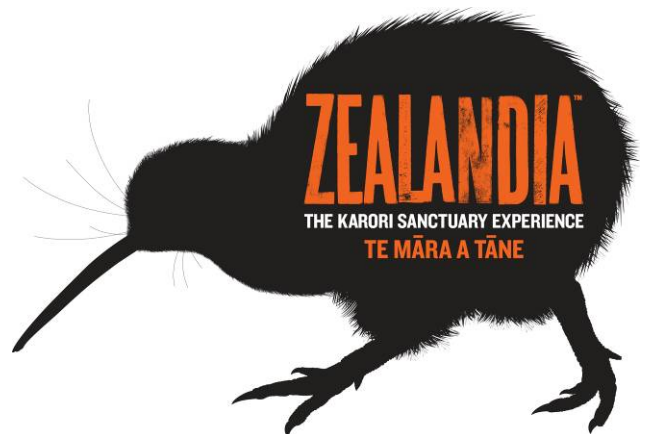




# ANNUAL REPORT 2010





# VISION AND STRATEGIC OBJECTIVES

## COMMUNITY INVOLVEMENT

We will have:

- local iwi reviving their natural tikanga through participation in and use of ZEALANDIA
- local people treasuring ZEALANDIA and being an integral part of Karori Sanctuary Trust's operation
- conservation and other community groups supporting and being fully involved in the Karori Sanctuary Trust
- funders and businesses continuing to support the Karori Sanctuary Trust.

## CONSERVATION AND RESEARCH

We will have:

- fauna, flora and habitats representative of a Wellington ecological district coastal lowland and freshwater ecosystem restored in the enclosed area
- the indigenous character of the valley restored to the enclosed area
- key natural processes functioning in the enclosed area
- species dispersal and gene flow occurring in the wider city ecosystem
- knowledge and methodologies gained for application to conservation elsewhere
- made a contribution to national species recovery programmes.

## VISION

A world-class conservation site portraying our natural heritage that captures people's imagination, understanding and commitment.

## EDUCATION

We will have:

- every school child in the wider region visiting ZEALANDIA and understanding and appreciating their natural heritage
- visitors to ZEALANDIA understanding and appreciating the uniqueness of New Zealand's ecology
- tertiary students conducting high quality study of the ecology in ZEALANDIA.

## RECREATION/TOURISM

We will have:

- ZEALANDIA accessible and appealing to all visitor types
- an internationally recognised tourism destination.

## CORPORATE MANAGEMENT

We will have:

- a model for conservation management and sustainable development worldwide
- a self-funding enterprise returning a surplus for the advancement of other conservation projects
- a highly skilled workforce working as a team toward a common goal.

# CHAIR'S FOREWORD

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It is now 15 years since our founder Jim Lynch signed the deeds that launched the Karori Sanctuary Trust. In doing so, he gave new hope to dozens of extraordinary species that, for centuries, have been unable to co-exist with us here on the mainland. Five years later, we carried out an unprecedented multi-species eradication and completed a world-first fence that changed the face of conservation forever. By 2005 we had re-introduced, among other species, little spotted kiwi, saddleback, hihi and tuatara: mascots of mainland extinction. In just ten short years we had achieved what many thought impossible.

I am delighted to say that, fifteen years on from that first bold step, the visionary spirit that launched our sanctuary is stronger than ever. In March we celebrated the completion of a project that, for all of us involved with the Trust, has been a major focus over the last few years. Like the previous milestones I have mentioned, completion of the ZEALANDIA Visitor Centre is another important step along our journey.

It is important to understand just how crucial this new development is to the Trust's future. It is only by creating a world-class conservation site that captures the imagination, understanding and commitment of many generations to come that we can realise our dream. Developing a world class state-of-the-art visitor experience, that puts ZEALANDIA into the broader context of New Zealand's natural history and its world-renowned conservation movement, has always been a major part of this process.



As traditional funding streams dry up, organisations like ours must be increasingly creative in generating revenue. An all-weather, world-class facility is a critical addition to our product offering. It is crucial to meeting our objective of a three-fold increase in visitor numbers over the next three years. Only by such means can we achieve financial sustainability. That it has become a reality so soon into our 500-year journey is testament to the foresight and hard work of our founder Jim Lynch, our past chairmen Michael Morris, Richard Bentley, Peter Allport; their fellow trustees; and our many thousands of enthusiastic supporters.

Conservation is a journey, not a destination. Progress will always be an important part of the Trust. You cannot have a 500-year plan without always thinking ahead. For the past 15 years, our journey has naturally been characterised by rapid growth and change. Our focus has been pushing the boundaries of what is possible and establishing our place at the leading edge of conservation through community endeavour. While the development of ZEALANDIA Visitor Centre has greatly strengthened our ability to secure our sanctuary's future, it has at times been disruptive for members and has placed heavy demands on our time and resources. I would like, in particular, to thank our volunteers and members for their patience and continuing support through this testing phase of our development. With the construction process behind us, we now look forward to renewing our focus on the core components of our vision.

The pace and focus will continue to evolve as new opportunities become available and as new challenges are presented to us. What *will* remain constant are the fundamental values that underpin every decision we make and the objectives we set out confidently to achieve.

To conclude, I wish to acknowledge the enormous input of our out-going Chair Peter Allport; of my fellow trustees; of our Sanctuary Guardians; of our Chief Executive Nancy McIntosh-Ward and her industrious team; and of the many thousands of individuals and organisations who, as volunteers, members and corporate supporters, continue to play such an invaluable role in the ongoing affairs of the Trust. I would also like to make a special acknowledgement of our Principal Funders Wellington City Council and the New Zealand Government, and our Principal Partner Mitsubishi Motors New Zealand.

A handwritten signature in grey ink, appearing to read 'C Isaac', written in a cursive style.

Catherine Isaac  
Chair

# CHIEF EXECUTIVE'S REPORT

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Well, what a year it has been! And what a wonderful feeling it was to watch Prime Minister John Key open ZEALANDIA Visitor Centre and exhibition. It is incredible to think that just three years ago, this project was still on the drawing board.

Of course, we've always said this is much more than a building and this is what makes this latest development so exciting! For the first time, visitors are able to experience the comprehensive story of our nation's natural history and world-famous conservation movement within the context of a groundbreaking ecological restoration project – a facility that has been long-overdue. Most importantly, I think we have achieved what we set out to do all those years ago: enabling our visitors to learn about the unique forces that have shaped our natural history and gain a greater understanding and appreciation of why we need to conserve what remains.

One of the most fascinating things for me was having the opportunity to visit studios and workshops around Wellington where some of the country's most skilled exhibition designers, storytellers, film makers, animators, sculptors, sound engineers and artists were hard at work bringing our lost paradise back to life. As I'm sure you will all agree the result is a truly world-class visitor and education experience that will, as Mr Key said, *"...join Te Papa and Parliament as one of three must-see attractions for visitors to Wellington"*. I would like to say special thank-yous to James McLean and the team at Story Inc; and the hundreds of specialists, designers, content developers and artists who worked tirelessly and against the clock to bring this story alive in such an engaging way.

It hasn't all been smooth sailing. In fact, our architects Jasmx, engineers Beca, construction team Fletchers, and project managers RCP all agree that it has been about the most complex building project they have ever worked on! But it has all come together beautifully, and I would like to thank them and the chair of the project committee Dean Riddell very much for going the extra distance and making what, at times seemed like the impossible, happen.

