

May 10, 2011

Alan Isaac
Chair
Council Controlled Organisations Performance Subcommittee
Wellington City Council
PO Box 2199
WELLINGTON

Dear Alan

RE: Statement of Intent (SOI) 2011-12

Thank you for your letter of April 18, 2011 regarding the Wellington Zoo Trust's Statement of Intent for 2011-12.

The final SOI addresses the specific issues for the Trust which you have raised in your letter.

The Trust looks forward to continuing the positive working relationship we have with Council to create a Zoo we can all be proud of. We greatly appreciate the capital investment Council is making to the Zoo and the collegial support we have received from Council to enable us to continue to redevelop and improve the Zoo in many ways.

We are always keen to share the development of our city's Zoo with the Subcommittee and so we cordially invite any members of the Subcommittee to visit the Zoo in the future at any time to have a more thorough discussion about the plans for the Zoo. Please do not hesitate to contact me or Chief Executive, Karen Fifield should any member wish to do so.

We are looking forward to an exciting year for Wellington Zoo as we continue to create 'the best little zoo in the world'.

Yours sincerely



Ross Martin
Chair
Wellington Zoo Trust

Wellington Zoo Trust

Statement of Intent

2011-12



Wellington Zoo Staff and Her Worship, The Mayor, Celia Wade-Brown, participating in Arbor Day activities June 2010

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Wellington Zoo Trust Incorporated is incorporated under the Charitable Trust Act 1957 and is a not for profit organisation.

VISION

Wellington Zoo ... a magical place of learning and fun, leaving visitors with a sense of wonder and respect for nature and a belief in the need for a sustainable co-existence between wildlife and people.

DREAM

Wellington Zoo's dream is to be 'the best little zoo in the world'.

COMMITMENTS

Wellington Zoo is committed to:

- Highest standards of animal care
- Learning
- Conservation
- Fun
- Creativity
- Partnerships
- Honesty



Wellington Zoo staff participating in Places for Penguins with Forest and Bird (September 2010)

1 OBJECTIVES

The Wellington Zoo Trust Deed states the objects of the Trust as follows:

- “7.1 The objects for which the Trust is established, to the extent that they are a charitable purpose within New Zealand, are as follows:
- 7.1.1 To manage, administer, plan, develop, maintain, operate and promote Wellington Zoo as a zoological park for the benefit of the Wellington community and as an attraction for visitors to Wellington;
 - 7.1.2 To educate the community by building an awareness of plant and animal species and the actions required to promote conservation;
 - 7.1.3 To promote species conservation;
 - 7.1.4 To support and complement the conservation and learning activities undertaken by other organisations;
 - 7.1.5 To develop, manage and plan animal species management programmes;
 - 7.1.6 To promote and coordinate the raising of funds to assist the management, administration, maintenance, planning, promotion and further development of Wellington Zoo;
 - 7.1.7 To acquire additional plant and animal species;
 - 7.1.8 Generally to do all acts, matters and things that the Trustees think necessary or conducive to further or attain the objects of the Trust set out above for the benefit of the Wellington community.”

2 STRATEGIC GOALS

Wellington Zoo Trust seeks to support WCC in its strategic objectives as indicated below.

THE SIX STRATEGIC ELEMENTS FOR WELLINGTON ZOO WHICH SUPPORT AND REFLECT OUR CITY ARE TO:

2.1 CREATE OUTSTANDING, INTIMATE AND UNIQUE VISITOR EXPERIENCES (MORE LIVEABLE, MORE SUSTAINABLE, MORE EVENTFUL, MORE ACTIVELY ENGAGED, MORE COMPACT)

The Zoo Capital Programme (ZCP) will form the basis of new facilities for improved animal housing, staff facilities and visitor experience. Wellington Zoo will continue to build its reputation as a unique and intimate zoo by including more contact animal experiences throughout the Zoo. Since the start of the ZCP we have seen a positive trend in increased visitation and we are ensuring that our marketing and visitor experience strategies are aligned to drive the maximum benefit from the redevelopment in terms of visitation.

In this financial year, the Asian precinct with a new sun bear exhibit and improved viewing at the tigers will be built. The Hub project in the centre of Zoo will be completed and this will create a recreation and relaxation area in the centre of the Zoo which will allow visitors to orientate and relax as they enjoy their Zoo visit as well additional commercial catering and event opportunities for the Zoo.

