

Quarterly Review – Karori Wildlife Sanctuary Trust

The Karori Wildlife Sanctuary Trust has presented its report for the quarter ended 31 December 2008 for review. A summary of key findings is presented below and the report is attached.

Highlights: achievements

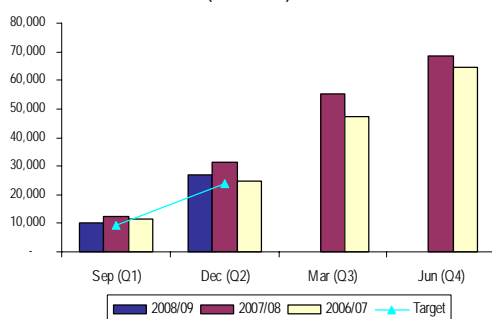
- The discovery of the first tuatara nest on the New Zealand mainland for 200 years received a lot of positive global media attention
- The new consumer brand, ZEALANDIA was launched during the quarter at an event attended by the Prime Minister, the Mayor and key members of the NZ tourism and business sector
- 96% of teachers rated the relevance and quality of the Trust's education programme as excellent or very good

Activities during the quarter

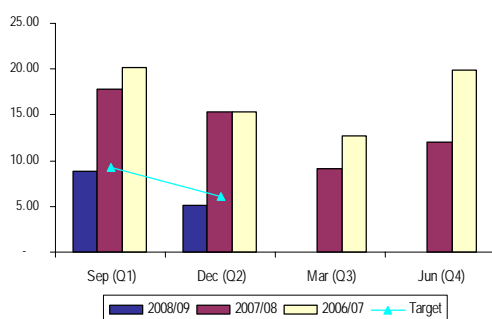
- The suspension bridge was completed during the quarter and has proved to be very popular with visitors
- Marketing activity continued with an Air NZ 'Grabaseat' partnership and meeting with 16 inbound operators in Auckland
- Bellbirds, Hihi and Kaka have been nesting successfully and a number of banded chicks have successfully fledged

Performance

Number of visitors to the Karori Wildlife Sanctuary (Cumulative)



Council subsidy per visitor



Macro Key Performance Indicators

The following KPI's form part of the Business Plan for the Karori Sanctuary Trust:

Measure	Annual Target	Quarter Target	Quarter Actual
Number of visitors per year	63,000	14,370	17,121
Membership units - total number	5,400	n/a	5,565
Number of school visits	5,500	1,670	1,364
Council subsidy per visit - \$	\$5.60	\$6.14	\$5.15
Trading revenue per visitation (excluding Council and Government grants) - \$	\$13.16	\$8.00	\$16.17
% of visitors rate their overall satisfaction as being good to excellent	>95%	>95%	98.3%
Volunteer numbers	n/a	>400	425

Financial Commentary

- The Trust's income comprises significant capital grant funding (in addition to the WCC loan and the DIA grant) which can distort its operating results; the Trust's real operating deficit of \$153k is (29%) a cause for concern
- The Trust requested an additional \$2.5 million from Council, and \$1.9 million was approved – the \$600k difference represents a proposed boost to the project contingency. The Trust sought this money from Lotteries however their application was unsuccessful. The additional \$1.9 million comes with conditions attached.
- The KPI graphs show a growing trend in visitors and, more significantly, a significant reduction in the Council subsidy per visitor for operations

Statement of Financial Performance

For the quarter ended 31 December 2008

\$'000	Q2 Actual	Q2 Budget	YTD Actual	YTD Budget	FY Budget
Income	535	529	1,263	1,255	6,545
Expenditure	553	584	1,054	1,145	2,845
Operating Surplus	(153)	55	209	110	3,700
Operating Margin	(29%)	10%	17%	9%	56%

Statement of Financial Position

As at 31 December 2008

\$'000	YTD Actual	2007/08 Actual	FY Budget
Current assets	3,370	3,630	5,830
Non-current assets	7,048	4,540	11,724
Current liabilities	1,203	612	1,088
Non-current liabilities	4,241	2,792	8,000
Equity	4,976	4,766	8,466
Current ratio	2.8 : 1	5.9 : 1	5.4 : 1
Equity ratio	48%	58%	48%

Statement of Cash Flows

For the quarter ended 31 December 2008

\$'000	YTD Actual	2007/08 Actual	FY Budget
Operating	154	2,789	3,856
Investing	(1,868)	(1,734)	(6,830)
Financing	1,449	1,384	5,208
Net	(265)	2,438	2,234
Closing balance	3,302	3,567	5,802

Contact officer:

Natasha Petkovic-Jeremic

Profile – Karori Sanctuary Trust

The Trust was established with charitable status in 1995 with the primary aim of delivering on the vision of creating a wildlife sanctuary.

The Trust's initial focus was on establishing a secure physical environment in which to commence the maintenance of existing natural heritage and subsequently to promote the restoration of native fauna and flora that had disappeared from the ecological landscape.



The Trust has made sound progress in terms of meeting many of the objectives it has set itself. Rightly, though, its focus to date has been on establishing the Sanctuary as a uniquely urban but viable ecological environment in which to conserve and restore Wellington's natural heritage. The Trust is seen as a leader in the field of eco restoration and this is partly as a result of the ground breaking knowledge and technology developed, and the education provided in partnership with the Ministry of Education, Victoria University Wellington and others. The Trust is now of the view that it needs to progress to the next stage of development that will see it able to self-fund sanctuary operations and to establish ZEALANDIA- Karori Sanctuary as an international visitor destination.

The next Stage

The Visitor and Education Centre Project (the Project) will be funded by the Wellington City Council \$8million limited recourse loan, a \$6.5m Government grant and funds raised from many individuals and businesses. The Project kicked off in June 2007 with completion anticipated to be around November 2009.

Entity Data

Established	1995	
	Richard Bentley, Chairman Peter Allport Charles Daugherty Andy Foster (WCC appointee) Stephen Fuller Catherine Judd (WCC appointee) Peter Love Dr Colin Miskelly Noel Todd	<i>Term expires:</i> 31 October 2010 30 June 2009
CEO	Nancy Mckintosh-Ward	
Balance date	30 June	
Number of FTE staff	19	
Website	www.sanctuary.org.nz	
Type of entity	Charitable Community Trust	
LGA designation	CO	
By reason of	Council right to appoint two trustees	
Council interest	\$9.9 million (<i>book value</i>)	
Type of interest	Limited recourse interest-free loan and land	