</u>	<u>5,924</u>



Grants and Donations includes grants and bequests received for capital and operational purposes of \$1,868,451. These grants were received for specific purposes. This income is transferred from Retained Earnings to Restricted Funds until it is needed, refer to Note 15.

Note 2: Expenditure on operating activities

	Note	2015 \$000	2014 \$000
Marketing and Commercial costs		268	238
Auditor's remuneration:			
- Audit Services		21	21
Authorised entertainment		6	6
Consumables		365	323
Cost of goods sold		148	135
Direct costs		735	557
Insurance premiums		9	8
Materials and Services		278	278
Personnel costs		3,925	3,761
Trustee's remuneration	21	86	81
Utilities		247	266
Total Operating Expenditure		6,088	5,674

1. Personnel costs include costs such as salaries, wages, leave and other employee earned compensation.
2. Direct costs include expenditure not separately disclosed, such as:
 - professional costs
 - travel
 - administration costs
 - animal collection maintenance
 - vehicle fleet costs
 - contracts

Note 3: Vesting of Capital Grants and Donations

Wellington City Council has approved a capital expenditure budget of \$15.661 million towards the Zoo Capital Plan to be spent over the 10 year period, starting in 2006/07. This funding is contingent on the

Trust generating external sponsorship funding of \$5.221 million over the duration of the Zoo Capital Plan.

This entry relates to the transfer of these funds to Wellington City Council. In line with the contract for services, this amount is paid on receipt of external sponsorship funding and donations as the Zoo contribution towards the capital plan. The Zoo has vested \$595K (2014: \$241K) in line with our capital spend for this year on behalf of Wellington City Council. Refer to Note 18 for more detail.

Note 4: Finance Revenue

	Note	2015 \$000	2014 \$000
Finance Revenue			
Interest on Term Deposits and On call		114	84
Total Finance Revenue		<u>114</u>	<u>84</u>

Note 5: Net Surplus Reconciliation showing adjustments for movements to and from Restricted Funds

		2015 \$000	2014 \$000
Net surplus/deficit from operations for the year	14	1,053	72
Revenue received for animal transfer purposes from Operating Grants/Donations	15	(73)	(115)
Revenue received for animal transfer purposes from Other Operating Revenue	15	(243)	(90)
Revenue received for capital/operational purposes	15	(1,277)	(107)
Revenue received for animal transfer purposes utilised in year		56	-
Revenue received for capital/operational purposes utilised in year	15	22	10
Revenue vested to Wellington City Council in year	15	595	241
Revenue received for conservation fund	15	(275)	-
Revenue received for conservation fund utilised	15	154	-
Normalised Operating Surplus/(Deficit) for the year before taxation		<u>12</u>	<u>11</u>

Due to the timing differences between the receipt of capital grants and the vesting of the resultant assets in Council, there will be fluctuations in the reported results. This note shows, for comparative purposes only, the results without the impact of these transactions.



Note 6: Depreciation

	2015 \$000	2014 \$000
Plant	4	4
Furniture and Equipment	16	17
Total Depreciation	<u>20</u>	<u>21</u>

Note 7: Cash and Cash Equivalents

	2015 \$000	2014 \$000
Bank Balances	3452	176
Cash on hand	4	4
Short Term deposits	0	1,757
Total Cash and cash equivalents	<u>3,456</u>	<u>1,937</u>



Note 8: Trade and other receivables

	Note	2015 \$000	2014 \$000
Receivables (Gross)		139	40
Trade Receivables due from Wellington City Council	20	221	421
Less provision for impairment of trade receivables		-	-
Trade Receivables		360	461
GST Receivable		-	2
Prepayments		20	10
		20	12
Total Trade and other receivables		380	473

Trade Receivables comprises:

Receivables from the sales of goods and services (exchange transactions)	46	38
Receivables from transfers (non-exchange transactions)	314	423
	360	461

Provision for impairment of total trade receivables

	2015 \$000	2014 \$000
Opening Balance	-	-
Additional or increased provision made	-	-
Release of provision	-	-
Provision for impairment of total trade	-	-

Further information on the collectability of trade and other receivables is contained in Note 17: Financial Instruments.



Note 9: Inventories

	2015 \$000	2014 \$000
Inventory – Zoo Shop	64	48
Total Inventories	64	48

Note 10: Property, Plant and Equipment

	2015 \$000	2014 \$000
Operational Assets		
Plant		
Plant at cost – opening balance	48	48
Accumulated depreciation	(35)	(31)
Total Plant – opening balance	13	17
Additions	-	-
Disposals	-	-
Depreciation Expense	(4)	(4)
Total plant – closing balance	9	13
Furniture and Equipment		
Furniture and Equipment at cost – opening balance	171	171
Accumulated Depreciation	(115)	(98)
Total Furniture and Equipment – opening balance	56	73
Additions	-	-
Disposals	-	-
Depreciation Expense	(16)	(17)
Total Furniture and equipment – closing balance	40	56
Total Operational Assets	49	69
Work in progress		
Work in progress at cost – opening balance	-	1
Additions	18	-
Other	-	(1)
Capitalised to asset classes	-	-
Work in progress at cost – closing balance	18	-

Projects that will be vested to Wellington City Council are permanent structures or fixtures that are built by the Trust on land owned by the Wellington City Council.

Note 11: Taxation

The Trust is registered as a Charitable Trust and is exempt from income tax under the Income Tax Act 2007.

Note 12: Trade, Other Payables, Accruals and Monies held in Trust

	Note	2015 \$000	2014 \$000
Payables under Exchange Transactions			
Exchange Payables and Accruals			
Trade Payables and Accruals		470	376
Trade Payables due to parent		608	293
Total Payables under Exchange Transactions		1,078	669
Non -Exchange Payables			
Taxes Payable (GST , PAYE)		189	161
Total Payables under Non-Exchange Transactions		189	161
Total Payables		1,267	830
Monies held in Trust			
Donations held in Trust		219	179
Regional Amenities Fund		43	154
(administered on behalf of Wellington Regional Amenities Fund)		-	
Total Monies held in Trust		262	333



Note 13: Employee Benefits

	2015 \$000	2014 \$000
Payroll Accruals	41	27
Holiday Leave	234	235
Retirement Gratuities	12	12
Total employee benefits	<u>287</u>	<u>274</u>
Represented by:		
Current	275	262
Non-current	12	12
Total employee benefits	<u>287</u>	<u>274</u>

The retirement gratuities liability is a contractual entitlement for a reducing number of employees who having qualified with 10 years' service will on retirement be entitled to a payment based on years of service and current salary. This entitlement has not been offered to new employees since 1991.

The gross retirement gratuities liability inflation adjusted at 2.25% (2014:2.57%) as at 30 June 2015 after discounting is \$12,344 (2014:\$12,344). The discount rate used is 6.10% (2014:6.50%)

Total annual remuneration by band for employees as at 30 June:

Total Remuneration paid or payable	2015	2014
\$60,000-\$69,999	6	5
\$70,000-\$79,999	3	1
\$100,000-\$109,999	1	2
\$110,000-\$119,999	1	1
\$120,000-\$129,999	2	2
\$140,000-\$149,999	1	1
\$190,000-\$199,999	1	1
Total Employees	<u>15</u>	<u>13</u>

This disclosure relates to staff earning in excess of \$60,000.

Note 14: Accumulated Surplus/ (Deficit)

	2015 \$000	2014 \$000
Accumulated Surplus/Deficit		
Opening Balance	306	295
Net surplus/(deficit)	1,053	72
Transfers from restricted funds	15 827	251
Transfers to restricted funds	15 (1,868)	(312)
Accumulated Surplus/(Deficit)- closing balance	<u>318</u>	<u>306</u>
Total accumulated surplus/(deficit)	<u>318</u>	<u>306</u>

Note 15: Restricted Funds

	2015 \$000	2014 \$000
Trusts, Bequests and Capital Grants		
Opening Balance	206	350
Additional funds received	1,277	107
Funds utilised	(617)	(251)
Trusts,Bequests and Capital Grants – closing balance	<u>866</u>	<u>206</u>
Animal Transfers		
Opening Balance	377	172
Additional Operating Grants and Donations received	73	115
Transfers from Other Operating Revenue	243	90
Funds utilised	(56)	-
Animal Transfers – closing balance	<u>637</u>	<u>377</u>
Conservation Fund		
Opening Balance	-	-
Funds received	275	-
Transfers of Opening Balance	-	-
Funds utilised	(154)	-
Conservation Fund – closing balance	<u>121</u>	<u>-</u>
Opening Balance	583	522
Transfers from retained earnings	1,868	312
Transfers to retained earnings	(827)	(251)
Restricted Funds – closing balance	<u>1,624</u>	<u>583</u>



The Trust has accumulated funds of \$100 contributed by Wellington City Council upon establishment of the Trust on 1 July 2003.

Restricted Funds: Purpose of each reserve

Trusts, Bequests and Capital Grants are monies received for a specific purpose.

Animal Transfer Reserve Fund is made up of money received specifically for the transfer of animals as well as money that the Trust has tagged from Other Operating Income to fund future animal transfers.

Conservation fund is made up of money received specifically to support field conservation.

Note 16: Reconciliation of Net surplus to Net cash flow from operating activities

	2015 \$000	2014 \$000
Reported surplus/(deficit)	1,053	72
Add /(deduct) non cash items:		
Vesting of Assets	-	-
Movement in provision for impairment of doubtful debts	-	-
Depreciation	20	21
Total non-cash items	<u>20</u>	<u>21</u>
Add/(deduct) movements in working capital		
(Increase)/Decrease in accounts receivable	101	23
(Increase)/Decrease in Inventory	(16)	13
(Increase)/Decrease in Prepayments	(10)	(4)
(Increase)/Decrease in GST Receivable	2	61
Increase/(Decrease) in accounts payable and accruals	437	(280)
Increase/(Decrease) in monies held in trust	(71)	131
Increase/(Decrease) in GST payable	-	-
Increase/(Decrease) in Other Liabilities	-	-
Increase/(Decrease) in Employee benefit liabilities	13	13
Increase/(Decrease) in Revenue in Advance	8	54
Total working capital movement	<u>464</u>	<u>11</u>
Net cashflow from operating activities	<u>1,537</u>	<u>104</u>

Note 17: Financial Instruments

The Zoo's financial instrument categories include financial assets (cash and cash equivalents, loans and receivables and financial liabilities (payables that arise directly from operations and borrowings). The main purpose of the Zoo's financial instruments is to raise finance for the Zoo's operations.

Note 18: Commitments

The Trust has a commitment to Wellington City Council (the Council) relating to the Zoo Capital Plan, a 10 year capital programme totalling \$20.881 million which commenced in 2006/07. The Council has approved a capital expenditure budget of \$15.661 million towards the Zoo Capital Plan to be spent over the 10 year period, starting in 2006/07. This funding is contingent on the Trust generating external sponsorship funding of \$5.221 million over the duration of the Zoo Capital Plan.

Wellington City Council has approved this funding subject to the following:

- That the Trust manages its projects within the annual capital expenditure budgets
- Wellington City Council Officers monitor the projects and review their status prior to tendering for any construction contracts
- Wellington City Council Officers will not authorise any contracts that would result in a material overspend of Wellington City Council capital expenditure budgets.

As at 30 June 2015, the Trust has vested \$5.143 million to the Council and has committed to fund an additional \$0.123 million over the period from 30 June 2015 to 30 June 2016. In line with the Contract for Services, this amount will be paid on receipt of external sponsorship funding. If external funding targets are not met then it is at the Council's discretion to amend the Plan accordingly.

The Trust had no operating lease commitments as at 30 June 2015. Payments due not later than one year Nil, payments due between one to two years Nil (2014:Nil).

Note 19: Contingencies

The Trust had no contingent liabilities as at 30 June 2015 (2014:Nil).



Note 20: Intra group transactions and balances

	2015 \$000	2014 \$000
Revenue for services provided to the Zoo from:		
Wellington City Council	664	362
	<u>664</u>	<u>362</u>
Revenue for services received by the Zoo from:		
Wellington City Council	2,764	2,724
	<u>2,764</u>	<u>2,724</u>
Current receivables owing to the Zoo from:		
Wellington City Council	221	421
	<u>221</u>	<u>421</u>
Current payables owing from the Zoo to:		
Wellington City Council	608	293
	<u>608</u>	<u>293</u>

Note 21: Related Party disclosures

Key Management Personnel Compensation

	2015 \$000	2014 \$000
Salaries and other short term employee benefits	901	894
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Total Key Management Personnel Compensation	<u>901</u>	<u>894</u>

Key management personnel include the Chief Executive, other senior management personnel and Trustees.

Trustee's Remunerations

Trustee's remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a trustee.

The following people held office as trustees of the Zoo during the reporting period. The aggregate remuneration paid to the trustees during the year totalled \$85,783 (2014:\$81,250) and is disaggregated and classified as follows:

Trustee Remuneration	2015	2014
	\$000	\$000
Ross Martin	32	31
Frances Russell	16	16
Linda Meade	16	15
Simon Marsh	-	4
Alan Dixson	4	15
Craig Ellison	9	-
Raewyn Bleakley	9	-
Total Trustee Remuneration	86	81

	2015	2014
Trustees		
Remuneration	\$ 85,783	\$ 81,250
Full-time equivalent members	4.36	4.25
Strategic Management Team		
Remuneration	\$ 815,452	\$ 812,511
Full-time equivalent members	6.00	6.14
Total Key Management Personnel Remuneration	\$ 901,235	\$ 893,761

Full time equivalent calculations for Trustees are based on number of months in employment and for the Chief Executive and other senior management personnel are based on 2,080 hours.