The Zoo Capital Programme itself will provide the impetus for **creative design and innovative practice** as the capital projects are developed and delivered. The capital projects have and will create facilities which are multifunctional and which will provide the community new experiences in the Zoo while ensuring best practice animal welfare and the health and safety of staff and visitors remain strategic imperatives.

This year we anticipate further conversations with stakeholders in regard to the acquisition of Giant panda for New Zealand. As the world's most iconic animal it seems only fitting that our iconic capital city is home to any Giant panda hosted in New Zealand.

2.2 INTEGRATE CONSERVATION AND SUSTAINABILITY ACROSS THE ORGANISATION (HEALTHIER, BETTER SENSE OF PLACE)

The Zoo is perfectly positioned, as an award winner in sustainability, to take an active role in delivering conservation and sustainability messages to a large audience of nearly 200,000 visitors on site and many more on line. We already work with Council's Climate Change office and this partnership will only strengthen over time as climate change becomes more and more important. Our aim is to become the first carbon zero zoo in the world. This will require investigation and planning to decide the best way forward to achieve this aim. This will be a priority for the Trust this year.

Wellington Zoo is committed to conservation being the underpinning reason for existence as stated in our Conservation Strategy and will be a key stakeholder in collaborative conservation programmes within the zoo industry and with the conservation agencies of New Zealand. Our Conservation Strategy will be reviewed this year with stakeholder input. This will inform our conservation action plan and support for conservation projects - both local and international.

The Nest *Te Kōhanga* has seen an increase in the number of native species being brought to Zoo from the community for care and rehabilitation – often in partnership with other organisations, such as the SPCA and Zealandia, and private bird rehabilitators. The Zoo has been asked to care for the precious Takahe housed at Zealandia in light of our specialist and world leading veterinary facility and staff.

The Bush Builders Schools Project has provided a very solid platform for increasing Wellingtonians' understanding of how urban ecosystems work and how Wellingtonians can improve the quality of the local environment through environmental literacy and action.

Working with Forest and Bird, Wellington Zoo is involved with Places for Penguins on the south coast – Zoo crew members and staff have made nest boxes to place in the penguin habitat to protect these birds. We have also been monitoring the nest boxes.

2.3 ACHIEVE FINANCIAL SUSTAINABILITY (MORE PROSPEROUS, MORE COMPETITIVE)

The business case indicates an increase in visitation of 2% per year as a realistic projection for the Zoo. We will mitigate risks, capitalise on opportunities and communicate any effects on the Zoo to Council as soon as possible. We endeavour to be prudent and prepared for any trend changes and impacts on the Zoo.

Wellington Zoo Trust's intent to facilitate appropriate timing of fundraising grants and other financial support for the ZCP is agreed in principle with Wellington City Council Officers. The Zoo is seeking a change to the agreed fundraising programme which will mean that the Zoo will fundraise for the remaining ZCP projects as a whole rather than project by project as has been the case. Now that we are more than half way through the ZCP this best practice approach to fundraising is more appropriate. Further discussion with Council Officers and Councillors will be had in this regard.

The Trust is managing to grow revenue streams that slowly allow us to reduce our percentage reliance on Council funding. By reallocation the Trust has put more resources in the areas that drive real benefits from the capital investments such as fundraising, visitor experience, conservation and animal care.

The Trust now contributes approximately 50% of its operational costs and seeks to improve this over time. When the Trust started we contributed only 37% of operational costs. We have grown the business and developed a more sophisticated offering while increasing our share of the costs of running a modern zoo. We also do not increase prices without being sure we are adding value to customers or without rigorous market research to understand what the market will bear. We intend to increase some prices in July for the 2011-12 financial year which will assist our budget. We will be increasing only those prices which our visitor research indicates are least susceptible to visitor price sensitivity. We seek to mitigate financial risk while still providing an accessible and value for money attraction for Wellington.

2.4 BUILD LASTING COMMUNITY SUPPORT AND PARTICIPATION (MORE ACTIVELY ENGAGED, MORE INCLUSIVE, BETTER SENSE OF PLACE, SAFER, BETTER CONNECTED)

Wellington Zoo aims to be 'the best little zoo in the world' and has immense community support as shown in visitor attendance and membership growth. Wellington Zoo will focus on retaining current Zoo Crew and Big Bite Club members over the next year as well as retain the number of participants in

the volunteer programme both individual and corporate which will be measured in FTE hours. These groups within the community become advocates for the Zoo and strong supporters.