Already, the new facilities have made a huge difference to our organisation and to the visitor experience. Rata, our in-house operated café, is fast-becoming a destination in its own right and the new ZEALANDIA Store is proving a great success. But, of course, it is the Exhibition

that has really blown people away. Feedback has been extremely positive, and more than one person has been reduced to tears by the film – a good indication of the impact our story is having on visitors!

While the indoor facilities have been a huge focus this year, we have also continued to make encouraging progress with our conservation and ecological restoration work in the sanctuary valley. Once again this year we found juvenile tuatara, suggesting a healthy breeding population has been established just four years after the first release. Giant weta, too, are now confirmed as breeding – a major achievement in their re-establishment. For a few months over summer, visitors were treated to the extraordinary sight of four New Zealand falcon chicks getting daily lessons from their father in how to catch prey on the wing. This was the first recorded nesting success in Wellington City since the 1970s. Pied shags have also joined the list of breeding species this year, with the first nest confirmed in May. In February we got approval from DOC to take on two takahe (a retired breeding pair) as part of their national advocacy programme. These birds are due to arrive in early 2011.

Our achievements continue to be recognised both here in New Zealand and further afield. At the beginning of the year, the Ministry of Education awarded us another three-year Learning Outside of the Classroom (LEOTC) contract and in February we were announced as one of only 75 eco-tourism operators in the world to make it on the *The Guardian* newspaper's Green Travel List. Both our conservation work and tourism developments have enjoyed good profile in the local, national and international media.

All of the achievements I have mentioned are a credit to the hard work of our Trustees, Guardians, volunteers and staff and the continued support of our members, strategic partners and supporters. I thank all of them for contributing to the success of a critical transitional year for the Trust.



Nancy McIntosh-Ward  
Chief Executive

# THE YEAR'S HIGHLIGHTS

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**In this period we have made significant progress towards creating a world-class conservation site, portraying our natural heritage that captures people's imagination, understanding and commitment. Highlights include:**

- Opening the first facility fully-dedicated to showcasing New Zealand's natural history and the story of our conservation movement.
- Finding, for the second year running, juvenile tuatara, suggesting a healthy breeding population has been established just four years after the first release.
- Confirming, for the first time since release, the successful breeding of giant weta - a major achievement in their re-establishment.
- Adding pied shags to the list of breeding species at ZEALANDIA with the discovery of the first nest in May.
- Getting approval from DOC to take on two takahe (a retired breeding pair) as part of their national advocacy programme.
- Confirming that, at an estimated 9.5% annual growth rate, our kiwi population is growing much faster than the national average of 6% p.a.
- Engaging 5,859 students through our education programme
- Making the inaugural Green Travel List (produced by UK broadsheet *The Guardian*) as one of the world's top 75 eco-tourism operators.
- Being awarded another three-year Learning Outside of the Classroom (LEOTC) contract by the Ministry of Education.



# CONSERVATION

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Key strategic objectives in our conservation management plan are restoring representative flora, fauna, habitats, and re-establishing key natural processes within our 225ha fenced sanctuary with the eventual aim of getting species dispersal and gene flow occurring in the wider ecosystem.

## TUATARA

Tuatara (*Sphenodon punctatus*) hatchlings were seen on a number of occasions between March and May beside Lake Road – the second year running that ZEALANDIA-hatched juveniles have been recorded.

## COOK STRAIT GIANT WETA/WĒTA

During this period, 100 Cook Strait giant weta (*Deinacrida rugosa*) were transferred; 50 from Mana Island in March, and 50 from Matiu-Somes Island (42 in January and 8 in March). These were the last planned transfers. As in previous years more females than males were transferred (34 females from Matiu-Somes Island, 32 from Mana). No transmitters were attached this year.

In March 2010 an unmarked adult male was found with a transferred female in a specially-designed 'weta hotel'. This was the first concrete evidence that ZEALANDIA-bred animals were surviving to adulthood. Other locally-bred adults and juveniles have since been found.

Also in March, TVNZ kids' show Animal Academy filmed a segment on ZEALANDIA's weta. It will air in July 2010.



## BELLBIRD/KORIMAKO

Of the ten female bellbirds (*Anthornis melanura*) transferred from Kapiti in August, four paired with resident males to give us the highest number of pairs recorded at ZEALANDIA to date (nine). However, breeding was affected by a cold wet spring so productivity was the lowest recorded (5.1 fledglings per female cf. 11 per female in 2008/9). Of the 46 juveniles sexed from plumage or DNA in feather tips, 59% have been identified as male, 41% as female. The sex of two additional fledglings is unknown. This sex imbalance is unlikely to help address the population sex imbalance in favour of males (30:9 recorded at the beginning of August), because fewer females are recruited than males. Transmitters attached to juvenile bellbirds confirmed that they range widely, inside and outside the safety of the fence.

## HIHI/STITCHBIRD

Hihi (*Notiomystis cincta*) are still a challenge, with a lower survival of juveniles (31%) compared with previous years (52% in 2008/9). We have also seen a continuation of the sex imbalance in favour of males with 36% juvenile males surviving cf. 27% juvenile females.

A total of 43 birds fledged. As with the previous year, the 2009/10 breeding season was affected by a cold, wet spring, although productivity was slightly better overall than in 2008/9 with 3.1 fledglings per pair cf. 2.8 in 2008/9. However, it was markedly lower than earlier breeding seasons from 2005/6 to 2007/8 where between 4.3 and 5.2 fledglings were produced per female. Surplus males may be a contributing factor as they seek out females to mate with and may interfere with nesting activities.

## NORTH ISLAND KAKA/KĀKĀ

The cold, wet spring delayed breeding, and fewer kaka (*Nestor meridionalis septentrionalis*) fledglings were produced than expected. Twenty seven fledglings were recorded - 14 from nest boxes and the remainder from natural nests. However, not all nests were found so the total number of fledglings is uncertain. All birds from this cohort were banded with a yellow ring on one leg.

The population continues to show an encouraging increase, and the population estimate of 100 is likely to be an underestimate. Dusk remains the best time to see kaka throughout the year, with over 20 seen at once at the dam feeders in mid February.

## MAUD ISLAND FROGS/PAKEKA

No Maud Island frog (*Leiopelma pakeka*) audit was undertaken in 2010 to minimise disturbance and see whether or not juveniles will survive in the enclosure with adults. The next audit is planned for February 2011. If juveniles of around one year old are found, then annual audits and the temporary isolation of juveniles will not be required in future.

## LITTLE SPOTTED KIWI/KIWI PUKUPUKU

In May 2010, ten years after the first little spotted kiwi (*Apteryx owenii*) were reintroduced, DOC and ZEALANDIA staff began the first ten-year 'kiwi census'. Due for completion in August, the census will provide a detailed picture of how the population is shaping up: how big it is; how many of the original 'Kapiti' birds survive; how many ZEALANDIA-hatched birds there are; which birds are paired with which, and what burrows are in use; territory location and size, and condition of the birds.

To date 47 birds have been captured as part of this census. Most birds have been tracked and captured during the daytime, using specially-trained dogs. Captured birds are weighed, measured, tagged and fitted with a radio transmitter that allows them to be monitored. A small feather sample is also taken for DNA analysis on the birds' genealogy.