Related party transactions

During the year trustees and key management, as part of a normal customer relationship, were involved in minor transactions with the Trust.

The Trust receives a grant from the Wellington City Council under a Contract for Services. In addition, the Wellington City Council receives/(pays) amounts for the provision/(receipt) of other goods and services. These other transactions are conducted on an arms-length basis. The amounts owing to/from related party balances are disclosed in Note 20.

Services received from the Zoo Aquarium Association (ZAA) in 2015:\$3,616.40 (2014:\$3,328.59). Karen Fifield who is the Chief Executive of the Zoo is the President of ZAA. This transaction was also conducted on an arms-length basis.

Note 21: Related Party disclosures (continued)

The Trust also purchased services from the Zoo Aquarium Association (ZAA).These services cost \$40,633.80 (2014:\$43,005.84) and were supplied on normal commercial terms. There was an outstanding balance for unpaid invoices at year end of \$Nil (2014: Nil). Karen Fifield who is the Chief Executive of the Zoo was the President of ZAA until May 2015.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2014:\$Nil).

Note 22: Severance Payments

In accordance with the Schedule 10, section 19 of the Local Government Act 2002, the Zoo is required to disclose the number of employees who received severance payments during the year and the amount of each severance payment made.

Severance payments include any consideration (monetary and non-monetary) provided to any employee in respect of the employee's agreement to the termination of their employment with the Trust. Severance payments exclude any final payment of salary, holiday pay and superannuation contributions.

For the year ended 30 June 2015, the Trust made one severance payment. \$30,635.84. (2014:\$35,000).

Note 23: Events after balance date

There were no significant events after balance date that affect the financial statements.



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Cover photo:
Wainuiomata Primary School - Explorations

Access to the Wainuiomata Water Catchment area is normally restricted. However, thanks to ZEALANDIA’s Outreach Programme in partnership with DOC and the Greater Wellington Regional Council, students from Wainuiomata Primary School were the first school group to ever visit this near-pristine podocarp forest and its amazing array of wildlife.

ZEALANDIA’s educators make an outstanding contribution, enabling young people to explore and commit to conservation in their own communities, spreading ZEALANDIA learning well beyond the Sanctuary boundaries.

We are grateful to WWF-NZ for supporting ZEALANDIA’s Education Outreach Programme
Photo: Bill Beale

Chair's Report

Every journey begins with a single step. In our 500-year journey, the first 20 years has been a remarkable first step. As we celebrate the 20th anniversary of the Karori Sanctuary Trust, it is a great pleasure to report that 2014/15 was a year of significant progress in living out our mission to **restore nature, and bring the benefits of our natural heritage to the people of Wellington and beyond**. It is exciting to be part of making Wellington a vibrant and flourishing city with unique natural capital.

97,500 people visited the Sanctuary in 2014/15, the largest ever number in a non-Sirocco year, taking advantage of all the recreation, learning, research and volunteering opportunities on offer, and leaving refreshed and reinvigorated by their experiences and connections with nature. We connected with even more people through our outreach activities. Our kākā continued to fly widely (if not quietly) across the skies of Wellington, bringing pleasure and interest to many. Our enhanced monthly programme was an important factor in attracting a record number of summer month visits and our visitors continued to enjoy their interactions with our guides and hosts, whose enthusiasm and skillful activities bring the stories of the Sanctuary to life.

Behind the scenes, our dedicated staff and volunteers continued the steady effort required to sustain a 225-hectare ecosystem in development towards a 500-year vision. Work on weeds, pests, tracks, signs and more is vital though often less apparent to our visitors.

At the same time, we strengthened our foundations as an organisation, providing a firm and sustainable basis for our next generation of work. We refreshed our organisational structure to align resources with our key achievement areas and we built and strengthened our relationships. We installed new information technology equipment and systems, and completed the much needed upgrade of our administration building at 31 Waiapu Road. The combined efforts of our team to build support from visitors and donors, and to contain costs, resulted sound operational performance, with a surplus of \$31,000 recorded.

None of this would be possible without our major strategic partnership with Wellington City Council. We deeply appreciate the way that this partnership with the City has strengthened over the year, and we thank the Mayor, Councillors and Staff for their interest and support, which touches on all aspects of our work, from long-term operational funding to practical advice and expertise. The workspace upgrade on Waiapu Road was made possible through the Council's generous commitment of funds.

Many other partnerships are vital. We continue to see great value in our involvement in Nature Connections, in working with Wellington Zoo Trust, Otari-Wilton's Bush, Kapiti Island and others. Business partners supported us with donations, time and equipment. Our members, volunteers and supporters also gave generously to our work, and we are grateful to a number of Trusts and Foundations for making funds and equipment available.

The Board's heartfelt thanks go to our hardworking staff and volunteer team. They are living proof that focus and dedication lead to visible success, and we hope that they can take particular pleasure in some of the outstanding conservation successes of 2014/15: from the 500th kākārīki banded in March, to the first known successful tieke nest outside the Sanctuary boundary.

I also wish to thank our outgoing Chief Executive, Hilary Beaton for her contributions to the Trust's success and development. Hilary joined the Karori Sanctuary Trust as Chief Executive in October 2013, after a widely respected leadership contribution in the performing arts sector. She took on with gusto the challenge of establishing visible foundations for the Sanctuary's sustainable and successful future and drove a wide array of new initiatives at ZEALANDIA. In her role as Chief Executive, Hilary has made a significant contribution to Zealania's 500 year vision, and its major place in Wellington's natural infrastructure.

Finally, my thanks go to the Guardians, ably chaired by Jim Lynch, QSM, and to my fellow trustees Pam Fuller, Steve Thompson, Professor Charles Daugherty and Phillip Meyer for their energy, commitment and wise counsel.



Denise Church
Chair
Karori Sanctuary Trust



Top Left: The 500th kākārīki banded at ZEALANDIA. Photo: Richard Gray



Top Right: Education Ranger Darren leads the first ever school group to enter the Wainuiomata Water Collection area. Photo: Bill Beale



Bottom Right: Kākā spotted outside Paliament. Photo: Robbie Neeson

20 Years As A Sanctuary

20 years ago, in July 1995, an illustrious group led by Chairman Michael Morris and founder Jim Lynch gathered to celebrate the launch of the newly established Karori Sanctuary Trust. At the opening, Jim challenged the assembled group to imagine an outstanding future for the valley. It is a mark of the Sanctuary's conservation success and impact that so many of the ingredients on Jim's list have been achieved – and more.

None of this would have happened without a vital combination: the dedication and dynamism of the founding supporters, staff and volunteers, and the enthusiasm and generosity of Wellingtonians.

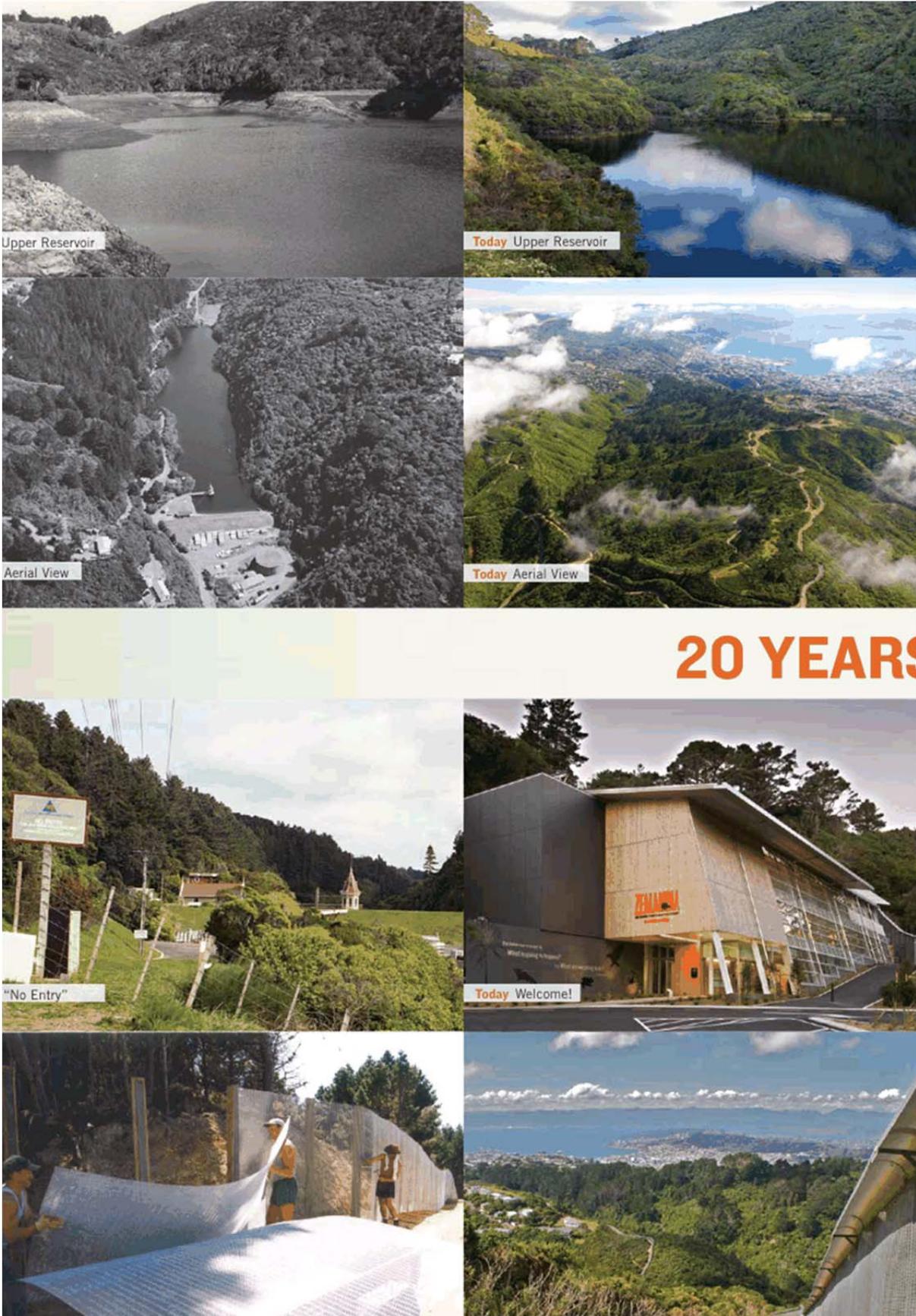
So as we celebrate the 20 years, it's fitting to say:

Thank you Wellington: this is what you made possible!

✓ A spectacular valley clothed in vigorously regenerating native forest	✓ Visible birdlife interacting with visitors throughout the valley
✓ A fence that is an effective barrier to all significant pests	✓ A visitor centre that welcomes all
✓ Effective biosecurity that sustains protection	✓ Exhibitions that tell the valley story – past, present, and future
✓ Rapid regeneration of a healthy vibrant ecosystem	✓ Special places to learn, encounter and enjoy our biodiversity
✓ A forest floor that teems with invertebrate life and reptiles	✓ Unique tour opportunities to see kiwi at night
✓ Daytime silence replaced by birdsong and calls: the kākā, kākārīki, tūi, tīeke and hihi	✓ Nighttime calls of the kiwi and morepork
✓ Brings native birds back to the city	✓ Catalyst for community action & involvement
✓ A star tourist attraction for the city	✓ Advances conservation techniques & knowledge

Russ Drewry
Acting Chief Executive

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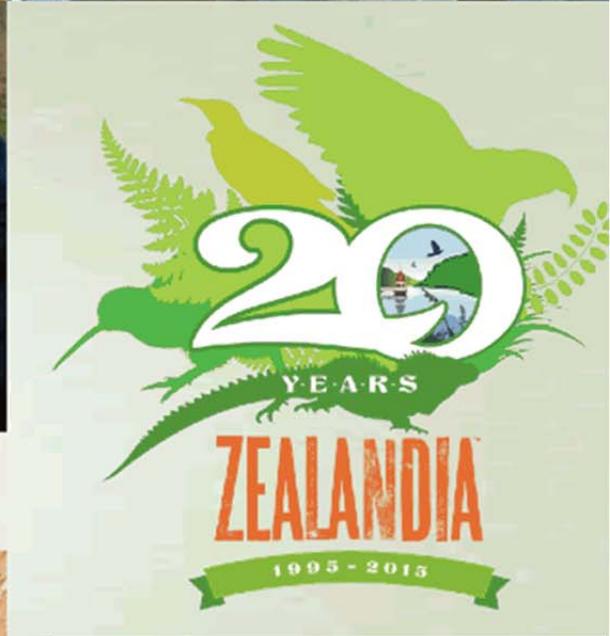
Education