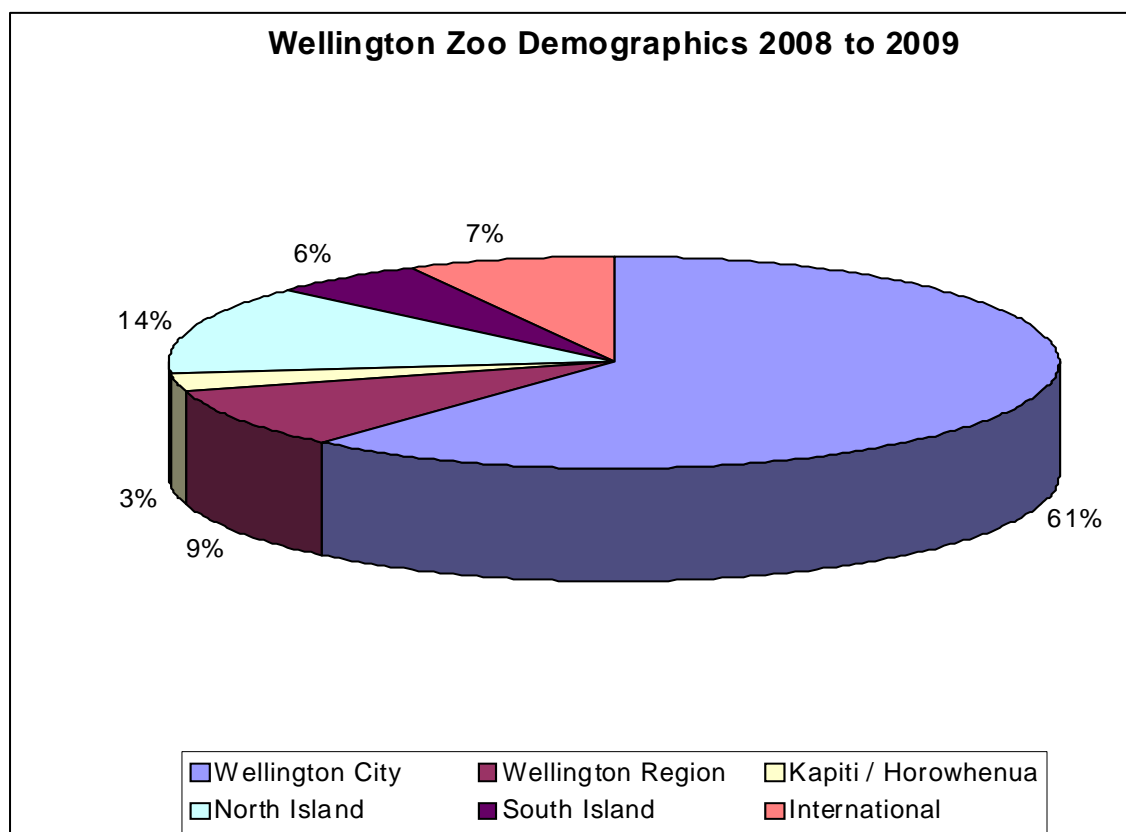
The Zoo Ambassadors programme assists in creating a sense of place for Wellingtonians in relation to the Zoo. Zoo Ambassadors are high profile people in the community who believe in the work of the Zoo and provide a credible public face to speak on behalf of the Zoo. The new fundraising strategy will employ the Ambassadors in a new way – as fundraising champions rather than generic Ambassadors. The plan is to have a number of champions to assist with the fundraising ask.