Initial results have been extremely encouraging and suggest the ZEALANDIA valley is supporting a population of at least 100 birds. The annual population growth could be as much as 10% (cf. the national average of 6%). All birds captured so far have been in excellent condition, indicating that the valley is not yet fully-populated and that the kiwi are not under pressure. Among the captured birds was the largest LSK male on record – weighing in at 1450g!



## NEW ZEALAND FALCON/KAREAREA

In December, the observation of four New Zealand falcon (*Falco novaeseelandiae*) fledglings confirmed the first successful nest recorded this side of Wellington Harbour since the 1970s. Falcons are top predators and are likely to catch a variety of species. At least one banded bellbird eaten by a juvenile falcon.

## GECKOS/MOKOMOKO

The Wellington green geckos (*Naultinus elegans punctatus*) and forest geckos (*Hoplodactylus granulatus*) in our 'gecko nursery' continue to engage our visitors. For the second year running, all one year-old animals were released on Matiu-Somes Island. Fourteen juvenile green geckos and seven juvenile forest geckos have replaced them.

## PIED SHAG/KARUHIRUHI

ZEALANDIA's first pied shag (*Phalacrocorax varius*) nest was confirmed in May. It was situated on macrocarpa overhanging the Lower Lake. The nest was successful and a single chick fledged, meaning pied shags are the third shag species to successfully breed here.

## FLORA

During this period our native plant nursery (managed by Forest and Bird) planted over 3,300 plants from 49 rare or missing species. The nursery output has expanded considerably since the move to the new premises. Most planting this year was done along the sides of Lake Road, where considerable effort had been put into weed control to reduce the reinvasion by weeds and to enhance the roadside and lake edge habitats. The permanent vegetation plots have been re-measured, the first time since they were established in 1996 and 1998 but the data has yet to be analysed.



# BIOSECURITY

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**The control and eventual eradication of all pest species and the restoration of the indigenous character of the sanctuary valley are central to our Management Plan.**

## ANIMAL PEST MANAGEMENT

The 2009/10 annual mouse control was undertaken in July and August, with 2,300 bait stations each containing 60g of Pestoff laid out on a 25 x 50m grid.

In addition to the scheduled audits carried out in January-February and April-May, two unscheduled audits were also carried out. The first, in November (Western Scarp, North End), was done in response to a possible rat sighting. No rats were detected. The second, in March-April (Eastern Scarp), was done in response to a plausible breach due to tree-fall. Tracking trays ran until mid-April when the scheduled autumn audit began. Four ship rats were caught between April and May. A full valley audit continued for seven weeks after the last capture in conjunction with trapping and a tracking tunnel response in core areas. No further mammals were detected. No mustelids detected inside the ZEALANDIA fence during the year.

During the construction of ZEALANDIA Visitor Centre, considerable care was taken to maintain biosecurity as sections of fence were replaced and gates relocated. With the construction of 'airlock' gates at the entrance and exit, biosecurity at the fence's weakest point is better than ever.

## PLANT PEST MANAGEMENT

Fewer species and sites were targeted during this period. The primary focus was on extending grid search areas based on past results. Climbing asparagus, old man's beard, cathedral bells, *Selaginella* and Himalayan dogwood were the main determinants of these search areas. Other species continue to be controlled as encountered. In total 43 species were controlled or surveyed. Lake Road continued to be a major focus. Like last years, the main target species in this area were Japanese honeysuckle, Mexican daisy and Blackberry.

The digital mapping of key pest species using Geographic Information Systems (GIS) has greatly improved work planning and area targeting processes. In the coming season, this will be extended to incorporate control records.



# RESEARCH

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**ZEALANDIA provides an easily accessible ‘living laboratory’ where students and scientists can study our plants, animals and ecosystems in the context of a groundbreaking conservation project.**

In 2009/10 we hosted five research projects undertaken by leaders in their field. We also assisted three PhD projects; four MSc projects, three fourth year projects and two Royal Society teaching fellows. Research was also undertaken by Trust staff.

## MAJOR RESEARCH PROJECTS

Bruce Burns & Trust staff	Landcare Research/Auckland University and Karori Sanctuary Trust	Feasibility of establishing rata epiphytically on hinau, rewarewa and pine in several locations
Angela Moles	University New South Wales	Effect of climate change on herbivory
David West, David Moss and Trust staff	Department of Conservation and Karori Sanctuary Trust	Baseline studies for proposed removal of exotic fish from Upper reservoir and tributaries
Trent Bell	Landcare Research	Forest lizard recovery in New Zealand sanctuaries
David Hamilton, Susie Wood and Trust staff	Waikato University, Cawthron Institute and Karori Sanctuary Trust	Effects of perch on cyanobacteria in the lower reservoir

## PHD RESEARCH PROJECTS

Alexis Garland	Victoria University	Year to year differences in numerical and spatial cognitive abilities in robins
Andrew Digby	Victoria University	An acoustic study of little spotted kiwi
Joseph Azar	Victoria University	Spatial and temporal aspects of song variation in the forest bird community

## MSc RESEARCH PROJECTS

Daniel Cornwall	Victoria University	Can robins subtract?
Nicola Armstrong	Victoria University	Spatial memory in robins
Hilary Cresko	Victoria University	Female scarcity and natal dispersal differences between sexes among bellbirds
Rosemary Rippon	Massey University	Nestling mortality in a translocated population of hihi/stitchbirds

## 3RD AND 4TH YEAR UNIVERSITY RESEARCH PROJECTS

We also supported three fourth year projects (including one BSc Hons project and one pilot study for MSc) through Victoria University.



May: DOC staff weigh and measure our kiwi to assess condition.

# EDUCATION

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**Education is a key objective of ZEALANDIA, and is critical to our success. We are a centre of conservation excellence providing both New Zealand's only facility fully-dedicated to telling our country's conservation story, and a unique 'open-air classroom' where students and visitors can gain an understanding and appreciation of our natural heritage and the need for conservation.**

The total number of students for this reporting year was 194 higher than last year. Numbers are also 4% above target across the three-year LEOTC (Learning Outside of the Classroom) period, which ended on 30 June. Even more encouragingly, we were 153% above target for secondary school students – a group that has been identified for significant further development.

A range of conservation education resources have been developed and made available on our website for teachers and pupils. They have been specially-designed to highlight the multiple lines of inquiry and questioning that can be generated within conservation education. The aim is to stimulate student interest; equip students with knowledge that will support their visit to ZEALANDIA; and to suggest new conservation themed ideas.

Teacher evaluation of the education programme continues to be extremely positive, with 96% of teachers rating the quality of the programme as excellent or very good. All key performance areas were rated good or above by 100% of teachers. In February, we secured a further three-year LEOTC funding contract which becomes operational on 1 July 2010. As one of only 21 social science providers nationally, this is a strong endorsement by the Ministry of Education on the quality of our programme.