Today Education



Kaka Release



THEN & NOW



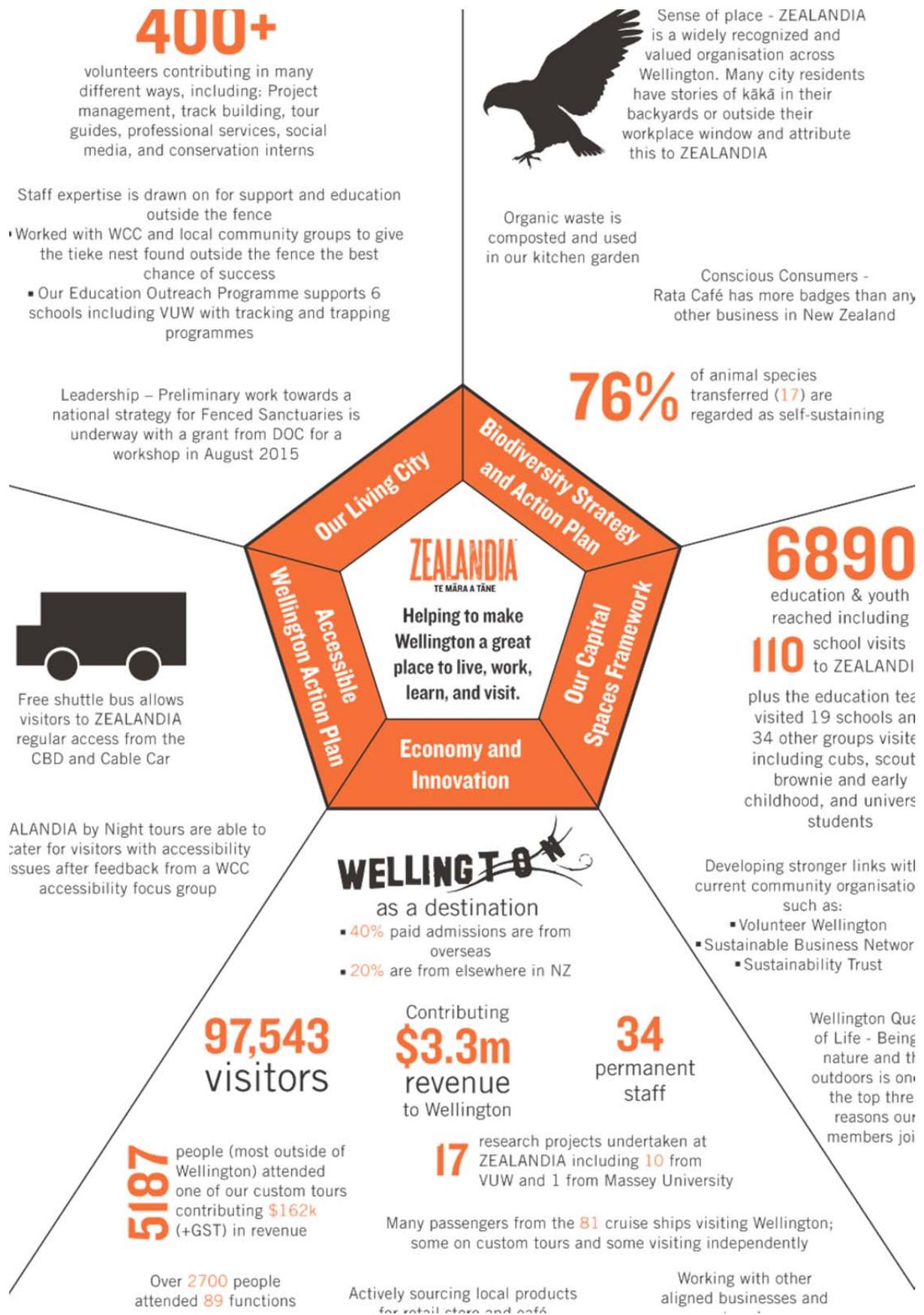
Kaka Chicks

Taken from a selection of photos provided by the following:
 J Miller, B Beale, A Hawke, Alexandra Turnbull Library, S Woolf, P Fuller,
 Fuller, P Daniel, P Reese, J Curtis, C Moore, P Little, T Lynch, J Moore,
 Department of Conservation, J Shorland, J Elsworth, G McKendry, J Herma
 D Picken, Evening Post, D Moss



Highlights of 2014/15

- 1** The first known successful Tieke (Saddleback) nest outside the sanctuary
- 2** Rock stars meet (Slash from Guns N' Roses, and Tāne the Tuatara from ZEALANDIA)
- 6** An intensive six-week seminar series launches our new Volunteer initiatives
- 9** Animals from the Sanctuary cared for at The Nest – Thank you Wellington Zoo!
- 32** Kilometres of tracks maintained
- 94** WCC residents survey – 94% rating ZEALANDIA as good/very good (up from 91% in 2013)
- 275** People (volunteers and staff) hours to complete the annual pest control operation
- 400** Volunteers supported through our newly established Volunteer Advisory Group.
- 500** Our 500th Kākāriki is banded in March 2015
- 600** Our 600th kākā was banded in January 2015
- 3,000** Twitter followers
- 3,324** New members joined
- 4,739** Students visit the Sanctuary through “learning experiences outside the classroom”
- 12,896** Highest ever January month for visitors January
- 31,000** \$ Operating surplus achieved: \$31,000, 24% better than 2013/14
- 97,500** Visitors – the highest recorded in a non-Sirocco year
- 2,474,784** \$ Operating revenues raised by ZEALANDIA activities (74% of total revenue)

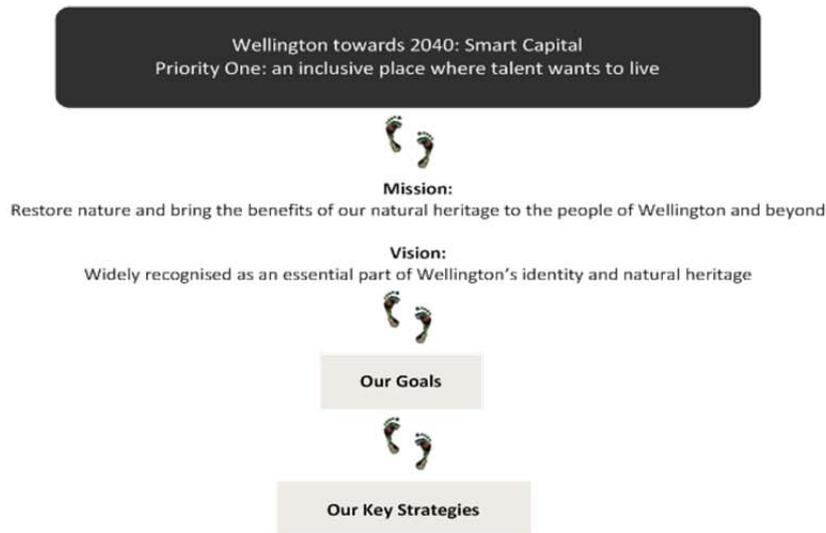


Vision & Strategic Objectives

Our vision is that by 2018 ZEALANDIA will be:

- A destination that is loved, valued and visited by locals.
- Internationally recognised as a ground-breaking conservation science project and must-do visitor experience.
- An essential part of Wellington’s natural capital.

STRATEGIC FRAMEWORK



GOALS

The following five goals were identified as priorities for 2014/15:

- Continue to enhance ZEALANDIA’s reputation using clear communications and messages. ZEALANDIA will be synonymous with integrity – we will build trust, engagement and loyalty with our community.
- Sustain and diversify ZEALANDIA’s revenue streams and ensure that resilient financial arrangements are in place.
- Enhance engagement of volunteers, visitors and members and inspire these groups to act as advocates for ZEALANDIA.
- Secure further restoration investment and ensure our research work is recognised by funders and partners as leading the way in Wellington’s environmentally active community.
- Sustain and extend relationships both within New Zealand and internationally that contribute directly to our vision and mission.

In 2014/15 we committed to six strategic project areas to move us towards this vision. These form the foundations that will ensure ZEALANDIA becomes a vital, distinctive contributor to both Wellington’s future economic prosperity, and the Wellington Biodiversity Strategy “Natural Capital”.

STRATEGIES

The six strategies identified for 2014/15 were:

- Strategy 1: People and Place
- Strategy 2: Organisational Intelligence
- Strategy 3: Supporter Engagement
- Strategy 4: Annual Programme
- Strategy 5: Sanctuary Blueprint
- Strategy 6: Research Partnerships

Each strategy had associated key outcomes, and the Sanctuary team achieved many of these key outcomes and made significant progress towards others, while maintaining a strong core investment in conservation, biosecurity, membership, and sustainable finances.

TEN-YEAR BUSINESS PLAN

Sustainable finances are essential. In 2014/15 we sought to build on the beneficial changes from 2013/14, including the positive response to the refreshing of our brand, offerings and prices.

We also continued our ten-year business planning exercise, taking a careful and prudent long-term approach to increase our revenue-generating capacity through new and expanded sources.

TOWARDS 500 YEARS: ZEALANDIA'S SECOND GENERATION FOCUS

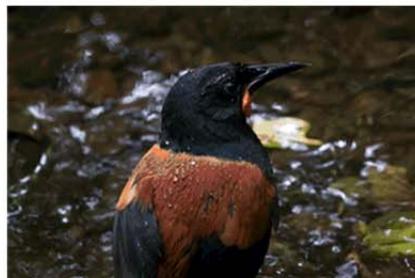
Our 2014/15 strategy marks the turning point between our first generation of effort to establish the Sanctuary as a unique biodiversity asset, to our second generation aspirations for fully harnessing the benefits and opportunities of the Sanctuary.

We believe that over the long run ZEALANDIA has the capacity to greatly increase its contribution as a vital part of Wellington's natural capital. And we believe this future contribution will be based on extensive partnerships including those with the Wellington City Council, Victoria University, and with other Wellington organisations such as Te Papa, the Wellington Zoo, Otari-Wilton's Bush, the Department of Conservation, and the Tenth's Trust, among others.

Our Second Generation strategy will be explored and developed through 2015/16 to give us a clear and sustainable pathway for positive conservation impact.



Kākā at ZEALANDIA. Photo: Chris Helliwell



Tieke/Saddleback. Photo: Janice McKenna

Strategy 1 People and Place: Our Staff and Volunteers

ZEALANDIA's people, both staff and volunteers, are its cornerstone. Attracting and retaining the best people, and building the skills sets we need, are both critical to our ongoing success.

Following ZEALANDIA's 2013 rebranding, **staff and volunteers worked hard to refine our ethos and our culture. The HR realignment begun in early 2014 has now been fully implemented.** In the last six months, 14 new people have joined us and the organisation is flourishing with its newly defined team structures.

OUR STAFF

The whole-of-organisation HR realignment was **completed** in October 2014. Its aim was to streamline programme delivery, reduce the number of casual staff and attract and retain skilled employees. Before realignment, our total staff headcount was 77 (38.3 FTE, excluding casuals). Following realignment, total staff headcount is now 34 (31.7 FTEs, excluding casuals).

Strategic Pay undertook a **salary sizing** exercise to grade positions and identify fair remuneration for all roles. Our median in 2014/15 was slightly below the median for New Zealand Not-for-Profit Organisations.

Training and development initiatives continue in Health and Safety, Project Management and Leadership. The Chief Executive attended the IUCN World Parks Conference in Sydney in November 2014. Many staff have now attended Wellington City Council's *Critical Conversations* course. Russ Drewry undertook training in the NEBOSH International General Certificate in Health and safety as a first step in making sure ZEALANDIA was ready to meet its commitments to the new incoming Health and Safety legislation.

During the year, we **welcomed** Neil Anderson, Brij Bhatt, Sally Carter, Harry Cawood, Jane Chen, Andrew Glover, Adam Groenewegen, Cameron Hayes, Claire Jansen, Grayson Leonard, Sarah O'Sullivan, Julia Scott, Mary Timms and Laura West, and we **farewelled** Philip Claasen, Kimberly Collins, Jon McQueen, Pooja Motee, Bernard Smith, Ron Goudswaard, Ruby Easther and Kylie Smith.

We regularly acknowledge and celebrate staff excellence by awarding the gloriously tongue-in-cheek Golden Pāteke trophy, and certificates.

ZEALANDIA staff nominate and vote for winners quarterly. 2014/15's Golden Pāteke winners were Kosta Koroniadis, the Sanctuary Care and Preservation Team, and Matu Booth.



The much-prized Golden Pāteke.
Photo: ZEALANDIA

OUR VOLUNTEERS

Volunteers are at the heart of ZEALANDIA's success. Fostering community support and participation is a crucial part of our ethos now, for our second generation of work and beyond. We could never do what we do without our volunteers.

ZEALANDIA benefits from the work of more than 400 volunteers. They help in a huge variety of ways such as assisting apprentice Ashley Joy maintain the perimeter vegetation, joining our Storytellers group or acting as visitor-facing volunteers or SHaGs (Skippers, Hosts and Guides), and so much more.

ZEALANDIA continues to be a national leader in volunteer opportunities, encouraging new volunteers while challenging experienced volunteers to sustain their motivation and mentor the next generation.



A **Volunteer Advisory Group** was established in October 2014 to lay foundations for the decades ahead, creating a relevant and flexible volunteer experience that can respond to evolving needs and organisational growth. Group members include Jennifer Atkinson, Manuela Fletcher, Edith Hodgen, Gill Mason, Judi Miller, Linton Miller and Elizabeth Ridder. This group will help tailor a 2015/16 volunteer survey so that we can learn what ZEALANDIA should do to further improve our volunteer experiences, including recruitment, training, support, benefits and barriers, communication, mentoring and social engagement.

Every week, volunteer Jenn Keenan combines her knowledge of indigenous flora and her superb artistic skills to surprise and delight visitors. *Photo: ZEALANDIA*

ZEALANDIA appreciates the support of **Volunteer Wellington**. Many of our staff have attended workshops and forums ranging from writing skills to internships.