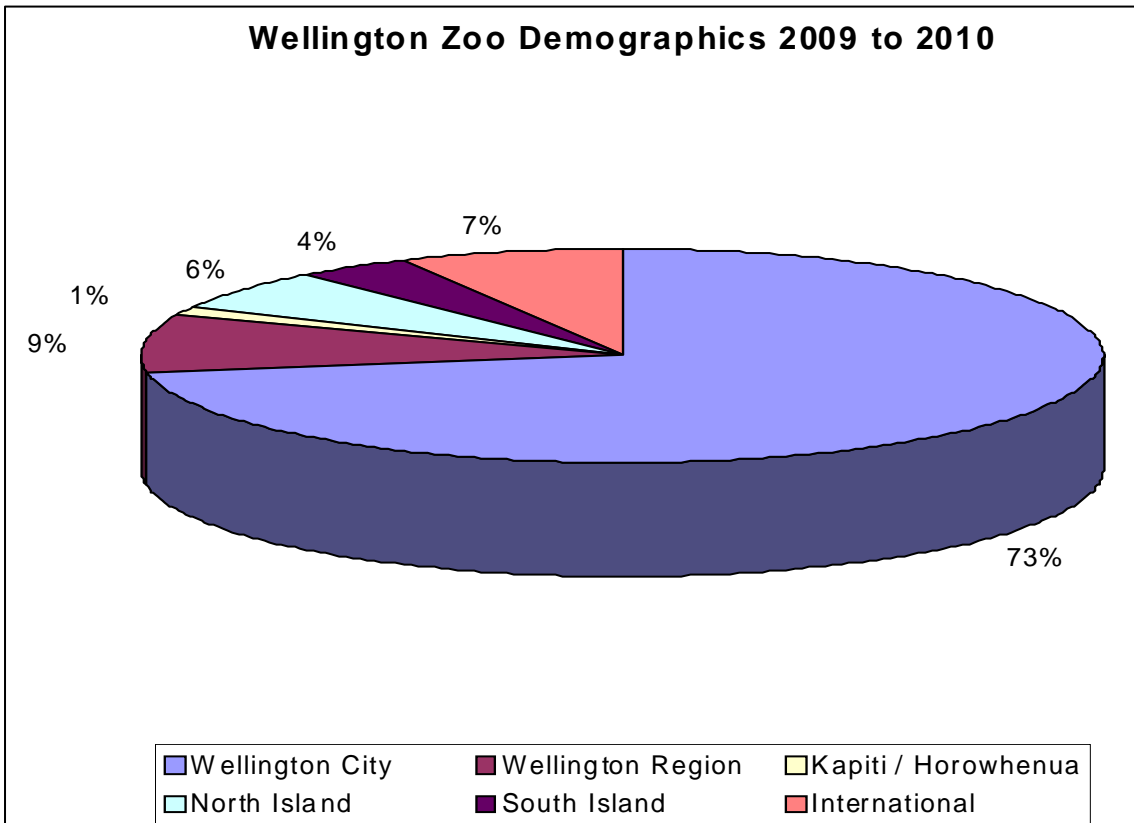
The Tuatara Club for past Chairs and Deputy Chairs of the Trust created in 2010 will ensure ongoing involvement with those who have been in the leadership roles for the Zoo beyond their tenure on the Board.

The Zoo seriously considers its accessibility for all Wellingtonians. The annual free Neighbours Night BBQ and reduced admission price during winter ensure that those less fortunate in Wellington have access to the Zoo. The Trust will continue to ensure accessibility for Wellingtonians through excellent value memberships and strategic discount policy.

Wellington Zoo is also important regionally and nationally with 93% of visitors being from NZ. The geographic origin of Wellington Zoo's visitors clearly demonstrates this regional focus. The Trust targets its marketing and *in situ* conservation activities accordingly.

Our demographics remain focussed on Wellington region so we see areas for growth in our market, especially domestic tourism. We will be examining this for our 2% growth target over the next three years.





Her Worship, The Mayor, Celia Wade-Brown helping at our annual Neighbours Night event – 27 January 2011

2.5 SHOW INDUSTRY LEADERSHIP (MORE ENTREPRENEURIAL AND INNOVATIVE)

Wellington Zoo plays a key role in Australasia as one of the four major zoos in New Zealand. Wellington Zoo is New Zealand's first zoo and its location in the capital city requires it be an industry leader for New Zealand zoos.

Wellington Zoo has been recognised in a range of awards over the past two years from sustainability to business leadership.

The Zoo is responsible for population management within the collection for managed regional species and has a number of staff who hold regional industry positions including the Chief Executive who is the Vice President of the Regional Zoo Aquarium Association Board, the Collection Development Coordinator who sits on the Australasian Regional Collection Planning Committee, the Group Manager, Commercial Development who is the Convenor of the regional Marketing Specialist Advisory group, the Fundraising Manager is President of FINZ and the Team Leader Visitor Experience who is a member of Interpretation NZ Committee. Other Zoo staff manage 'studbooks' for certain species such as tuatara and pygmy marmosets.