# VISITOR EXPERIENCES & ENGAGEMENT

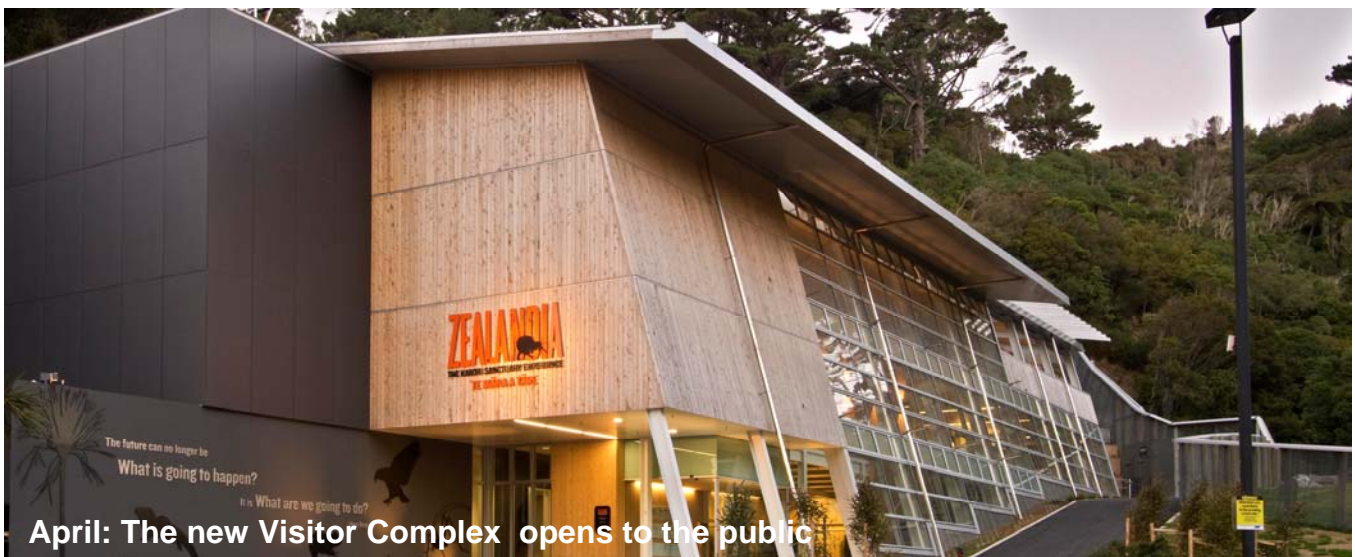
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The unique visitor experiences we offer are a major asset for the Trust. Developing our sanctuary as an internationally-recognised tourism destination, accessible and appealing to all visitor types is a key element of our vision.

## VISITOR COMPLEX

On 31 March, Prime Minister John Key officially opened our new \$17million visitor complex containing a café, gift shop, function rooms and a permanent exhibition showcasing New Zealand's natural history and conservation heroes. The facilities, sited at the entrance to the sanctuary valley, add a major new dimension to the visitor experience we offer. Designed by Wellington architects Jasmx, particular attention has been made to minimise the impact on the valley's environmentally- and historically-sensitive landscape, whilst still creating an iconic gateway for Wellington's newest visitor attraction. The building also contains a range of environmentally-sustainable design features including:

- A floor-to-ceiling double-glazed glass wall to maximise natural light and heat
- Computer-controlled louvre windows, which open and close to regulate the temperature
- Concrete floors to absorb ambient heat, warming water in pipes that can be pumped efficiently around the building in winter
- Solar panels to heat the hot-water supply (an energy saving of up to 80%)
- Toilets flushed with water from a 9,000-litre rainwater tank on the roof
- Wood from renewable plantation forestry



April: The new Visitor Complex opens to the public

Our new open-plan admissions hall is designed to enhance the visitor experience by creating a welcoming space and improving traffic flow. Members with new-style membership cards can now self-swipe through both turnstiles. A new cross-functional point of sale system, Centaman, has been adopted. Existing visitor parking capacity increased and a new overflow car park created on Birdwood Street. The latter is available to the local community as a 'park and ride' facility mid-week, outside of school holidays and events.

## **ZEALANDIA: THE EXHIBITION**

The two-storey interactive exhibition is central to the new developments. It has been designed as a three act play. The first act - New Zealand 1,000 years ago before human arrival - is told in the lower level. The second act is told through an 'immersive movie' focusing on human arrival and our impact on the environment. The third act, played out on the upper level, tells the story of New Zealand's conservation movement. Among the experiences used to bring this story to life are:

- Forty interactives
- Forty-three life-sized models and stuffed animals
- Over an hour of video-on-demand, telling 31 conservation stories
- One hundred and forty-six interpretative display panels
- A seven-minute CGI film



**April: Visitors explore the newly-opened ZEALANDIA: The Exhibition**

## ZEALANDIA SANCTUARY VALLEY

Our sanctuary valley will continue to be a major drawcard for visitors. It provides a unique opportunity to see some of New Zealand's most endangered animal species in their natural environment, and experience cutting-edge conservation in action. Infrastructure, way-finding, interpretation and visitor attraction improvements undertaken during this period include:

- Turnstiles and double gates installed at the main visitor access
- Two new bridges have been constructed on Faultline Track
- Additional sponsored seating/tables have been installed throughout valley
- New asphalt laid on Lake Road
- New way-finding signage has been introduced throughout valley
- Giant weta interpretative display installed at Tui Terrace
- Huhu interpretative display installed at the top of the Beech Track
- Kiwi interpretative display installed at the Henderson Lawn
- Video displays have been changed to low wattage digital picture frames

## TOURS & RANGER TALKS

In April we replaced the Introduction and Escape tours with a programme of free Ranger Talks, offered daily at 12pm, 1pm, 2pm and 3pm. These are designed to provide all visitors with an opportunity to interact with people, as well as to increase animal sightings. Focus topics change depending on season. We have extended the popular ZEALANDIA by Night Tour to a 2.5-hour experience incorporating the Exhibition and a new route.



# CAFÉ, RETAIL & FUNCTIONS

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**A new café and function rooms, as well as enhanced retail and admissions facilities are key components of our new visitor complex. Not only are they an integral part of our visitor experience, but the revenue streams also benefit future conservation projects and support our objective of becoming financially sustainable.**

## **ZEALANDIA STORE**

Our enhanced retail store stocks a wide range of high-end souvenirs with a focus on nature-inspired products by local artists and designers. A new range of ZEALANDIA branded products are also proving popular.

## **RATA CAFE**

Our 110 seat café, Rata, is a major new addition to our visitor facilities and an essential development if we are to be considered world-class. Its focus on local, free range, seasonal produce; environmental sustainability; and social responsibility are key elements.

Open to non-visitors, it will also be developed and promoted locally as a destination in its own right. It is an in-house operation, with 100% of surplus going back into the Trust. A café manager/head chef and eight kitchen and front-of-house staff have been recruited in this period.

## **FUNCTIONS**

With the development of the new Visitor Complex we can now offer a far greater range of venue hire facilities and function hosting. Rata café offers seating for 110. The Foyer holds 120 standing or 80 seated and the Hihi Room, a small meeting room located on the ground floor, seats eight.

We have recruited a part time function coordinator to assist in the development of this side of our business, and have partnered with three preferred caterers in addition to our own team at Rata.



# MARKETING & TOURISM

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Marketing and business development strategies that increase ZEALANDIA's reputation in local, domestic and international markets both as a world-renowned conservation project and a 'must-do' visitor attraction are increasingly important.

## LOCAL

We continued to engage the local market through membership, as well a range of targeted activities like event days and special promotions. We also targeted specific sub-groups of the local market such as students, families and community card holders with tailored events and admission products. In addition to paid advertising, we received thousands of dollars worth of free advertising and editorial. In this period we also started using social media channels like Twitter and Facebook, primarily to further engage the local market.