Our Storytellers Group has been re-established and is helping our Marketing and Communications Coordinator Cameron Hayes with writing press releases, and keeping blogs, Facebook and Twitter feeds current. The 2016 ZEALANDIA calendar compiled by our Storytellers will go on sale later this year.

Quarterly "Veteran Volunteers" morning teas and talks are well attended and help to give our more senior members a continuing opportunity to connect with the Sanctuary's work

We hosted groups from **NZ Post, Outward Bound, Spark, ACC, Chapman Tripp, Metservice, MFAT, ANZ, and KiwiBank** – their hard work and enthusiasm is greatly appreciated. In June 2015, we began a **partnership with Conservation Volunteers New**

Zealand, enabling us to offer more corporate groups the opportunity to volunteer at ZEALANDIA.

We held our annual **Volunteer Appreciation Evening** to formally recognise Volunteer's efforts and successes. On Friday 28 November 2014, we celebrated the following:

- **Outstanding Contribution** awards were presented to Edith Hodgen, Colin James, Diana Barnes, Gill Mason, Linton Miller, Dave Myers & Kerry Shaw, Faye Schaef and Beth Wood.
- Manuela Fletcher was recognised as an **Outstanding New Volunteer**.
- **Ten Year Recipients** were Elizabeth Bradford, Raye Boyle, John Falkner, Jenny Lewis, Chris Lilly, John Miller & Julie Quilter, John & Dorothy Orsman, Alan Perry, Jenny Roy, Judy Ryan, Carol Stewart, Jenny Walsh, and Bob & Mary Watson.
- A special award was presented to Michael Ayre, our previous Volunteer Coordinator, for his **Services To Volunteering**.



Strategy 2 Organisational Intelligence and Financial Sustainability

Our systems and procedures are essential for the efficiency of our business, the quality of our services and our financial sustainability. In 2014/15, we took major steps to improve our staff working space, and IT systems.

ACCOMMODATION UPGRADE

31 Waiapu Road has housed part of our offices since 1995. By 2013 it was clearly no longer fit for purpose. After thorough investigation and planning, Wellington City Council (as owner of the building) committed to a full upgrade. Work began in early 2015 when the building was gutted then insulated, and refurbishment was completed in June 2015. Some minor structural changes have greatly improved the space, and staff keenly appreciate returning to a warm, well-lit, environment. There is now a dedicated meeting room and an improved visitor entry. We offer our heartfelt thanks to the **Wellington City Council** and to the businesses that also supported our renovation:

Museums Trust for donating heating equipment;
Russell McVeagh and **Westpac** for donating office and meeting room furniture;
NZ Post team for cleaning the outside of the building on their volunteer day;
and **Fletchers** for project management.



"The difference it makes for the staff to have a warm, light, dynamic environment to work in, with decent desk space is huge. The feel of the space since the refurbishment is one of professionalism and energy and really reflects ZEALANDIA as an organisation and where it sits today."
Russ Drewry, Sanctuary Care and Preservation Manager. Photos: ZEALANDIA

HEALTH AND SAFETY

Health and Safety continues to be a key component of everything we do at ZEALANDIA. An emphasis on proactive reporting of issues has led to many hazards being identified by staff and volunteers before they become a problem. Training continues to be a priority with a good level of staff and volunteers holding first aid certificates. Apprentice Ashley Joy has completed tree evaluation training, more staff will complete this training in 2015/16. This is particularly important for relevant staff to be able to assess with any tree which is dead, diseased or unstable in conjunction with our Tree Management Plan.

Health and Safety is major factor in prioritising projects. The installation of electronic entry gates not only increased our biosecurity but makes our site safer for visitors. A refresh of our policy and procedure is planned for 2015/16.

IMPROVED IT CAPABILITY

In the first half of 2015, we upgraded our server software and aging IT infrastructure. **MBIE** donated PCs and **ITRecycla** donated 30 computer screens. Costs were minimised by doing much of the installation and training in-house. For the first time, ZEALANDIA has a modern, stable computer network. Thanks to **Datacom** for their time and expertise in helping us complete this project.

Our new online booking system was launched in late June 2015 with considerable success. A number of solutions were trialed, but only one system from Canadian-based company Checkfront fulfilled all our needs. With the help of many hours of volunteer assistance the system became operative and bookings have flowed in. All involved (particularly those who were familiar with the previous system) have welcomed this highly flexible, automated system. We continue to incorporate new features and will keep working with Checkfront to develop the product to meet our growing needs. We will migrate other event and tour bookings to the new system in spring 2015.

REVISED RECORD MANAGEMENT STRUCTURE

Our record management systems were reviewed and changed. Although we are not yet paperless, these new structures help staff to learn from events and projects through full debriefs. Recommendations, ideas and knowledge are now taken on board in a form of continuous improvement.

FINANCIAL SUSTAINABILITY

The Trust achieved an operating surplus (before depreciation) for the year of \$31,000. This is an improvement of \$6,000 over the 2013/14 financial year, our first year to achieve a surplus. It continues the Trust's direction towards achieving a sustainable operating position and is notable in a year when we do not benefit from Sirocco, our kākāpo Ambassador and major drawcard.

The operating surplus is a result of our Board and Management's strong focus on generating sustainable revenue, while applying expenditure more efficiently.

The Council's annual operating grant of \$875,000 continues to be a valuable and important contribution, allowing the Trust to fulfill its conservation and education mission for Wellington.

REVENUE STREAMS

Rata Café and Functions have become increasingly important to ZEALANDIA's financial sustainability. During 2014/15 we took a number of steps to improve profitability while sustaining a high standard of customer experience. Customers continue to enjoy free Wi-Fi in the café. We made changes in the kitchen and front-of-house processes, and set a firm foundation and a development plan upon which to build further. We added a kitchen garden, which made its first produce sales in May.

Rata enjoyed a particularly busy winter period – a strong signal that our café and function venue is growing into a promising year-round operation. The year ended with \$860,818 income from food, beverage and functions reflecting a \$74,000 clear profit, improving on a less favourable result for the first 4 months of the 2014/15 year. This result is 16% better than the previous non-Sirocco year.

Some 2014/15 Café promotions and events included a Breast Cancer Pink Ribbon Breakfast, Monthly Storytime was re-established in May with our Education Team and we successfully trialed a pop-up café in the boatshed to meet peak demand.

The ZEALANDIA store continues to shift its focus from a selection of high-end slow-moving stock to a broader range of more affordable and locally sourced souvenirs, giftware and books. Retail income of \$162,723 was behind target, but sales recovered during the summer high season to end approximately 20% behind the previous year (which benefited from the impact of Sirocco tours). The admissions team have begun preparing for the 2015/16 summer season, in particular seeking to maximise our opportunities for the forthcoming cruise ship season starting in October 2015.



View of the historical Valve Tower from Rata café. Photo: ZEALANDIA

Admission revenue of \$802,073 was 15% down on the 2013/14 year. This drop in revenue reflects that it was a non-Sirocco year. There was also reduced marketing spending from 2013/14 after the 2013 Spring Relaunch.

Member subscriptions of \$274,497 are slightly down on previous years which reflects the dip in member numbers in the middle of 2014 after staffing changes. We now have robust systems in place to ensure our members are well cared for particularly when signing up or renewing.

Grants and donations for 2014/15 excluding the WCC grant were \$291,545. This includes \$71,786 for Learning Experiences Outside the Classroom (LEOTC) from the Ministry of Education and \$51,252 in capital grants (equipment and materials) of which \$15,460 is currently a liability on the balance sheet and will be applied in 2015/16 when the grant money is used.

GOLD COIN OPEN WEEKEND

We continue to explore options to build revenue while sustaining affordable access for Wellingtonians and to trial new approaches for meeting our visitor needs.

5175 visitors attended the Gold Coin open weekend run jointly with Wellington Zoo Trust on the weekend of 16–17 May 2015. We used this opportunity to trial different initiatives including the pop-up café from the boat shed; hosts in the lower foyer to meet and greet visitors; sale of food and drinks in the retail/admissions areas; additional signage; and a sanctuary map review. Our volunteers were well managed, informed and engaged, and were part of an extensive debrief to distill lessons learned.



Strategy 3 Supporter Engagement: Supporters, Members, and Communications

We warmly acknowledge ZEALANDIA's supporters, members, donors and partners, who are powerful advocates and promoters of our story.

SUPPORTER GIVING

Income from sponsorship, grants, appeals, donations and bequests is vital to ZEALANDIA's sustainable success. In 2014/15 we received **\$291,545** in grants and donations and we are grateful to everyone who supported us. During the year we received grants for work that will be undertaken in 2015/16 from the **Endangered Species Foundation** for an upgrade to the Tuatara Nurseries and the **Infinity Foundation** for the radio repeater upgrade project.

- Lion Foundation** for a new quad bike
- Transpower** for increased security at our gates
- Dorothy Newman Trust** Signage for Waiapu road
- Pub Charity** for exhibition maintenance
- Four Winds Foundation** for the creation of the Visitor Centre Foyer flexible exhibition space
- Pharazyn Trust** for supporting kākāriki management and monitoring
- WWF Habitat Protection Fund** for an upgrade of our bait station infrastructure
- Sally Gray** for funding the fish eradication feasibility study
- Hutt Mana Charitable Trust** for funding transport for low decile schools to ZEALANDIA
- Private donation** for a new pole chainsaw

Through the year, donors responded warmly to our support-raising projects. A fundraising night at "Empire" in November 2014 was well attended and raised almost \$10,000. Donor functions enabled us to connect with our supporters and to thank them for their generosity.

In March 2016 we sent the first wave of our 20th anniversary appeal, and by June 2016 we had raised over \$24,000 from this source. Members continue to support us generously with donations at the time of subscription renewal. This steady stream of commitment is highly valued by staff and volunteers alike.



Apprentice Ashley Joy on the Quad bike made possible with a grant from the Lion Foundation.
Photo: ZEALANDIA

RENEWED AND ENHANCED MEMBERSHIP SERVICES

Our members are powerful advocates for the ZEALANDIA story.

At the end of the 2014/15 year, ZEALANDIA had **9680 individual members**, about 3% under our target. While disappointing, this reflected a significant interruption to the renewals and membership system at the transition point in August to October 2014. We learned valuable lessons from the delays and are now able to process memberships quickly and efficiently. We have positive feedback on the same-day service for membership processing considering this could take in excess of 2 weeks the previous year.

In 2014/15 we introduced a number of membership initiatives to help us connect with and serve our members well, recognizing that we have a varied membership with a range of interests. These initiatives included:

- Members-only early opening from 7am during the summer months from October 2014 and late night Thursdays in March 2015.
- A review of membership renewal and signup processes, leading to a streamlined approach that delivers same day membership cards.
- Fortnightly Members walks led by volunteers are well attended.
- Celebrating our Foundation Members with certificates recognising their massive commitment to ZEALANDIA and welcoming back 59 lapsed Foundation Members.

Our Members Survey in December 2014 gave us important insights into our members and their interests, including:

- Under 33's represent the highest percentile of new members (40%).
- Our largest membership group (24%) have been members between for 2- 5 years.
- The three main reasons for member are: outdoor, healthy wellbeing / exercise, wildlife-rich conservation, specialist interest (photography and research), and social interaction.
- Members want to see more self-guided tours or walks (38%), conservation seminars (34%), educational programmes (32%), exhibitions (20%), photo workshops (20%).
- Young families would like more activities, self-led tours and walks.
- Monthly e-News is the preferred communication and needs to appeal to our younger audience.
- 92% would sign up to paperless membership.

We are now working on a number of areas to address membership interests, including self-guided walks; conservation seminars; better communication to clarify the 500-year vision; and paper and other resource saving systems.

MEDIA AND COMMUNICATIONS

Our communications channels are wide and varied. In 2014/15 there was a steady rise in the number of positive articles and media stories about ZEALANDIA interests and achievements.

Social media is becoming an increasingly important aspect of our communications channels, including:

E-News 8,667 subscribers (including 6533 members).

Facebook Around 8,000 followers, with a growth rate of 1-2% per week.

Twitter Around 3,000 followers. Reach can be up to 20,000 per month.

Alfie Kaka ZEALANDIA's light-hearted 'eye in the sky' on Facebook (4,270) and Twitter (713).

Instagram Currently 500 followers, but plan to increase to 1500 over the next year.