Wellington Zoo is the only NZ zoo that is a member of the Sustainable Business Network and we were the first Wellington attraction to achieve Qualmark EnviroGold Accreditation. The Chief Executive is on the Sustainable Business Network Regional Advisory Council and the HER Business Network Advisory Council. The Chief Executive was also honoured as 2010 Wellingtonian of the Year – Environment.

2.6 ENSURE ALL STAFF MOTIVATED AND VALUED (BETTER CONNECTED, MORE INCLUSIVE, SAFER, AND HEALTHIER)

Wellington Zoo has been successful in attracting talented staff through good recruitment practice. One of the key reasons that the Zoo has achieved so many successes over the past three years is the quality of its people. It is imperative that we do all we can to retain them and, where required, to continue to attract high calibre staff. This requires constant vigilance with salaries, reward and recognition, development opportunities and organisational culture.

One of the key areas to continually focus on is our people, through training and development which is a key strategic imperative. In 2010-11 the Zoo benchmarked against other organisations across NZ by completing the JRA Best Places to Work survey. We were ranked 28th out of 245 organisations which is a great achievement. The survey has given us information about the climate of our organisation and ideas to improve our JRA result even more in 2011-12.

The Trust uses a number of tools to ensure our reward, recognition and remuneration measures are robust. We undertake a job sizing exercise through Strategic Pay annually to ensure appropriate salary structures are in place for our staff. In 2010 we introduced the Aoraki Awards to recognise long service and the Roar of Honour awards to celebrate high performance. We will continue to ensure our staff are given the highest priority, through the implementation of other reward, recognition, organisational culture and development activities as this reflects our pride in our people.

3 NATURE AND SCOPE OF THE TRUST'S ACTIVITIES

3.1 CORE BUSINESS

The Trust will continue to provide the core business services that the Zoo has historically delivered to Wellington. These can be summarised as follows:

- Strategic direction and operational management of the Zoo
- Development and maintenance of animal exhibits which offer high quality experiences to visitors and high quality living environments to the resident animals
- Provision of engaging learning experiences for visitors and community involvement with the Zoo as a community asset
- Educational curriculum delivery
- Management of collection animals to achieve excellent levels of health and emotional/psychological well-being
- Contribution to conservation through advocacy, support for ex situ and in situ programmes, and sustainable management practices on site
- Participation in collaborative inter-zoo management programmes for collection species and other zoo specific activities
- Contribution to conservation, scientific, learning and management research projects
- Fundraising for the organisation's future sustainability, development and conservation projects

3.2 CONTRIBUTION TO OUR CITY

The Zoo will be a strong contributor to our city, focusing on knowledge, innovation and positive action. It will contribute to the vibrancy and forward thinking of our city. We aim to be a reflection of our city and contribute as a cutting edge business with talented people to the thriving cultural and natural heritage of Wellington as a liveable city.

As a result of aiming for and achieving the Trust's strategic vision, the Zoo will be seen as:

- A leader in the city, and a major partner of Wellington City Council in shaping the community's views on and action for conservation and sustainable living
- A valued and valuable member of the Newtown and Wellington communities which adds to the prosperity of our city through events, connections, inclusivity and engagement
- A substantial player in the drive to position Wellington as a centre for learning about and expertise in conservation and sustainability
- A key contributor to helping the city become internationally competitive, entrepreneurial and innovative by attracting investment in education, research, tourism and employment and contributing to the provision of a vibrant city attracting a creative working population
- An important part of Wellington's history as New Zealand's first zoo and the most visited paid cultural attraction in Wellington.

4 APPROACH TO GOVERNANCE

The Wellington Zoo Trust is a Council Controlled Organisation having been established in 2003 by the Wellington City Council to develop and manage Wellington Zoo.

4.1 ROLE OF THE BOARD

The Trustees are responsible for setting the strategic directions for the Trust, and approving the Statement of Intent and Annual Business Plan. The Trust ensures the ongoing viability of the organisation is maintained through the monitoring of Key Performance Indicators (KPIs) and the financial results. Governing policies have been developed by Trustees to ensure the business of the Trust is managed consistently with its Deed and stated direction. This is an ongoing process with policies being developed and amended as and when required.

As part of the ongoing relationship with the Wellington City Council, the Chairperson and Chief Executive meet with the Mayor and Wellington City Council Chief Executive on a regular basis. The Chief Executive meets regularly with Officers of the Council Controlled Organisation Monitoring Unit and other Council Management when appropriate. The Chairperson and Chief Executive attend the CCO Performance Monitoring Sub Committee as required.