## DOMESTIC

Our new brand and visitor experiences have helped position ZEALANDIA as a nationally-significant visitor attraction and enabled us to better target domestic visitors. In April we ran our first ever domestic advertising campaign which included a joint television commercial with Positively Wellington Tourism. A number of major media 'hits', including a segment on TVNZ's Close Up; stories in the national print media and a feature on Radio New Zealand have further supported our position as both a major visitor attraction and conservation leader.

## INTERNATIONAL

We have continued to work closely with Positively Wellington Tourism, Tourism New Zealand key inbound tour operators, wholesale agents, specialist trade areas and other local operators and accommodation providers to create compelling products for both independent travellers and those on organised tours. We have enjoyed a high level of international media profile this year, including features in *The Guardian* and *The Independent* (UK); *Vogue* (India); and leading science magazine *Nature*.

# COMMUNITY INVOLVEMENT

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**Our relationship with the wider community and our ability to effect positive change will underpin the success of our 500-year vision.**

## VOLUNTEERS

Providing volunteering opportunities enables us to involve the community directly in our work. We have over 400 active volunteers supporting us in 23 different functions from office administration to delivering our visitor experiences. In 2009/10, 83 new volunteers signed up, including 28 new volunteer hosts and 15 ranger guides. A number of new volunteer groups have been established during this period, including a track maintenance group, and a range of regular volunteering opportunities have been created in the Conservation and Operations teams. Corporate volunteering and internships have also grown during this period. We are extremely grateful to all of our volunteers for their continued support.

## MEMBERS

Membership is designed to engage people who have less time to offer but still want to get involved. We saw a small increase of 14 member units this year with 5,314 memberships recorded as at the end of the financial year. To incorporate the new visitor facilities, improve member experiences and allow greater flexibility with memberships, we made some major changes to the membership structure. The improvements included introducing reduced annual membership rates for seniors, students and community card holders; providing 'additional adult' and 'additional' child options; and providing individual membership cards for each member that enable members to self-swipe through the turnstiles.

## WIDER COMMUNITY

Public events and special promotions targeted at locals also play an important part in engaging the community in our vision. We also took part in nationwide initiatives such as Children's Day, Conservation Week and Māori Language Week and local events like the Karori Karnival. Over 50 local community events were supported through the donation of family day passes as prizes. In this period, we developed discounted admission products for seniors, students and community card holders to make ZEALANDIA more accessible to low income-earners.

# FUNDRAISING

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**Income from appeals, donations and bequests will always be vital to the success of our vision, and provide an important way for people to help make a difference.**

Total income from appeals, donations and bequests in this period was \$317,124 - an increase of 42% on last year. Of this, \$93,482 was generated through appeals; \$52,999 through donations; and \$170,643 through bequests. Major fundraising activities during this period included our annual appeal and street collection, held in the first week of February; and the ongoing 'Adopt a Hectare' scheme. We are sincerely grateful to everyone who has supported us through these initiatives over the year.

# HUMAN RESOURCES

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**Our vision document identifies a highly-skilled workforce working as a team towards a common goal as a key objective in achieving our aim.**

With the development of the new visitor facilities, our human resourcing needs have almost doubled and a new department, Visitor Operations, created. Michael Quayle was recruited in August as manager of Visitor Operations. Joining his team were Retail and Admissions Manager Juliane Hoffmann; Assistant Retail & Admissions Manager Diane Shaw; Head Chef & Café Manager Craig Dunshea; part-time Functions Coordinator Anna Burns; five casual admissions staff and ten kitchen and front-of-house staff.

We said farewell to long-serving Retail Coordinator Karryn Baudet and Educator Tom Lynch. Brian Ireland was recruited as the new Educator. In November Marco Zeeman replaced Neil Anderson as Facilities Manager and in April, Marketing & Sales Manager Diana Dobbinson left. Her replacement, Karen McDonald, joined the team at the start of the new financial year. In June, Robert Schubach replaced Sylviane Lebon as Finance & Administration Manager.

# FINANCE

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For the year ended 30 June 2010, the Trust recorded an operating deficit of \$288,008 as compared with last year's surplus of \$9,505. We expect to make operating losses after depreciation over the next few years as we build our business. Net surplus after ZEALANDIA Visitor Centre grants at \$3,377,750 was higher than last year of \$1,691,279 as we drew down all government grants during the year.

Total operating revenue at \$3,015,035 was \$812,445 above last year's \$2,202,590. This was due to a higher transitional Council funding for the year (Council funding varies from year to year), higher donations, admissions, and food & beverages sales.

Total expenditure at \$3,303,044 was \$1,109,959 higher than last year of \$2,193,085. Apart from general cost escalations, the increase was due to costs associated in the development of infrastructure in preparation for the opening of ZEALANDIA Visitor Centre, and the additional costs of new operations during the first three months.

As at 30 June 2010, net assets stood at \$9,835,076 as against \$6,457,326 last year. Fixed assets at \$19,540,003 were significantly increased from last year as we completed ZEALANDIA Visitor Centre. Cash at bank was \$2,038,127 with outstanding creditors of \$427,534; \$108,333 of the current portion of The Community Trust of Wellington loan payable, and \$100,000 outstanding capital commitments relating to ZEALANDIA Visitor Centre. The cash reserve is required to fund a number of capital projects which were delayed or deferred to next financial year, and to fund operating losses for the next few years as we build up a sustainable level of visitors.



# RECOGNITIONS

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The ongoing support of individuals and organisations through grants, donations, sponsorships, subscriptions, technical advice and in-kind support remains absolutely critical to the Trust's ongoing viability. We sincerely thank the following for their support in 2009/10.

## PRINCIPAL FUNDERS

Wellington City Council	New Zealand Government – Significant Community-Based Projects Fund
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## PRINCIPAL PARTNERS

Mitsubishi Motors New Zealand
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## STRATEGIC PARTNERS

Department of Conservation	Wellington Tenths Trust
Victoria University of Wellington	

## FOUNDING SUPPORTERS

NZ Lottery Grants Board	Keith Taylor Charitable Trust
Todd Corporation & Todd Foundation	The Fletcher Trust
Greater Wellington Regional Council	The Community Trust of Wellington

## **KAKA (GOLD) SUPPORTERS**

<b>Russell McVeagh</b>	<b>New Zealand Community Trust</b>
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## **TUI (SILVER) SUPPORTERS**

<b>The Holdsworth Charitable Trust</b>	<b>W N Pharazyn Charitable Trust</b>
<b>R&amp;D Evans Charitable Trust</b>	<b>Stout Trust</b>

## **HIHI (BRONZE) SUPPORTERS**

<b>Noel &amp; Joanna Todd</b>	<b>The Fleming Family</b>
<b>The Kinsky Family Trust</b>	<b>Nature Heritage Fund</b>
<b>Terawhiti Licensing Trust</b>	<b>The Pacific Development &amp; Conservation Trust</b>
<b>Trusthouse</b>	<b>Pub Charity</b>
<b>Ministry of Tourism</b>	

## **COMMUNITY SUPPORTERS**

<b>The Rotary Club of Karori</b>	<b>The Combined Rotary Clubs of Wellington</b>
<b>Karori Lions Club</b>	<b>Forest &amp; Bird</b>

## **SUPPORTING BUSINESSES**

<b>GO Wellington</b>	<b>Beca</b>
<b>Designworks</b>	<b>The Dominion Post</b>
<b>CENTAMAN System</b>	