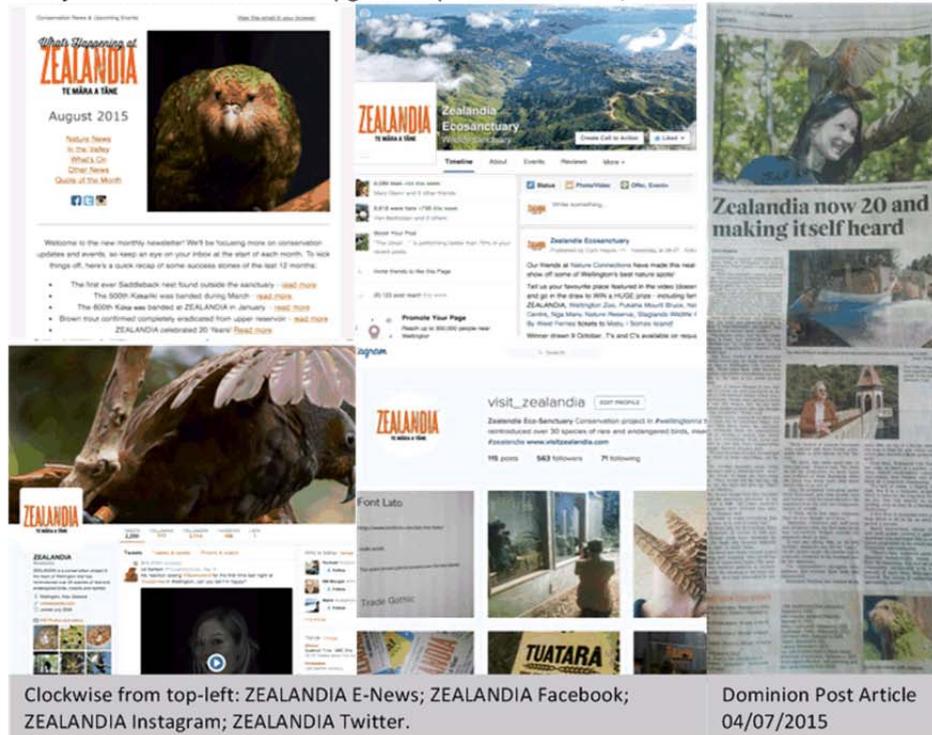
Flickr 145 members have shared over 3,500 photos taken at ZEALANDIA.

Youtube Total views over 90,000 and currently 141 subscribers.



In February 2015 Tāne the Tuatara was visited by Guns N' Roses guitarist Slash. Photo: ZEALANDIA

A major website refresh and upgrade is planned for 2015/16.



Clockwise from top-left: ZEALANDIA E-News; ZEALANDIA Facebook; ZEALANDIA Instagram; ZEALANDIA Twitter.

Dominion Post Article 04/07/2015

Strategy 4 **Annual Programme: Our Visitors, Learning, and Education Experiences**

OUR VISITOR PROFILE – FROM WELLINGTON AND THE WORLD

This year we had **97,543 visitors** including members, paid admissions, VIPs, functions, premium tours and school visits. These figures illustrate our deep connections with local Wellingtonians, and the worldwide connections we make through our international visitors.

Our visitors engage through recreation and tourism, learning, science and research, and community volunteering. 2014/15 saw our second highest ever visitor total (2% behind the 2013/14 figure), and our highest recorded figure for non-Sirocco visitation. A number of months set records.



Locals (including members) account for about 61% of total visits. Paid admissions for non-members (48,607) are similar to those of the previous year (44,438). One in five visitors (non-member visits) come from other parts of New Zealand, while two in every five paid admissions are international visitors. We know that ZEALANDIA has a strong and growing reputation with visitors seeking out eco-experiences. A significant number of international tourists target a day experience or night-time tour at ZEALANDIA, and report these as highlights of their New Zealand holiday.

Where our day admission visitors come from (2014/15)

- Wellington, 42%
- NZ Other, 17%
- Europe, 17%
- Asia & Pacific (incl Australia), 13%
- Americas, 9%
- Other, 1%
- Africa & Middle East, 0%

During the year, we gained a Trip Advisor “Certificate of Excellence” and we receive regular reviews at excellent/ very good level.

OUR VISITOR EXPERIENCE

ZEALANDIA is committed to providing a unique, meaningful visitor experience.

Our **Annual Programme** for the 2015 calendar year was designed to enhance visitor appreciation of how the valley changes through the seasons, thereby encouraging repeat visits and increasing visitation over winter. The programme consisted of monthly themes, seminars and training for staff and Skippers, Hosts and Guides:

January *Taking Flight* with Brendon Bullen

February *Wonders of the Wetlands* with Dave West and Murray Williams

March *Botanical Bonanza* with Kevin Burns and Alistair Robertson

April *The Secret Life of Bugs* with Dave Burton and George Gibbs

May *Fun with Fungi* with Geoff Ridley

June *Matariki: Flora, Fauna, Treaty* with Peter Addis

We know that the skilled input of our Skippers, Hosts and Guides has a major impact on visitor satisfaction, so a lot of effort went into training and building up their knowledge. The **Visitor Experience Team** provided information sheets and training for visitor-facing staff and volunteers to support the programme, and training sessions were well received.



Robin caching training was offered to all guides and provides an opportunity to enhance the visitor's experience, teaching them about North Island robins and the associated research undertaken in the Sanctuary.

Tripadvisor feedback We went on the night tour. I wasn't sure what to expect, but came away completely fascinated with the conservation effort. We saw many birds including 4 kiwi, the glow worms were fantastic, and the eels were cool and creepy. Our guide was extremely knowledgeable and gave us an appreciation for the work they are doing. We plan to go back for a daytime visit. I highly recommend the night tour. It was a unique experience. *Photo: ZEALANDIA*

ZEALANDIA is member of **Nature Connections**, a regional pilot project that seeks to improve interpretive connections between similar eco-tourism destinations around Wellington. Our training staff attended their POWER workshops along with Manuela Fletcher (Volunteer Guide and Volunteer Advisory Group member). Nature Connections continues to provide us with valuable links to partner organisations such as Wellington Zoo and Pukaha- Mt Bruce.

Programme Planning for 2016 is well underway and will focus again on the changing seasons. The knowledge gained from last year's programme has been incorporated to improve delivery for 2016.

An important marker of the quality of our visitor experience comes from the 2015 Wellington City Residents Survey. This year 94% of respondents rated their experience at ZEALANDIA as Good or Very Good (up from 91% in 2014 and 86% in 2013).

EDUCATION

Providing learning experiences for young people is one of ZEALANDIA's most important contributions.

In 2014/15 our **Learning Experiences Outside the Classroom** visits (4739) exceeded target (4660). However, total Education visits were below target. School visits were lower than usual due to the understandable national focus on ANZAC centennial commemorations in the first part of 2015.

In 2014/15 ZEALANDIA's **Education Programme** gave complimentary admission to 886 students from three low-decile primary schools and funded transport for two of these schools through a Hutt Mana Trust grant, a 50% increase from 2013/14. Two of these groups participated in a Victoria University research project with Andrea Milligan examining the connections people make between their ZEALANDIA experience and their engagement with environmental, social, cultural and political issues.

Reintroduction of **interactive Mimio screen** in the fourth quarter enabled us to engage with students using its interactive programmes and iPads.

267 children attended our **education sleepovers**, which begin with a night tour searching for kiwi, tuatara, pāteke and other nocturnal animals followed by an overnight stay. The children wake to a dawn tour amongst an astounding bird chorus.

Our **Ambassador Programme** for primary age students from local schools continues to flourish. We gained two new Ambassadors in this last quarter and held three Ambassador training sessions. Ambassadors helped out on Gecko Day and over the 20th Anniversary weekend.

Our impact does not stop at the Sanctuary boundary. As part of the **Outreach Programme**, traps have been set up in Wainuiomata Primary School, St Teresa's (Karori), Karori Normal School, Makara Model School, Kilbirnie Primary School and Victoria University.



New Opportunities: In 2014, children from Pomare School in Lower Hutt were able to visit ZEALANDIA for the first time as part of our Hutt Mana Bush Explorers programme. This programme, supported by the Hutt Mana Trust, helps low-decile schools secure transport to ZEALANDIA and provides an educational programme tailored to their needs. Most of the children had never been to the bush before and had an unforgettable experience.

Photo: ZEALANDIA

Strategy 5 Sanctuary Blueprint and Conservation Achievements

THE CONSERVATION CHALLENGE – SANCTUARY BLUEPRINT

As visitor numbers increase, so too does our impact on the sanctuary. To achieve our 500-year vision to return the sanctuary as far as possible to its pre-human state, increased visitation needs to be carefully managed, alongside a vigilant management approach to extend conservation value.

During 2014/15, the **Sanctuary Blueprint Project** sought to refresh the definitions of our activity areas, carefully increasing visitor numbers and enhancing the quality of our visitor experience. A focus group was formed to review the existing nodes as set out in the Sanctuary's 1998 Management Plan. The review included an assessment of the continuing relevance of the 1998 Plan, and options for developing additional nodes/activity areas. Members, Staff and the Board, as well as major long-term Partners were consulted. The group found that existing nodes were still relevant and identified some projects as priority areas for development (shelter in the valley, bush classroom). This work will lead into a review of the Management Plan during 2015/16.

Two new visitor amenity projects were proposed during 2014/2015 by our partner organisations Lions and Rotary Clubs. We are delighted to have continuing support from these long-standing community organisations and look forward to working on these projects in the 2015/16 year. Lions are working with us to build a shelter in the valley, and Rotary continue their educational interest with the possible development of a bush classroom. Both projects are at initial concept planning stage.

CONSERVATION ACHIEVEMENTS

Flora and fauna updates

The **first known successful tīeke nest outside the sanctuary** was recorded in the adjacent Polhill Gully restoration area. ZEALANDIA staff banded and fledged two tīeke on 9th November. At least one other pair was discovered nesting outside the sanctuary perimeter, the outcome of this nesting attempt is unknown.

Gecko juveniles were again transferred from ZEALANDIA's display cages to Mana and Matiu/Somes Islands in mid-November. They were replaced at the end of November by 10 green gecko yearlings from a private breeder and three from our own breeding animals.



ZEALANDIA conservation officer Matu Booth with one of the two saddleback chicks discovered behind Aro Valley. Raewyn Empson, from ZEALANDIA, said their discovery outside the sanctuary's fence was a reflection of their successful introduction to ZEALANDIA. "If this nest is successful, this may well be the first outside the safety of a mammal exclusion fence in over 100 years."

Photo: Kent Blechynden/Fairfax NZ

These will remain here for about a year before transfer to Mana Island. No forest geckos were available at the time so their next intake will be later in 2015 if forest geckos have successfully bred in 2015.

Supplementary feeding, nest box manipulation and monitoring of productivity, nesting success and survival was undertaken for **hihi**, **kākāriki** and **kākā** well as **takahē**. The Conservation Team are experimenting with nestbox design and protocols to see if the management of nest boxes can be simplified without compromising nesting success.

The **takahē** had a phantom nest, taking turns at sitting on the nest even though there was no egg. This is apparently not unusual in older birds. Their transmitters were removed in March, as this type of transmitter is no longer being used on takahē. Trials of a smaller transmitter are underway elsewhere and, if successful, these may be attached to T2 and Puffin to enable us to easily locate them whenever necessary.

A **kākāriki** study involving catching birds, attaching transmitters to their tails and tracking their movements confirmed that juveniles are vulnerable if they disperse beyond the safety of the perimeter fence.

A study of the potential sources, prevalence and effects of lead in **kākā** began during the 2014/15 breeding season. Nestlings were banded so they could be individually identified after fledge and their survival monitored.

Research into **pāteke** distribution and habitat use continues. Staff and volunteers helped with the capture of birds, banding and transmitter attachment, and followup telemetry. The population is thought to be stable at about 20 pairs.

Monthly counts of **shag** nests beside the lower reservoir showed a season high of 41 nests in October (22 pied shag nests and 19 little shag nests). Pied shag nests peaked at 26 in March, the maximum recorded to date. Observations of pied shags killing and swallowing ducklings (mostly mallards and scaup) continue, but more paradise shelduck ducklings have survived this year suggesting their parents are getting better at protecting them.

A lone adult dabchick appeared in the Sanctuary in mid-November 2014, the first ever observation of this nationally vulnerable species in the sanctuary. It spent most time on the upper reservoir, but occasionally was seen on the lower reservoir. We are hopeful that more will naturally disperse and become resident here, as they are likely to be a difficult species to catch and transfer.

A family of Paradise shelduck made a much-publicised trek from Wilton to ZEALANDIA's Lower Lake over Labour Weekend 2014. The pair plus ten ducklings were given a police escort through streets leading to ZEALANDIA. This is the third spring in which the pair has made its stately procession to



the safety of the sanctuary with their newly hatched ducklings.

Although korimako (bellbirds) were not actively monitored during the 2014/15 breeding season, we know at least three pairs bred successfully.

Hihi and kākārīki numbers continue to increase with at least 37 pairs of kākārīki and 29 pairs of hihi nesting in the Sanctuary, the highest numbers to date.

Over 800 native plants were planted by volunteers, most at the south end of the Sanctuary to extend the distribution of some of our rarer species. One species thought to have been missing from the Sanctuary (*Leucopogon fraseri* (mingimingi)) was planted for the first time, the 30th species of plant reintroduced to ZEALANDIA.

Conservation care and Wellington Zoo – The Nest

We are grateful to the team at The Nest – Wellington Zoo – for their continuing commitment and support for animals from ZEALANDIA requiring medical care. Animals from around Wellington are subject to all the risks of an urban environment, and those within the Sanctuary are still subject to the rigours and challenges of a natural environment. Some patients have received much publicised care:

An **adult tuatara** found outside the perimeter fence with a severe tail injury in February 2014 was released back into the Sanctuary in November after undergoing surgery and rehabilitation at The Nest.

Flip-Flop the kiwi was found in an unresponsive state and taken to The Nest for treatment of a neurological disorder.

Two hihi found convulsing in the Sanctuary in April were taken to the Nest and treated. Thought to have been affected after eating mushrooms, there was considerable media interest in the “drugged hihi”. They appeared to recover after a quiet night, so when two more convulsing hihi were found, they were held overnight in a box at the Sanctuary and released apparently fit and healthy the next day.