4.2 BOARD MEMBERSHIP

Name	Term Expires
Ross Martin (<i>Chair</i>)	31 December 2012
Frances Russell (<i>Deputy Chair</i>)	31 December 2012
Simon Marsh	31 October 2013
Linda Meade	30 June 2012
Alan Dixson	31 December 2012
Shaan Stevens	31 December 2012

All Board members are non-executive.

4.3 BOARD COMMITTEES

The Board operates three Committees:

- Finance, Audit and Risk Committee
- Remuneration Committee
- Fundraising and Sponsorship Committee

4.4 BOARD DEVELOPMENT

The Board conducts an annual review of overall Board performance and individual and chair performance and from this determines development needs and any other actions required to ensure best practice governance and performance standards are met. The Trust promotes Board development for corporate governance and spends at least 10 hours a year on this at Board meetings and additional workshops and discussions.

This year the Board will undertake the annual evaluation of their performance as a Board and as individuals on the Board.

The Board will also devote time to their development especially in the areas of good governance and Board responsibilities.



Wellington Zoo staff and ASB staff with the 'safe' developed as an enrichment item for our sun bears

4.5 CAPITAL PROJECTS GOVERNANCE

Processes have been implemented to ensure control of Capital Expenditure (CAPEX) projects. Wellington Zoo Trust has applied the Wellington City Council project management documentation for all CAPEX projects and works closely with Council Controlled Organisation (CCO) Monitoring Unit officers to ensure all Council requirements are followed.

Wellington Zoo Trust has also introduced two committees to ensure holistic project planning and close monitoring of budgets and timing. The Project Control Group (PCG) is a cross functional team attached to each CAPEX project. The PCG is responsible for the development of the project brief and ongoing monitoring of the CAPEX project. The Project Steering Committee (PSC) comprises the Chief Executive, Chief Financial Officer, Manager Capital Development, General Manager Operations, Group Manager Commercial Development, Group Manager Visitor Engagement and the Manager People and Culture. The PSC is responsible for high level decisions specifically in regard to budget and strategic intent of CAPEX projects.

A CAPEX project process has been improved to ensure approval at key gateways throughout the life of the project. This process is set out below:

Capital Project Gateways

Project:

Project Brief Phase

Project Brief		Review Record			PSC Approval		Board Approval	
Work Packages	Team	Document	Date	Document	Date	Document	Date	
Research <input type="checkbox"/>	Life Sciences							
Scope <input type="checkbox"/>	Property							
Risk Analysis <input type="checkbox"/>	Visitor Engagement					WCC Informed		
Programme <input type="checkbox"/>	Commercial Development					Document	Date	
Budget <input type="checkbox"/>	Veterinary Science							

Concept Design Phase

Design Team Procurement		Concept Design			Review Record		PSC Approval		Board Approval	
Work Packages	Work Packages	Team	Document	Date	Document	Date	Document	Date	Document	Date
Research <input type="checkbox"/>	Consultants Workshop <input type="checkbox"/>	Life Sciences								
Advertise <input type="checkbox"/>	Drawings <input type="checkbox"/>	Property							WCC Informed	
REOI <input type="checkbox"/>	Programme <input type="checkbox"/>	Visitor Engagement							Document	Date
Review <input type="checkbox"/>	Estimate <input type="checkbox"/>	Commercial Development								
Appointment <input type="checkbox"/>		Veterinary Science								

Developed Design Phase

Design Team Procurement		Developed Design			Review Record		PSC Approval		Board Approval	
Work Packages	Work Packages	Team	Document	Date	Document	Date	Document	Date	Document	Date
Research <input type="checkbox"/>	Consultants Workshop <input type="checkbox"/>	Life Sciences								
Advertise <input type="checkbox"/>	Drawings <input type="checkbox"/>	Property							WCC Informed	
REOI <input type="checkbox"/>	Programme <input type="checkbox"/>	Visitor Engagement							Document	Date
Review <input type="checkbox"/>	Estimate <input type="checkbox"/>	Commercial Development								
Appointment <input type="checkbox"/>		Veterinary Science								

Detailed Design Phase

Detailed Design		Review Record		PSC Approval		Board Informed	
Work Packages	Team	Document	Date	Document	Date	Document	Date
Consultants Workshop <input type="checkbox"/>	Life Sciences						
Drawings <input type="checkbox"/>	Property						
Programme <input type="checkbox"/>	Visitor Engagement					WCC Informed	
Estimate <input type="checkbox"/>	Commercial Development					Document	Date
	Veterinary Science						