## OTHER SUPPORTERS

<b>Dorothy L Newman Charitable Trust</b>	<b>Ngati Koata</b>
<b>Ministry of Education</b>	<b>Ngati Toa</b>
<b>Woolyarns Ltd.</b>	<b>Forest &amp; Bird</b>
<b>The Freemasons Charity and Lodge Homewood</b>	<b>Victoria University, Massey University, Waikato University, Auckland University, NIWA, Landcare Research, Cawthron Institute &amp; Wellington Zoo</b>
<b>Wellington Botanical Society</b>	<b>TechSoup / Microsoft</b>
<b>Endeavour Trust</b>	<b>Pelorus Trust</b>
<b>AE Tilley Ltd</b>	<b>Paslode Ltd</b>
<b>Jump NZ Ltd</b>	<b>Masport NZ Ltd</b>
<b>Southern Trust</b>	<b>PricewaterhouseCoopers</b>
<b>A. J. Wills</b>	<b>Harbour City Security Ltd</b>

## BUSINESS GOES BUSH & CORPORATE MEMBERS

<b>Bolton Hotel</b> (Business Goes Bush)	<b>Regional Wines &amp; Spirits Ltd</b> (Business Goes Bush)
<b>Intergen</b> (Business Goes Bush)	<b>Tregaskis Brown Ltd</b> (Business Goes Bush)
<b>Youth Hostel Association of NZ Inc.</b> (Business Goes Bush Member)	<b>Griffin Savage &amp; Co</b> (Business Goes Bush)
<b>Fraser Brown &amp; Stratmore Ltd</b> (Business Goes Bush)	<b>Label &amp; Litho Ltd</b> (Business Goes Bush)
<b>Kenex Knowledge Systems Ltd</b> (Corporate Member)	<b>Greater Wellington Regional Council</b> (Corporate Member)
<b>YAF Consulting Ltd</b> (Corporate Member)	

**KARORI SANCTUARY TRUST (INC.)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2010**

Karori Sanctuary Trust (Inc.)  
Statement of Financial Performance  
For the year ended 30 June 2010

	Note	2010 \$	2009 \$
<b>Operating revenue</b>			
Membership subscriptions		267,061	266,137
Grants & donations		1,664,737	987,097
Admissions		622,125	554,688
Sale of goods		260,861	142,467
Interest received		183,444	217,713
Other		16,807	34,488
Total		3,015,035	2,202,590
<b>Operating expenses</b>			
Operating expenditure	2	2,751,301	1,880,905
Audit fees		12,000	8,400
Trustee Remuneration		106,166	-
Interest paid	7	69,482	105,449
Depreciation	3	364,094	198,331
Total		3,303,043	2,193,085
<b>Operating surplus(deficit) before ZEALANDIA Visitor Centre grants</b>		(288,008)	9,505
<b>Plus ZEALANDIA Visitor Centre grants</b>			
Government grant -ZEALANDIA Visitor Centre	8	3,565,758	1,681,774
Other grant- ZEALANDIA Visitor Centre	8	100,000	-
Total		3,665,758	1,681,774
<b>Net surplus</b>		3,377,750	1,691,279

The accompanying notes on pages 5 to 10 form an integral part of these financial statements.

Karori Sanctuary Trust (Inc).  
Statement of Movements in Equity  
For the year ended 30 June 2010

	2010 \$	2009 \$
<b>Accumulated funds at beginning of year</b>	6,457,326	4,766,047
Net surplus for year	<u>3,377,750</u>	<u>1,691,279</u>
Total recognised revenues and expenses for the period	<u>3,377,750</u>	<u>1,691,279</u>
<b>Accumulated funds at end of year</b>	<u><u>9,835,076</u></u>	<u><u>6,457,326</u></u>

The accompanying notes on pages 5 to 10 form an integral part of these financial statements.



# Karori Sanctuary Trust (Inc.)

## Statement of Financial Position

As at 30 June 2010

	Note	2010 \$	2009 \$
<b>Equity</b>			
Accumulated funds		<u>9,835,076</u>	<u>6,457,326</u>
Represented by:			
<b>Current assets</b>			
Cash and bank		2,038,127	4,840,999
Accounts receivable		84,460	39,056
Stock on hand		68,984	23,872
GST refund (to Pay)		124,827	(77,589)
<b>Total current assets</b>		<u>2,316,398</u>	<u>4,826,338</u>
<b>Non current assets</b>			
Fixed assets	6	<u>19,540,003</u>	<u>10,941,712</u>
<b>Total non current assets</b>		<u>19,540,003</u>	<u>10,941,712</u>
<b>Total assets</b>		<u>21,856,401</u>	<u>15,768,050</u>
<b>Current liabilities</b>			
Creditors		427,534	800,111
Grants received in advance - sundry		4,500	-
Grants received in advance - ZEALANDIA Visitor Centre	8	-	100,000
Community Trust loan	7	108,333	108,333
Accrued holiday pay		105,076	104,994
Unearned subscription income		129,193	130,463
<b>Total Current Liabilities</b>		<u>774,636</u>	<u>1,243,901</u>
<b>Term Liabilities</b>			
Community Trust Loan	7	900,000	1,000,000
Wellington City Council Loan	8	<u>10,346,689</u>	<u>7,066,823</u>
<b>Total Liabilities</b>		<u>12,021,325</u>	<u>9,310,724</u>
<b>Net Assets</b>		<u>9,835,076</u>	<u>6,457,326</u>

The Board of Trustees authorised the financial statements for issue on 30<sup>th</sup> August 2010.



Chairperson: Catherine Isaac

Date: 30/8/10



Trustee: Graeme R. Mitchell

Date: 30-8-10.

The accompanying notes on pages 5 to 10 form an integral part of these financial statements.



Karori Sanctuary Trust (Inc).  
Statement of Cashflow  
For the year ended 30 June 2010

	Note	2010 \$	2009 \$
<b>Cash flows from operating activities</b>			
Cash was provided from:			
Membership subscriptions		261,857	271,591
Grants & donations		1,664,737	922,144
Admissions and other income		832,995	736,731
Interest received		213,362	201,135
		<b>2,972,951</b>	<b>2,131,601</b>
Cash was applied to:			
Payments to suppliers and employees		(2,854,401)	(2,006,532)
Interest costs		(69,482)	(105,449)
Net GST paid/(refund)		(202,416)	136,160
		<b>(153,348)</b>	<b>155,780</b>
<b>Net cash flows from operating activities</b>	9	<b>(153,348)</b>	<b>155,780</b>
<b>Cash flows from investing activities</b>			
Cash was applied to:			
Purchase of plant, equipment & other assets		(9,395,148)	(5,938,913)
		<b>(9,395,148)</b>	<b>(5,938,913)</b>
<b>Net cash flows from investing activities</b>		<b>(9,395,148)</b>	<b>(5,938,913)</b>
<b>Cash flows from financing activities</b>			
Cash was provided from:			
Loan from Wellington City Council	8	3,279,866	5,375,059
Government grant - ZEALANDIA Visitor Centre	8	3,565,758	1,681,774
Other grant -- ZEALANDIA Visitor Centre	8	-	100,000
Cash was applied to:			
Repayment of loan	7	(100,000)	(100,000)
		<b>6,745,624</b>	<b>7,056,833</b>
<b>Net cash flows from financing activities</b>		<b>6,745,624</b>	<b>7,056,833</b>
Net increase / (decrease) in cash		(2,802,872)	1,273,700
Opening cash		4,840,999	3,567,299
<b>Closing cash</b>		<b>2,038,127</b>	<b>4,840,999</b>
<b>Cash and cash equivalents comprise</b>			
Cash and bank balances		<b>2,038,127</b>	<b>4,840,999</b>

The accompanying notes on pages 5 to 10 form an integral part of these financial statements.