Three kākā found injured within the sanctuary were taken to the Nest for treatment and more from neighbouring suburbs were also treated. Some had been injured after flying into something – perhaps a window or a car; others showed symptoms of lead poison, an increasing concern for these now-urban parrots because they are curious and inclined to chew any object they might find. Staff at the Nest are supporting the research into lead, sampling all kākā that go into the Nest and finding that many of their patients have detectable levels of lead in their blood. Those successfully treated were released into the safety of the Sanctuary.

Biosecurity

There were **no known mammalian biosecurity breaches** in 2014/15. A rat-dog detector team undertook a sweep of the lower valley in September 2014, and only

Constable Vaughan Simpson, of Wellington traffic unit, was driving on Curtis St, Wilton, when he spotted an unusual road hazard - a duck family defying the efforts of a group of local people to get them to safety. Thanks to the New Zealand Police for helping this pūtangitangi (paradise shelduck) family get safely to their destination (ZEALANDIA). Photo: Rachel Anderson-Smith

mice were observed using tracking tunnels during the annual audit. The annual poison operation targeting mice commenced on 2 June and involved 21 staff and volunteers (approximately 275 person hours); all uneaten bait was retrieved in July. We received a \$2000 **WWF grant** to upgrade our bait stations. With this support, we will manufacture 1000 novacoil stations to replace ice cream containers currently deployed in the valley, improving the security and effectiveness of the bait-station infrastructure.

An exotic species of frog (Brown tree frog) was captured in the wetland area after being heard by a night tour guide. No other individuals were found and it is possible the animal was released by a member of the public as this species is not as widespread in neighbouring areas as Southern bell frogs that have been seen on the perimeter fence and detected once in the valley.

The feasibility study of removal of Eurasian (redfin) perch and brown trout from the lower reservoir and tributary streams below the upper dam was completed and indicates that eradication is feasible using rotenone, the same piscicide used in the upper reservoir, but more research is needed to clarify operational requirements.

The **Weed Team** completed its annual program in mid-May. A report of work completed and future recommendations was tabled. Twenty hectares were grid-searched for environmentally significant weeds, and sycamore control continued with a further 220 trees drilled-and-filled.



Left: Injured tuatara released back into the sanctuary after treatment at Wellington Zoo.
Photo: ZEALANDIA Right: NZ Herald story about “drugged hihi”

Strategy 6 **Research Partnerships**

ZEALANDIA continues to be an attractive place for research due to our close proximity to central Wellington and two major universities. We are building a very strong relationship with Victoria University and expect this to strengthen further in 2015/16.

The Margaret and Jim Collins Research Fund was established in 2013 to support conservation research. Awards have been made to Katie Sheridan (2014) for her pāteke research and Aditi Sriram (2015) for her research into lead levels in kākā with the support of Margaret Collins and her family.

Research being undertaken in the valley currently includes:

Major Research	Angela Moles - University of New South Wales Effects of climate change on herbivory.
	John Ewen, Patricia Brekke - Institute of Zoology, London and ZEALANDIA staff Inbreeding, genetic drift and genetic management in Hihi.
	Rachel Shaw - Victoria University Fitness levels and heritability of cognitive abilities in robins – banding, monitoring breeding success and testing spatial memory.
PhD Research	Julia Loepelt - Victoria University Cognition and problem solving in kākā using food as a reward.
	Kirsty Yule - Victoria University Differences in Puriri moth parasitism and kākā predation rates between host species in a tri-trophic system.
	Stephanie Price - Victoria University Population viability of tuatara at three mainland sites.
	Olivia Vergara Parra - Victoria University Influence of introduced mammals on invertebrate communities .
	Sharada Paudel - Victoria University Phenological patterns in fruit and frugivores in a NZ forest
MSc/MA/MIT Research	Katie Sheridan - CUNY Queens College USA Distribution and habitat use of pāteke (assisted by a grant from the Margaret & Jim Collins Research Fund).
	Aditi Sriram - Massey University Lead transmission and prevalence in kākā (assisted by a grant from the Margaret & Jim Collins Research Fund).
	Marie Courteville - Victoria University/ Universite de Liege, France Dispersal of North Island Robins.
	Jagdees Pillai – Whitireia Development of an optimal wireless solution to connect end user devices in a bush environment.
	Melody Robyns - Victoria University Seasonal cycle of bacterial lipids in NZ lakes
Other	Ellen Irwin - Victoria University, WCC & ZEALANDIA Dispersal of kākāriki after fledgling, using transmitters.
	Nikki Speight - University of Otago Robin breeding success: are there any significant changes from previous seasons to suggest a genetic issue?
	Andrea Milligan - Victoria University Examination of connections people make between their experiences at ZEALANDIA and their engagement with environmental, social, cultural and political issues that face this world.

OTHER PARTNERSHIPS, THE EMERGING CONSERVATION HUB @ ZEALANDIA

An emerging feature of the Second Generation work at ZEALANDIA is the strengthened presence of conservation partner organisations on site at the Sanctuary.

Zero Invasive Predators Ltd joined us onsite in February. This is a partnership between NEXT Foundation, the Department of Conservation, the dairy industry, and philanthropists Gareth and Sam Morgan, aiming to dramatically transform the management of invasive predators on mainland New Zealand. Their presentation at our Volunteer Veterans Morning Tea in May resonated with many volunteers who remembered the fence trials pre-2000.

Conservation Volunteers joined us onsite in June 2015 and are already helping to extend our corporate volunteering partnerships.

We continue to work closely with the **Department of Conservation** across a range of work. Conservation Minister Maggie Barry joined us in early June to mark the launch of the Kiwis for Kiwis initiative.



Conservation Minister Maggie Barry launches *Kiwis for Kiwi* budget initiative with Scott Simpson MP for Coromandel. Photo: ZEALANDIA

In June 2015, we started planning for the first workshop gathering of the **Seven Fenced Sanctuaries**. This is the beginning of an important collaborative effort, and is being followed up in 2015/16. Our thanks go to the Department of Conservation for providing funding for the workshop.

2014/15 Key Performance Indicators

MEASURE against Strategy Areas	TARGET	ACTUAL
Non-financial Performance Measures		
Visitation	91,400	97,543
Total Education and Youth Visitation	8,350	6,890
Members (Individuals)	10,000	9680
Volunteers	>400	>400
Percentage of Satisfied Visitors	92%	91%
City Residents experience satisfaction ¹	NA	94%
Financial Performance Measures		
Average WCC subsidy per visitor	\$9.57	\$8.97
Average revenue per visitor (excluding WCC grant)	\$27.46	\$25.37
Non-Council Donations & Funding	\$150,000	\$291,545
Conservation Programme		
Total native plant species in the sanctuary	177	182
Total adventives (exotic) plant species	215	215
% Flora Native	46%	46%
Total native fauna species in the sanctuary (all vertebrates and mega invertebrates)	45	45
Number of new native fauna species released (not previously present)	2	0
Total exotic fauna	17	17
% Fauna Native	73%	71%

¹ This measure was previously reported as 'City-residents' awareness', however changes in the questions for the Resident Satisfaction Survey 2015 has meant we are unable to measure this and instead have reported on city residents' satisfaction. While we don't have a target for the new measure it is an improvement on the 2014 results (91%).

Recognition

The ongoing support of individuals and organisations through grants, donations, subscriptions, technical advice and in-kind support is absolutely critical to ZEALANDIA's ongoing success. We wish to sincerely thank the following for their generous support in 2014/15:

PRINCIPAL FUNDER AND STRATEGIC PARTNER

Wellington City Council

STRATEGIC PARTNERS

Victoria University
Department of Conservation

Wellington Tenths Trust
Nature Connections

FOUNDING SUPPORTERS

NZ Lotteries Grants Board
Todd Corporation & Todd Foundation
Greater Wellington Regional Council

Keith Taylor Charitable Trust
The Fletcher Trust
The Community Trust of Wellington

KAKA (GOLD) SUPPORTERS

Russell McVeagh

New Zealand Community Trust

TUI (SILVER) SUPPORTERS

The Holdsworth Charitable Trust
R&D Evans Charitable Trust

W.N Pharazyn Charitable Trust
Stout Trust

HIHI (BRONZE) SUPPORTERS

Noel & Joanna Todd
The Kinsky Family Trust
Karori Brooklyn Community Trust/The Lion
Foundation
Trusthouse

Ministry of Tourism
The Fleming Family
Nature Heritage Fund
The Pacific Development & Conservation Trust
Pub Charity

COMMUNITY SUPPORTERS

The Rotary Club of Karori
Karori Lions Club

Forest & Bird
The Combined Rotary Clubs of Wellington

BUSINESS SUPPORTERS

GO Wellington
Tuatara Breweries
Centaman System
Kaimira Estate Wines
Beca

Fletchers Construction
The Dominion Post
Designwork
Steam & Sand

OTHER SUPPORTERS

Ngati Kuia
Ngati Paoa
Te Kawerau a Maki
Ngati Manuhiri
Ngai Tahu
Ngati Toa
Ngati Koata

Te Ati Awa ki Whakarongotai
Port Nicholson Block Settlement Trust
MetService
Ministry of Education
Woolyarns Ltd
Dorothy L Newman Charitable Trust
Endangered Species Foundation

Sally Gray
WWF-New Zealand
Ernst & Young
Massey University
Waikato University
Landcare Research
Wellington Zoo
Museum of Wellington Te Papa Tongarewa
Techsoup/Microsoft

Wellington Botanical Society
Birds New Zealand (OSNZ)
PricewaterhouseCoopers
Harbour City Security
Hyve Communications
A.J Wills
Hutt Mana Charitable Trust
Greater Wellington Regional Council

BUSINESS GOES BUSH & CORPORATE MEMBERS

Bolton Hotel
Tregaskis Brown
Kenex Knowledge Systems
Intergen
Leadership Matters Ltd

Directory

TRUSTEES

Denise Church QSO, Chair
Charles Daugherty ONZM
Pam Fuller
Phillip Meyer
Steven Thompson

GUARDIANS

Jim Lynch, Chair
Andy Foster
Helene Ritchie
Katie Underwood
Mike Britton
Nicola Nelson
Peter Love

MANAGEMENT

Hilary Beaton, CEO (to July 2015)
Ian Phillips, Manager Commercial Development
Kylie Smith, Manager Corporate Services (to March 2015)
Raewyn Empson, Manager Conservation Research, Learning and Education
Russ Drewry, Manager Sanctuary Care and Preservation

Karori Sanctuary Trust (Inc.)

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**KARORI SANCTUARY TRUST (INC.)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Karori Sanctuary Trust (Inc.)

Karori Sanctuary Trust (Inc.)

Statement of Financial

Performance

For the year ended 30 June 2015

	Note	2015 \$	2014 \$
Operating Revenue			
Membership Subscriptions		274,498	283,177
Wellington City Council Grant	10	875,000	875,000
Other Grants incl. LEOTC and Donations		291,545	231,176
Admissions		803,073	922,100
Sale of Goods		1,088,381	1,085,642
Other		17,287	22,206
Total Operating Revenue		3,349,784	3,419,301
Other Income			
Interest Received		24,331	24,329
Total Operating Revenue and Other Income		3,374,115	3,443,630
Operating Expenses			
Cost of Goods Sold		377,222	374,536
Other Operating Expenditure	2	2,821,929	2,894,882
Audit Fees		23,000	21,410
Trustee Remuneration	10	78,000	87,800
Interest Paid	7	42,974	39,997
Total Operating Expenses		3,343,125	3,418,625
Operating Surplus before Depreciation		30,990	25,005
Less Depreciation	3	(542,339)	(1,398,380)
Add Reversal of Impairment of Fixed Assets		218,081	-
Net Deficit		(293,268)	(1,373,375)

The accompanying notes on pages 6 to 10 form an integral part of these financial statements.



Karori Sanctuary Trust (Inc.)

Karori Sanctuary Trust (Inc.)

Statement of Movements in

Equity

For the year ended 30 June 2015

	2015	2014
	\$	\$
Accumulated funds at beginning of year	4,256,898	5,630,273
Net deficit	(293,268)	(1,373,375)
Total recognised revenues and expenses for the period	(293,268)	(1,373,375)
Accumulated funds at end of year	3,963,630	4,256,898

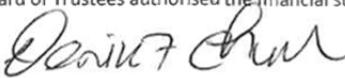
The accompanying notes on pages 6 to 10 form an integral part of these financial statements.

Karori Sanctuary Trust (Inc.)

Karori Sanctuary Trust (Inc.)
Statement of Financial Position
As at 30 June 2015

	Note	2015 \$	2014 \$
Equity			
Accumulated funds		3,963,630	4,256,898
Represented by:			
Current assets			
Cash and Bank	4	638,608	489,043
Accounts Receivable		18,830	44,643
Prepayments		-	18,194
Stock on Hand		46,378	82,638
Total Current Assets		703,816	634,518
Non-Current Assets			
Fixed Assets	6	14,662,659	14,953,837
Total Non-Current Assets		14,662,659	14,953,837
Total Assets		15,366,475	15,588,355
Current Liabilities			
Accounts Payable and Accruals		256,536	117,195
GST to Pay		(2,144)	12,082
Community Trust Loan	7	108,333	108,333
Accrued Holiday Pay		102,791	80,742
Unearned Subscription Income		190,640	166,416
Total Current Liabilities		656,156	484,768
Non-Current Liabilities			
Community Trust Loan	7	400,000	500,000
Wellington City Council Loan	8	10,346,689	10,346,689
Total Liabilities		11,402,845	11,331,457
Net Assets		3,963,630	4,256,898

The Board of Trustees authorised the financial statements for issue on

Chair: 

Trustee: 

Date: 25 September 2015

Date: 25 September 2015

Karori Sanctuary Trust (Inc.)