Tender Phase

Contractor Procurement		PSC Approval		Tender Return		PSC Approval		Board Approval	
Work Packages	Document	Date	Work Packages	Document	Date	Document	Date	Document	Date
Research <input type="checkbox"/>			Tender Price Review <input type="checkbox"/>						
Advertise <input type="checkbox"/>			Tag Review <input type="checkbox"/>					WCC Approval	
REOI Process <input type="checkbox"/>			Programme Review <input type="checkbox"/>					Document	Date
Review EOI's <input type="checkbox"/>			Budget Review <input type="checkbox"/>						

Project Close & Review

Team Review		PSC Approval		Board Approval		
Work Packages	Document	Date	Document	Date	Document	Date
Life Sciences <input type="checkbox"/>						
Property <input type="checkbox"/>						
Visitor Experience <input type="checkbox"/>			WCC Informed			
Commercial Development <input type="checkbox"/>			Document	Date		
Veterinary <input type="checkbox"/>						

5 PARTNERSHIPS

5.1 PRINCIPAL FUNDER

Wellington City Council is the principal funder of the Zoo. This is the cornerstone relationship for the success of the Wellington Zoo Trust. The Zoo's physical assets, including those for which the Trust raises funds, are vested in Council. The Trust recognises Council's capital investment as key to the success of the Zoo and the Trust recognises its contribution as part of the partnership with WCC.

The Trust is striving to reduce the percentage contribution of WCC to the operation of the Zoo. As the work of the Zoo grows and the outcomes from the Zoo are recognised, the Trust will need to grow the operational spend to support the business. We recognise that WCC will support the Zoo but in a real terms declining percentage of the operational costs. The Trust seeks to grow its own revenue to support this aim while not compromising the needs of a modern zoo.

5.2 CONSERVATION AND BUSINESS PARTNERS

Partners with whom we have joint projects, Memoranda of Understanding or major financial/contractual relationships are:

- The Zoo and Aquarium Association (and individual member zoos) – operating within the ZAA framework gives Wellington Zoo its “licence to operate” in the zoo industry and enables us to access animal stock, collection management expertise and specialist advisory expertise across the zoo industry.
- ASB Bank for Wellington Zoo sun bears
- Zealandia through captive breeding of kaka for release and free veterinary services
- Forest and Bird for Places for Penguins
- Pacific Radiology
- Go Wellington
- Ministry of Education through Learning Experiences Outside the Classroom programme
- Victoria University for possum research project and research projects within the School of Biological Sciences
- Massey University through the Wildlife and Zoo Medicine Masters programme and the Social Entrepreneurship Centre
- Arataki Honey through support for Wellington Zoo sun bears and Free the Bears in Asia
- Saatchi and Saatchi
- Tip Top
- Dominion Post
- Classic Hits
- Department of Conservation through species management, joint visitor experience initiatives, research programmes and endangered species conservation
- Mojo Coffee Cartel
- Sustainable Business Network
- Free the Bears Asia
- Cheetah Outreach, South Africa

- PWT
- SPCA for veterinary support and native animal care
- The Holdsworth Family Trust for The Nest *Te Kōhanga* and Wellington Zoo Conservation Fellowships
- Kea Conservation Trust
- Trade Me
- Weta Digital

A number of community funding bodies (Pub Charity etc) and individuals also have a major impact on the Zoo through their generous input of funds for Zoo operation and development. We value their support and rely on their generosity. Relationships with these organisations and people are excellent and The Trust will continue to work hard in this area.

5.3 TANGATA WHENUA

The Zoo is strengthening its partnership with the Wellington Tenth Trust through collaboration on narrative ideas for the ZCP and native species stories. The Trust continues to grow its relationship with the Tenth Trust this year through consultative work on Meet the Locals and other significant projects.

5.4 REGULATORY BODIES

Closer working relationships are being developed with the Department of Conservation, Ministry of Agriculture and Forests and the Environmental Risk Management Authority through consultation and collaboration on regulatory frameworks – Containment Standards, accreditation issues, Import Health Standards and Disease Risk Analyses – as well as increasing field support of Department of Conservation projects.