Karori Sanctuary Trust (Inc.)  
Notes to the Financial Statements  
For the year ended 30 June 2010

**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 1993 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 generally accepted accounting practice. The Trust has chosen not to adopt the NZ 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 NZ 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 income**

Grants are recognised as income 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.

Income 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.

Other income is accounted for on a cash basis.

In the accounts, 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.

**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:

Predator fence	25 years
Building/infrastructure	10 - 75 years
Leasehold improvements	10 - 100 years
Fixtures, fittings, plant and equipment	3-20 years
Boat	15 years
Exhibitions	5 - 20 years
Vehicles	5-10 years
Other Assets	3 - 5 years

**v. Receivables**

Receivables are stated at anticipated realisable value.

Karori Sanctuary Trust (Inc.)  
Notes to the Financial Statements  
For the year ended 30 June 2010

**vi. Stock on hand**

Stock on hand comprise of retail and food & beverages. They are stated at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis.

**vii. Goods and services tax**

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.

**viii. Income tax**

The Trust being a charitable organisation is income tax exempt under the Income Tax Act 2007.

**ix. Changes in Accounting Policies**

There have been no changes in accounting policies in the year. All other policies have been applied on a basis consistent with the prior year.

2009 comparative figures have been adjusted where appropriate to be consistent with 2010 categorisation.

**2. Operating expenditure**

	<b>2010</b>	<b>2009</b>
	\$	\$
Administration & management	153,176	108,151
Cost of goods sold	128,685	83,527
Personnel costs	1,502,325	1,175,979
Other operating expenditure	967,115	513,248

Other operating expenditure in 2010 includes \$129,940 for costs incurred in the provision and removal of interim visitor centres while ZEALANDIA visitor centre was being built.

**3. Depreciation**

	<b>2010</b>	<b>2009</b>
	\$	\$
Trust Buildings	86,412	50,297
Exhibition Centre	76,964	-
Leasehold Improvements	29,860	15,046
Predator Fence	93,453	92,156
Fixtures, Plant & Equipment	24,895	8,935
Vehicles	9,165	9,357
Other Assets	<u>43,345</u>	<u>22,540</u>
Total Depreciation	<u>364,094</u>	<u>198,331</u>

Karori Sanctuary Trust (Inc.)  
Notes to the Financial Statements  
For the year ended 30 June 2010

**4. 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 lease agreement is currently being finalised.

**ii. Trust Offices**

The Trust leases its office building from the Wellington City Council at an annual rental of \$7,280 (2009 - \$7,280).

**iii. Photocopier & Eftpos Terminal**

The photocopier is leased from Canon Finance as at 30 June 2010. The commitment for the coming year is \$3,490. The remaining lease payments after that year are \$6,980. The lease is set to expire at 22 September 2013.

The eftpos terminals are leased from Direct Payment Solutions between 8 October 2009 and 5 February 2010. The commitment for the coming year is \$7,576. The remaining lease payments after that year are \$11,109. The leases are set to expire between 6 October 2012 and 4 February 2013.

**5. Capital commitments**

As at 30 June 2010 the Trust had capital commitments of \$100,000 made up of ZEALANDIA Visitor Centre expenditure (2009 \$6,630,000).



Karori Sanctuary Trust (Inc.)  
Notes to the Financial Statements  
For the year ended 30 June 2010

**6. Fixed assets**

	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Book value 2010</b>
	\$	\$	\$
Trust buildings	11,092,465	369,217	10,723,248
Exhibitions	3,655,501	76,965	3,578,536
Leasehold improvements	2,895,699	160,274	2,735,425
Predator fence	2,455,415	942,944	1,512,471
Fixtures, plant & equipment	637,668	110,796	526,872
Vehicles	118,999	49,239	69,760
Other assets	550,493	264,958	285,535
Capital works in progress - ZEALANDIA Visitor Centre	100,000	-	100,000
Capital works in progress - Sundry	8,156	-	8,156
<b>TOTAL</b>	<b>21,514,396</b>	<b>1,974,393</b>	<b>19,540,003</b>
	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Book value 2009</b>
	\$	\$	\$
Trust buildings	1,392,733	282,806	1,109,927
Leasehold improvements	325,314	130,413	194,901
Predator fence	2,303,895	849,492	1,454,403
Fixtures, plant & equipment	106,605	93,414	13,191
Vehicles	126,096	47,170	78,926
Other assets	285,260	221,613	63,647
Capital works in progress – ZEALANDIA Visitor Centre	7,990,915	-	7,990,915
Capital works in progress – sundry	35,802	-	35,802
<b>TOTAL</b>	<b>12,566,620</b>	<b>1,624,908</b>	<b>10,941,712</b>



Karori Sanctuary Trust (Inc.)  
Notes to the Financial Statements  
For the year ended 30 June 2010

**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 2010 was \$100,000. In addition \$8,333 was accrued being the June repayment payable in July.

**8. ZEALANDIA Visitor Centre**

ZEALANDIA Visitor Centre is funded through:

Government

In 2007, the Trust received a grant of up to \$6.523m from the Government's Significant Community Based Projects Fund for contribution towards ZEALANDIA Visitor Centre Project. The Significant Community Based Projects Fund was established to support major community based projects of regional and national significance.

As at 30 June 2010, the full amount of the government grant had been drawn down.

Wellington City Council

In 2007, an interest free limited recourse loan agreement of \$8,000,000 was entered into with the Wellington City Council to assist with the development of ZEALANDIA Visitor Centre Project. This loan facility was further increased in 2008/9 to \$10,380,000. As at 30 June 2010 \$10,346,689 had been drawn down. The loan is repayable over 25 years according to the terms of the loan agreement.

Community

A community fundraising programme was launched in 2007 and raised \$307,000. The unutilised balance of \$100,000 shown as grant received in advance last financial year has been released in this financial year as the grant conditions have been met.

Karori Sanctuary Trust (Inc.)  
Notes to the Financial Statements  
For the year ended 30 June 2010

**9. Reconciliation of cash flow statement**

**Reconciliation of net cashflow from operating activities with operating surplus**

	2010	2009
	\$	\$
<b>Net surplus/(deficit) on operations</b>	<b>(288,008)</b>	<b>9,505</b>
 Add / (deduct) non cash items		
Depreciation	364,094	198,331
 Add / (deduct) movements in working capital items		
Decrease / ( increase) in GST receivable	(202,416)	136,160
Decrease / ( increase) in stock on hand	(45,112)	(1,045)
Decrease / ( increase) in accounts receivable	(45,404)	840
(Decrease) / increase in income in advance	3,230	(71,829)
(Decrease) / increase in accounts payable from operations	60,268	(116,182)
	<u>(229,434)</u>	<u>(52,056)</u>
 <b>Net cash flow from operating activities</b>	 <b><u>(153,348)</u></b>	 <b><u>155,780</u></b>

**10. Related party transactions**

During the year, there have been no material related party transactions.

**11. Post balance date events**

There is no post balance date event which affects these financial statements (2009 nil).