Karori Sanctuary Trust (Inc.)
Statement of Cash flow
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Cash was provided from:			
Membership subscriptions		298,722	273,196
Grants and donations		1,166,545	1,106,177
Admissions and other income		1,934,555	1,999,027
Interest received		24,331	24,329
Total		3,424,153	3,402,729
Cash was applied to:			
Payments to suppliers and employees		(3,084,308)	(3,444,605)
Net GST payment		(14,226)	(6,640)
Total		(3,098,534)	(3,451,245)
Net cash flows from operating activities	9	325,619	(48,516)
Cash flows from investing activities			
Cash was applied to:			
Purchase of plant, equipment & other assets		(33,080)	(57,327)
Net cash flows from investing activities		(33,080)	(57,327)
Cash flows from financing activities			
Cash was applied to:			
Interest paid		(42,974)	(39,998)
Repayment of loan	7	(100,000)	(100,000)
Net cash flows from financing activities		(142,974)	(139,998)
Net increase in cash		149,565	(245,841)
Opening cash		489,043	734,884
Closing cash		638,608	489,043
Cash and cash equivalents comprise			
Cash and bank		638,608	489,043

The accompanying notes on pages 6 to 10 form an integral part of these financial statements.

Karori Sanctuary Trust (Inc.)

1. Statement of accounting policies

i. Basis of reporting

The financial statements presented here are for the reporting entity, the Karori Sanctuary Trust. The Trust is a charitable trust registered under the Charities Act 2005, established to develop a secure native wildlife sanctuary in the Karori Reservoir valley in the city of Wellington.

The Trust is a qualifying entity within the differential reporting framework issued by the New Zealand Institute of Chartered Accountants. The Trust qualifies on the basis that it has no public accountability (that is: not an issuer as defined under the Financial Reporting Act 2013 nor does it have coercive power to tax, rate or levy to obtain public funds) and is not considered large as defined by the framework. The Trust has taken advantage of all differential reporting concessions available to it except for FRS10 Statement of Cash Flows.

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. The Trust has chosen not to adopt the New Zealand equivalent to International Financial Reporting Standards (NZ IFRS). The decision not to adopt is consistent with the exemption provided by the Accounting Standard Review Board (ASRB) Release 9, issued September 2007. ASRB Release 9 provides a choice to certain qualifying entities to either adopt NZ IFRS or to continue to apply New Zealand Financial Reporting Standards (NZ FRS).

The measurement base adopted is that of historical cost.

Reliance is placed on the assumption that the Trust continues to receive sufficient income to fund ongoing operations.

ii. Recognition of revenue

Grants are recognised as revenue when the requirements under the grant agreement have been met. Any grants for which the requirements under the grant agreement have not been completed are carried as liabilities until all the conditions have been fulfilled.

Revenue received from membership subscriptions is allocated proportionally over the period to which they relate. The unearned portion of subscriptions is shown under current liabilities. Prepaid visits are also treated as current liabilities.

Sales of goods and admissions comprise the amounts received and receivable for goods and services supplied to customers in the ordinary course of business. This revenue is recognised when the goods or services are provided to the customer.

Interest income is accounted for as earned.

In the financial statements, there is no financial recognition of support given in the form of donated labour and materials.

iii. Fixed assets

Fixed assets are recorded at cost less accumulated depreciation and impairment.

The cost of purchased property, plant and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

iv. Depreciation

Depreciation of fixed assets is calculated on a straight-line basis so as to allocate the cost of the assets over their useful lives as follows:

Building/Infrastructure	10-100 years
Exhibitions	5-8 years
Leasehold improvements	10-25 years
Predator fence	25-50 years



Karori Sanctuary Trust (Inc.)

Fixtures, plant and equipment	5-75 years
Vehicles	5-10 years
Boat	15 years
Other Assets	2.5-50 years

v. Accounts receivables

Accounts receivable are stated at anticipated realisable value after providing against debt where collection is doubtful.

vi. Stock on hand

Stock on hand comprise of retail and food and beverages. They are stated at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis.

vii. Leased assets

As lessee:

Operating lease payments are recognised as an expense in the periods the amounts are payable.

viii. Impairment

Annually, the management assesses the carrying value of each asset. Where the estimated recoverable amount of the asset is less than its carrying amount, the asset is written down. The impairment loss is recognised in the statement of financial performance.

ix. Employee entitlements

Employee entitlements to salaries and wages, annual leave and other benefits are recognised when they accrue to employees.

The liability for employee entitlements is carried at the present value of the estimated future cash outflows.

x. Goods and services tax (GST)

The financial statements have been prepared so that all components are stated exclusive of GST with the exception of receivables and payables that include GST invoiced.

xi. Income tax

The Trust being a charitable organisation is income tax exempt under the Income Tax Act 2007.

xii. Statement of cash flows

The following are the definitions of the terms used in the statement of cash flows:

- (a) Operating activities include all transactions and other events that are not investing or financing activities.
- (b) Investing activities are those activities relating to acquisition, holding and disposal of property, plant and equipment and of investments.
- (c) Financing activities are those activities that result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash.
- (d) Cash is considered to be cash on hand and current accounts in banks, net of bank overdrafts.

xiii. Changes in accounting policies

There have been no changes in accounting policies in the year.

Karori Sanctuary Trust (Inc.)

2. Operating expenditure

	2015	2014
	\$	\$
Administration and management	110,038	140,869
Personnel costs	2,057,992	1,914,455
Other operating expenditure	653,899	839,558
Total	2,821,929	2,894,882

3. Depreciation

	2015	2014
	\$	\$
Trust buildings	54,993	186,590
Exhibition Centre	253,182	893,328
Leasehold improvements	56,915	56,915
Predator fence	95,231	95,231
Fixtures, plant and equipment	22,863	57,695
Vehicles	13,999	13,374
Other assets	45,156	95,247
Total	542,339	1,398,380

4. Cash and Cash Equivalents

	2015	2014
	\$	\$
Cash and bank	388,608	239,043
Term Deposit	250,000	250,000
Total	638,608	489,043

5. Capital commitments

There are no capital commitments (2014: nil)

6. Fixed assets

	Cost	Accumulated depreciation and impairment	Net book value 2015
	\$	\$	\$
Trust Buildings	3,162,937	695,138	2,467,799
Assets held for sale	10,244,452	1,042,529	9,201,923
Exhibition Centre	3,629,357	2,869,812	759,545
Leasehold Improvements	1,132,006	445,259	686,747
Predator Fence	2,457,633	1,427,789	1,029,844
Fixtures, Plant and Equipment	492,210	266,958	225,252
Vehicles	163,155	110,043	53,112
Other Assets	807,150	568,713	238,437
Total	22,088,900	7,426,241	14,662,659

Karori Sanctuary Trust (Inc.)

	Cost	Accumulated depreciation and impairment	Net book value 2014
	\$	\$	\$
Trust Buildings	11,603,124	1,323,134	10,279,990
Exhibition Centre	3,629,357	2,616,630	1,012,727
Leasehold Improvements	1,132,006	388,344	743,662
Predator Fence	2,457,633	1,332,558	1,125,075
Fixtures, Plant and Equipment	1,694,622	464,012	1,230,610
Vehicles	164,217	96,044	68,173
Other Assets	1,156,780	663,180	493,600
Total	21,837,739	6,883,902	14,953,837

During the year the Trust entered into negotiations to sell and lease back one of the Trust Buildings (the "Visitors Centre"). The proposed transaction will value the building at, and result in the retirement of, the carrying amount of the Wellington City Council Loan. As at 30 June 2015, the Board of Trustees believe the transaction is probable within 6 months. Consequently the Trust has recorded the Visitors Centre as an asset held for sale, ceased depreciating it in the 2015 year and has reversed a previously recognised impairment of \$218,081. The \$1,144,766 difference between the carrying value of the Visitors Centre and the value of the Wellington City Council Loan will be recognised as a gain in the Statement of Financial Performance in the 2016 financial year once the transaction completes.

7. Community Trust loan

The Trust received a loan of \$1,500,000 in 1999 from the Community Trust of Wellington to fund the construction of the predator fence with the Wellington City Council as a guarantor for this loan. Repayment commenced in 2005/6 over a 15 year period. Interest payments commenced in 2004/5.

The current portion of the term liability as at 30 June 2015 was \$108,333 (2014: \$108,333) and the interest for the current year was \$42,974 and the rate was 6.32% (2014: 5.41%).

8. Wellington City Council Loan

In 2007, an interest free limited recourse loan agreement of \$8m was entered into with the Wellington City Council to assist with the development of ZEALANDIA Visitor Centre Project. This loan was further increased to \$10,346,689 in 2009.

The loan is repayable subject to the availability of surplus funds in any financial year as defined in the terms of the loan agreement. The loan is classified as a non current liability as it is not budgeted to be repaid within one year and the WCC cannot unilaterally demand repayment.

9. Reconciliation of cash flow statement

Reconciliation of net cashflow from operating activities with operating surplus

	2015 \$	2014 \$
Net deficit from operations	(293,268)	(1,373,375)
Adjustments		
Depreciation	542,339	1,398,380
Fixed assets impairment reversal	(218,081)	-
Interest paid	42,974	39,997
Movements in working capital items		
Decrease / (increase) in GST receivable	(14,226)	(6,640)

Karori Sanctuary Trust (Inc.)

Decrease/ (increase) in stock on hand	36,259	(9,990)
Decrease / (increase) in accounts receivable and prepayments	44,008	3,407
{Decrease} / increase in income in advance	24,224	(9,981)
(Decrease) / increase in accounts payable from operations	161,390	(90,314)
	<u>251,655</u>	<u>(113,518)</u>
Net cash flow from operating activities	325,619	(48,516)

10. Related party transactions

During the year, the following material related party transactions occurred.

	2015	2014
	\$	\$
Related party transactions:		
Grants from Wellington City Council	875,000	875,000
Board remuneration paid to Trustees	78,000	87,800
Year end balance:		
Wellington City Council Loan	10,346,689	10,346,689

11. Lease commitments

i. ZEALANDIA land

The Trust is a party to an agreement with the Wellington City Council and Wellington Regional Council for the transfer of ZEALANDIA land and its ultimate lease to the Karori Sanctuary Trust.

The Current Amendment to the Trust Deed is dated 21 December 2012.

The Current Deed of Lease is dated 8 January 2013.

ii. Trust offices

The Trust leases its office building from the Wellington City Council at an annual rental of \$7,280 (2014: \$7,280).

iii. Photocopier and EFTPOS terminals

The Trust rents a photocopier from Canon at an annual rental of \$2,100 (\$2014 \$2,100). The rental agreement expires in April 2018.

EFTPOS terminals are lease leased from Direct Payment Solutions at an annual rental of \$5,388.

An additional mobile unit is leased for an annual rental of \$828. The lease for the mobile unit expires in September 2017.

12. Contingent liabilities

There are no contingent liabilities as at 30th June 2015 (2014: nil).

13. Post balance date events

Karori Sanctuary Trust (Inc.)

There is no post balance date event which affects these financial statements (2014: nil).





Independent Auditors' Report to the members of Karori Sanctuary Trust

Report on the Financial Statements

We have audited the financial statements of Karori Sanctuary Trust on pages 2 to 11, which comprise the statement of financial position as at 30 June 2015, and the statement of financial performance, the statement of movements in equity and statement of cash flows for the year then ended, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information.

Trustee's responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal controls as the Trustees determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider the internal controls relevant to the Trust's preparation of financial statements that present fairly the matters to which they relate, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

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

We are independent of the Trust. Our firm carried out other services for the Trust by providing accounting advice and staff to assist in general accounting services. The provision of these other services has not impaired our independence.



Independent Auditors' Report
Karori Sanctuary Trust

Opinion

In our opinion, the financial statements on pages 2 to 11 present fairly, in all material respects, the financial position of the Trust as at 30 June 2015, and its financial performance and cash flows for the year ended on that date in accordance with generally accepted accounting practice in New Zealand.

Restriction on Distribution or Use

This report is made solely to the Trust's members, as a body. Our audit work has been undertaken so that we might state to the Trust's members those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's members, as a body, for our audit work, for this report or for the opinions we have formed.

A handwritten signature in dark ink that reads 'PricewaterhouseCoopers'.

Chartered Accountants
25 September 2015

Wellington

. Operational

**PROPOSED NEW LEASE AND LEASE VARIATION UNDER
RESERVES ACT 1977 - NEW AND EXISTING TENANTS**

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Purpose

To recommend the Committee approves the following:

1. A new premises lease to Conservation Volunteers New Zealand (CVNZ) in the Truby King House at Truby King Park, Melrose.
2. A variation of the permitted (ground) lease use for the National Institute for Water and Atmospheric Research Limited (NIWA) at Greta Point Esplanade, Evans Bay Parade, Hataitai.

Summary

Conservation Volunteers New Zealand

3. Truby King House (*see attachment 1 for aerial site map*) is currently vacant and expressions of interest were sought in March 2015.
4. Three proposals were received and, of the three, Conservation Volunteers New Zealand (CVNZ) best fit the criteria set out for the use of the House.
5. The proposed rent is consistent with the market rate for similar rental properties in the area.

National Institute of Water and Atmospheric Research (NIWA)

6. NIWA currently leases part of Council's Land at Greta Point Esplanade, Evans Bay Parade for a penguin sanctuary (*see attachment 3 for site aerial map*).
7. They have requested permission to add a small mast on the land for data collection and research purposes.
8. Their proposed mast would be located in an area not accessed by the penguins (*see attachment 4 for location of structure*).