**Auditors' Report to the Members of  
Karori Sanctuary Trust (Inc.)**

We have audited the financial statements on pages 1 to 10. The financial statements provide information about the past financial performance and cash flows of the Karori Sanctuary Trust (Inc.) ("the Trust") for the year ended 30 June 2010 and its financial position as at that date. This information is stated in accordance with the accounting policies set out on pages 5 to 6.

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.

**Trustees' responsibilities**

The Trustees are responsible for the preparation and presentation of the financial statements which present fairly the financial position of the Trust as at 30 June 2010 and its financial performance and cash flows for the year ended on that date.

**Auditors' responsibilities**

We are responsible for expressing an independent opinion on the financial statements presented by the Trustees and reporting our opinion to you.

**Basis of opinion**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- (a) the significant estimates and judgements made by the Trustees in the preparation of the financial statements; and
- (b) whether the accounting policies are appropriate to the circumstances of the Trust, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have no relationship with or interests in the Trust other than in our capacity as auditors.

Auditors' Report  
Karori Sanctuary Trust (Inc.)

**Unqualified opinion**

We have obtained all the information and explanations we have required.

In our opinion the financial statements:

- (a) comply with generally accepted accounting practice in New Zealand; and
- (b) present fairly the financial position of the Trust as at 30 June 2010 and its financial performance and cash flows for the year ended on that date.

Our audit was completed on 30 August 2010 and our unqualified opinion is expressed as at that date.



Chartered Accountants

Wellington



# TRUSTEE PROFILES

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<p><b>Peter Allport</b> (Chair July 2009 – June 2010)</p>	<p>Peter is an experienced businessman, holding CEO/Board positions in many organisations. He was Chairman of Tourism New Zealand and the Commerce Commission and is the Honorary Consul of Mongolia. Peter joined the Board of Trustees in 2004 and was appointed to the Chair in 2009. He retired on 30 June 2009.</p>
<p><b>Catherine Isaac</b> (Incoming Chair)</p>	<p>Catherine is Managing Director of Awaroa Partners Ltd, a company specialising in strategic communications and marketing, and a consultant for the New Zealand Business Roundtable and other corporate clients. She has many years experience in senior communications roles and directorships in the public, private and not-for-profit sector. She joined the Board of Trustees in 2006 and will assume the Chair in July 2010.</p>
<p><b>Don Huse</b></p>	<p>Don is a company director. He has had senior roles in a range of enterprises, including Auckland, Sydney and Wellington Airports and WWF - New Zealand. He was an advisory trustee of the Karori Sanctuary Trust in 1996/97 and joined the Board of Trustees in 2009.</p>
<p><b>Professor Charles Daugherty</b></p>	<p>Charles is Assistant Vice-Chancellor (Research) at Victoria University. His research interests focus on evolutionary and population biology of vertebrates, conservation genetics, and ecological restoration. He joined the Board of Trustees in 2007.</p>
<p><b>Graeme Mitchell</b></p>	<p>Graeme has a finance background. He is a chartered accountant, recently retired from Deloitte, Wellington, where he was an Audit and Assurance partner for over 28 years. He is a Member of Council of Victoria University of Wellington, a Director of Barnados New Zealand and Honorary Consul General for Norway. He joined the Board of Trustees in 2009.</p>
<p><b>Professor Paul Callaghan</b></p>	<p>Paul is the Alan MacDiarmid Professor of Physical Sciences at Victoria University and the founding Director of the MacDiarmid Institute for Advanced Materials and Nanotechnology. He has published around 240 articles in scientific journals and is a regular speaker on science matters.</p>
<p><b>Dr Russell Ballard</b></p>	<p>Russell holds several Board appointments and was recently elected Chancellor of Massey University. He has over 60 articles published in various science journals and books, and was made a Companion of the New Zealand Order of Merit in 1994.</p>

# GUARDIANS

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<p><b>Richard Bentley, CMNZ</b></p>	<p>Richard has held senior management roles in industry and is now a professional company director, serving on boards in both the private and public sector and chairing many of them. He became involved with the Trust in 1997 and joined the Board in 1998. From July 2002 to June 2009, he held the position of Chair. In June 2009 he was appointed a Guardian.</p>
<p><b>Stephen Fuller</b></p>	<p>Stephen has been involved with the Trust since its inception, first as Project Manager and then as General Manager. From November 2002 - June 2009 he sat on the Trust Board. He was appointed a Guardian in June 2009. He currently works for an environmental consultancy firm.</p>
<p><b>Dr. Colin Miskelly</b></p>	<p>Colin trained as an ecologist and is now working at Department of Conservation. He was a member of the Trust's original steering committee in 1993-5 and was a Trustee from 1999 to 2007. He was appointed a Guardian in June 2009.</p>
<p><b>Peter Love</b></p>	<p>Peter is a Manager/Trustee of the Wellington Tenths Trust, which represents the Te Atiawa iwi (mana whenua) of Wellington. In 2000 he joined the Board of Trustees, and became a Guardian in June 2009.</p>
<p><b>Jim Lynch QSM</b></p>	<p>Jim was the originator of the sanctuary concept and founder of the Trust in the early 1990s. He is a self-employed designer of large scale management systems and training programmes for major organisations and has wide experience of ecology and conservation management at a national level. In 2001 he was awarded the QSM for services to conservation in Wellington. In November 2007 he was appointed Founder-Vice Patron of Karori Sanctuary Trust and in June 2009, appointed as a Guardian.</p>
<p><b>Michael Morris ONZM</b></p>	<p>Michael is a chartered accountant by profession who has held senior directorship roles in many industries and has served on many boards in the private and community sector, chairing many of them. He was Chairman of the Karori Sanctuary Trust from 1995-2002 and since then has been Vice-Patron. In 1997 Michael received the award of Officer of the New Zealand Order of Merit for his services to business and the community. He was appointed a Guardian in June 2009.</p>
<p><b>Andy Foster</b></p>	<p>Andy Foster is a Wellington City Council Councillor, a founding trustee and was a representative for the Wellington City Council on the Karori Sanctuary Trust Board for many years. Andy is an active volunteer of the Trust and has been involved with the Trust since its inception.</p>

# DIRECTORY

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## Patron and Vice-Patron

Sir Michael Hardie Boys (Patron)  
Michael Morris (Vice-Patron)  
James Lynch (Founder Vice-Patron)

## Trustees

Peter Allport, Chair (to June 30th 2010)  
Catherine Isaac (chair from July 2010)  
Prof. Charles Daugherty  
Don Huse  
Dr Russell Ballard  
Prof. Paul Callaghan  
Graeme Mitchell

## Advisory Trustee

Ben Hippolite *deceased* (2009)

## Guardians

Richard Bentley  
Jim Lynch  
Michael Morris  
Andy Foster  
Stephen Fuller  
Peter Love  
Dr Colin Miskelly

## Management

Nancy McIntosh-Ward, Chief Executive  
Raewyn Empson, Conservation Manager  
Diana Dobbison, Marketing & Sales (to June 2010)  
Karen McDonald, Marketing & Sales (from July 2010)  
Michael Quayle, Visitor Operations Manager  
Marco Zeeman, Facilities Manager  
Robert Schubach, Finance Manager

## Office

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Email: [info@visitzealandia.com](mailto:info@visitzealandia.com)  
Website: [www.visitzealandia.com](http://www.visitzealandia.com)

## Honorary Solicitors

Russell McVeagh

## Bankers

Westpac

## Auditors

PricewaterhouseCoopers