Recommendations

That the Environment Committee:

1. Receives the information.
2. Agrees to grant a new lease to Conservation Volunteers New Zealand under the Reserves Act 1977 (subject to the usual terms and conditions noted in point 4).
3. Agrees to grant a lease variation to National Institute of Water and Atmospheric Research under the Reserves Act 1977 (subject to the usual terms and conditions noted in point 4).
4. Notes that any approval to grant the lease and lease variation referred to in point 1 are conditional on:
 - (a) Appropriate Iwi consultation

- (b) Public notification under s119 and s120 Reserves Act 1977 (where applicable)
- (c) No sustained objections resulting from the above consultation and notification; and
- (d) Legal and advertising costs being met by the lessee (where applicable).

Background

Conservation Volunteers New Zealand (CVNZ)

9. Truby King House has been vacant since February this year.
10. In March 2015, Council ran a public campaign calling for expressions of interest.
11. The Council received a number of inquiries and three detailed responses. These responses proposed: a sole trader live-in arrangement, a bed and breakfast, and a volunteer accommodation proposal (CVNZ).
12. The applicants were evaluated according to the following criteria:
 - a) Compatibility with the historical nature of the house and grounds
 - b) How the proposal supports public access to the house and grounds
 - c) Financial sustainability of the proposals
 - d) Track record
13. Of the responses, CVNZ best fit the criteria.
14. CVNZ promotes itself as a not-for-profit, apolitical, independent and community based conservation organisation. Established in Australia in 1982 – and New Zealand in 2006 – CVNZ is recognised as a leading practical conservation group, managing community involvement in approximately 2,000 priority conservation projects each year.
15. Practical conservation activities include tree planting, invasive weed control, track and boardwalk construction, native seed collection, signage and interpretation, erosion and salinity control, flora and fauna monitoring and installing conservation fencing to protect vulnerable areas.
16. CVNZ charges a modest sum for volunteers to participate in residential projects. This covers volunteers' food, accommodation and expenses. According to CVNZ, it currently attracts between 6 and 10 volunteers per week for 50 weeks of the year in Auckland and Punakaiki.
17. Under the proposal, the House will be occupied by volunteers seven days a week except when projects are located outside the city. In those cases, the volunteers would depart Truby King House on a Monday morning and return on a Friday afternoon.
18. Impact on the fabric of the building and surrounding property is promised to be low. However, a few modifications are needed in order to successfully deliver the programmes from the site. These include installing an additional shower and heating throughout the house.
19. As these modifications will contribute to the value of the house, it is proposed to reduce the first two years' rent.
20. Under this proposal CVNZ will host two public open days each year. Additional public visits can be arranged by appointment.
21. The proposed terms of the lease are:

- a) Type: Premises Lease
- b) Term 3 + 3 + 3 years
- c) Annual rent: current market value

National Institute of Water and Atmospheric Research (NIWA)

- 22. NIWA has leased part of Council's Land at Greta Point Esplanade, Evans Bay Parade for a little blue penguin sanctuary since 2006.
- 23. They have requested a lease variation to allow installation of a mast for data collection and research purposes.
- 24. The proposed mast will have no guy wires and will be held vertically with small footprint concrete base. For maintenance of instrumentation the mast folds down to enable someone to access equipment normally located at the 6m level.
- 25. A small cup anemometer and windvane will be mounted on a cross-arm at the top of the mast. It is powered by battery which is charged by a small solar panel that will be located a metre or so up the mast, and facing north.
- 26. It is expected that access to the mast, after the initial installation, will only be for essential maintenance (usually once per year) or to repair any faulty instrument.
- 27. NIWA has discussed the proposal with Places for Penguins and confirmed to Council that the proposed location will not be a nuisance to the penguins in the area.
- 28. The research and data collected will contribute to NIWA's overall database and allow for more accurate assumptions when making decisions for environmental science and sustainable management of natural resources for New Zealand and the planet.

Conclusion

- 29. Officers recommend that the Environment Committee approves the proposed lease and lease variation.

Attachments

Attachment 1.	Site Aerial Plan	Page 165
Attachment 2.	Truby King proposed room layout	Page 166
Attachment 3.	Niwa Leased Area	Page 167
Attachment 4.	Site Location - Mast at Greta Point	Page 168

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SUPPORTING INFORMATION

Consultation and Engagement

Public consultation will be undertaken as required under the Reserves Act 1977

Treaty of Waitangi considerations

There are no Treaty of Waitangi considerations

Financial implications

There are no financial implications

Policy and legislative implications

The proposals will be broadly consistent with relevant Council policies

Risks / legal

The proposals will be subject to the provisions of the Reserves Act 1977

Climate Change impact and considerations

There are no Climate Change impacts and considerations

Communications Plan

Not applicable



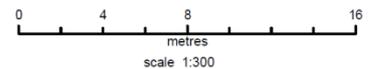
Truby King House
1850-BUILD1 - 398sq m

Truby King Park

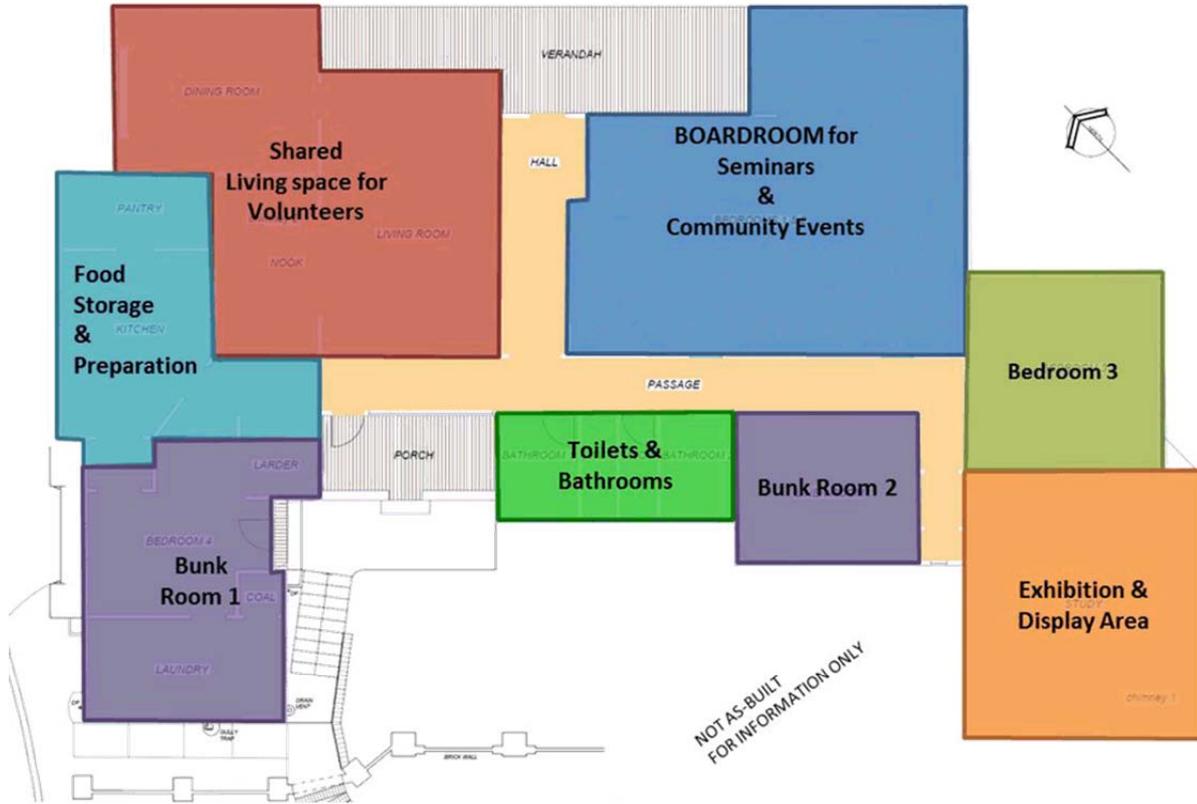
Property boundaries, 20m Contours, road names, rail line, address & title points sourced from Land Information NZ. Crown Copyright reserved. Property boundaries accuracy: +/-1m in urban areas, +/-30m in rural areas. Census data sourced from Statistics NZ. Postcodes sourced from NZ Post. Assets, contours, water and drainage information shown is approximate and must not be used for detailed engineering design. Other data has been compiled from a variety of sources and its accuracy may vary, but is generally +/- 1m.

MAP PRODUCED BY:
Wellington City Council
101 Wakefield Street
WELLINGTON, NZ

ORIGINAL MAP SIZE: A4
AUTHOR: presto2j
DATE: 8/11/2013
REFERENCE:



Filepath: Z:\Open_spaces_and_environment\Parks_Analysis_Projects\Leases\Leases_DDP_2013.mxd





Item 4.1 Attachment 4



RECLASSIFICATION OF PART OF RAUKAWA STREET RESERVE

Purpose

1. To obtain Committee approval to reclassify part of Raukawa Street Reserve to Local Purpose Reserve (Community Purpose) in accordance with the Reserves Act 1977.

Summary

2. The Council is working with Housing New Zealand to develop a community building on part of the reserve land (currently used as a carparking area) on Raukawa Street (called the Land).
3. The Land is shown highlighted yellow in attachment 1. It is zoned outer residential, configured as a car park, and is held as a *reserve for off-street parking*.
4. The Land has no current or future use identified in the Suburban Reserves Management Plan and the proposal fits well with the configuration and location of the Land.
5. The current reserve classification does not provide for the proposed community facility. A reclassification to *local purpose reserve (community)* is proposed to enable the community facility to be developed on the Land.
6. In the event the reclassification is successful, officers propose to grant a lease to Housing NZ under the Reserves Act 1977.
7. The proposed community facility, known as the *Strathmore Park Community Space* aims to facilitate a sustainable community-led development in an area that has challenges rooted in an undersupply of community facilities and high levels of deprivation.

Recommendations

That the Environment Committee:

1. Receives the information.
2. Agrees to reclassify *part of* Raukawa Street Reserve being Lots 29-30 DP 22265 WN12C/708 to Local Purpose Reserve (Community Purpose).
3. Authorises Officers to conclude the reclassification including carrying out all necessary steps under the Reserves Act 1977.
4. Notes that public submissions received as part of the Reserves Act 1977 process will guide the reserve revocation.
5. Notes that, in the event submissions objecting to the proposal are received, a further report may be presented to the Environment Committee to decide whether to uphold objections or not.

Background

8. A location plan showing the Land (highlighted yellow) is attached. The adjacent grassed area, forming part of the larger Raukawa Street Reserve, which is intended to remain recreation reserve, is shown highlighted red.

9. The Land consists of a car parking area and is zoned outer residential under the Council’s District Plan. It is located between the grassed area of Raukawa Reserve to the north and 69 Raukawa Street to the south. The grassed area is linked to Tairaroa Street playarea by a walkway.
10. The Land comprises 323 sqm and is legally described as Lots 29-30 DP 22265 WN12C/708. It was previously Crown land and it was set aside as reserve under s167 the Land Act 1948.
11. The Land is included in the Suburban Reserves Management Plan. Action 3.1.1.1 states includes the Land and states: “*Review the future role and purpose of the grass area adjacent to Raukawa Street and dispose of it if no use is identified*”.
12. The Strathmore Park Community Space is being developed in partnership with Housing New Zealand. It aims to facilitate sustainable community-led development, in an area that has significant challenges rooted in poor access to facilities and high levels of deprivation.
13. The proposed Community Space is intended to provide a long term anchor in the community. Its key role is to act as a meeting space for the local community and provide access to services. The Land has been identified as an ideal location for the community space.
14. Wellington City Council is collaborating with the Victoria University School of Architecture to have students develop a concept for the Community Space. At this stage there is no firm design. Students will undertake a thorough engagement process to determine the needs and aspirations of the community.
15. To enable the activity to take place it is necessary to reclassify the Land to *local purpose reserve (community)*.
16. Section 24 of the Reserves Act 1977 outlines the process to reclassify reserves. This includes public consultation. Officers do not anticipate any objections at this stage but will report back to Committee with any objections of a material nature.
17. If the Land is successfully reclassified, the next step would be to negotiate a lease with Housing New Zealand to develop the Community Space.

Next Actions

18. In the event Committee resolves to reclassify the land, next steps include:
 - Public consultation
 - Consider submissions
 - Subject to successful reclassification, negotiate a lease with Housing New Zealand for approval by Committee.

Attachments

Attachment 1. Raukawa Reserve Location Plan

Page 172

Authors	Michael Oates, Open Space and Recreation Planning Manager Tracy Morrah, Property Services Manager
Authoriser	Peter Brennan, Manager Property/Acting Chief Operating Officer

SUPPORTING INFORMATION

Consultation and Engagement

Consultation will take place under the Reserves Act 1977.

Treaty of Waitangi considerations

There are no Treaty of Waitangi considerations to be made.

Financial implications

There are no financial implications.

Policy and legislative implications

Consistent with policies in the Suburban Reserves Management Plan.

Risks / legal

None identified.

Climate Change impact and considerations

There is not impact to climate change or any further considerations to be made.

Communications Plan

No communication plan is required.



Location Plan (source: GIS)
Approximate only – not to scale



Location Plan (source: Google Map)
Approximate only – not to scale