5.5 OTHER PARTNERS

A number of other organisations have a significant relationship with the Zoo and contribute to the Zoo's goals, including:

- Otari-Wilton's Bush Trust
- World Wildlife Fund
- Weta Workshop



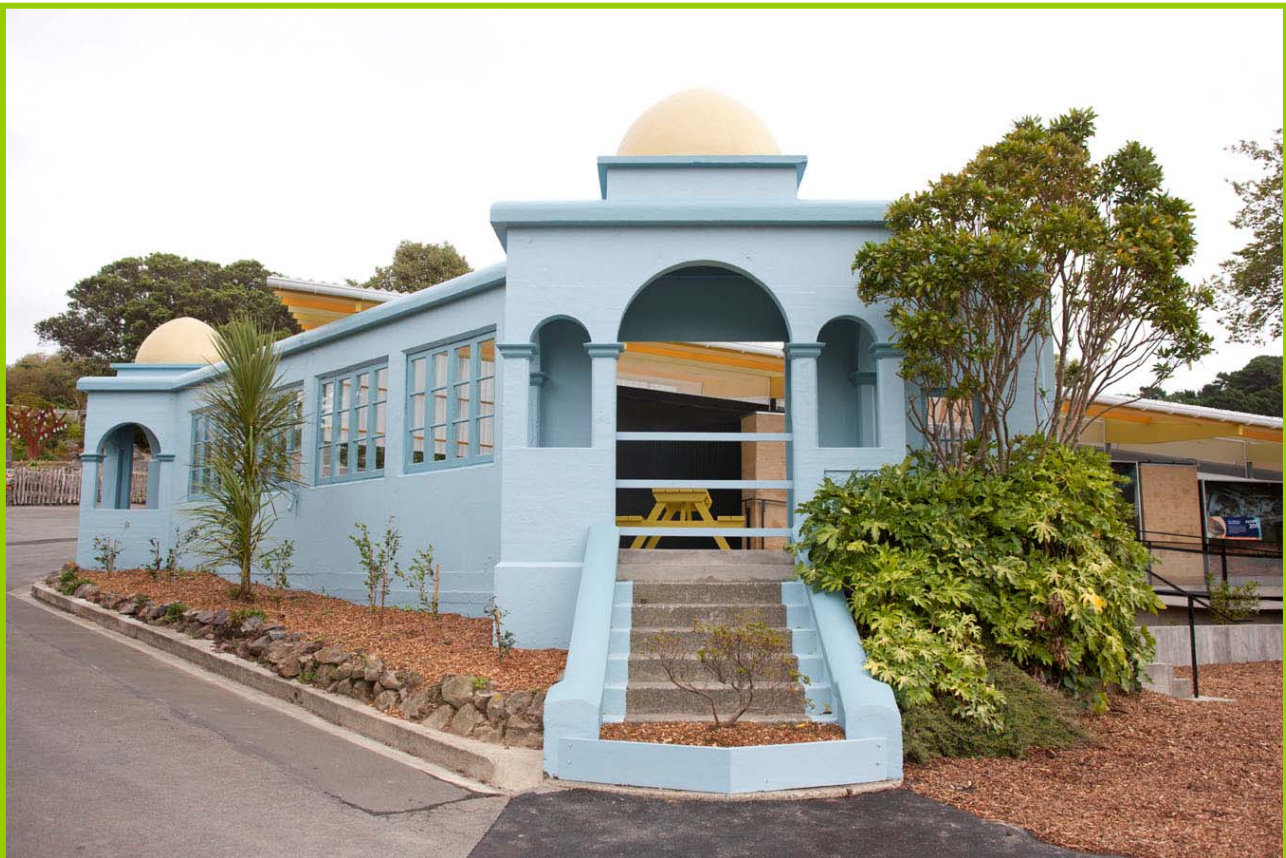
Pygmy marmoset baby on dad's back – Born 29 October 2010

6 BUSINESS AND REVENUE GROWTH

The Trust appreciates that confirmation of the current level of support from Council for the next three years will enable a more certain approach to financial planning and give the Trust a degree of confidence to operate at the same level. As we continue to invest in our Zoo so that it can reach its goal of being a world class zoo the Trust is grateful to WCC support for this growth.

The table below shows the improved percentage contribution to operational funding the Trust has made since its inception. The Trust clearly intends to continue this trend and the commercial and fundraising activities have been focussed on this outcome.

The Trust continues to grow the business and reduce the percentage contributed by WCC. In real terms the WCC operating grant has indeed declined as it has not been annually adjusted for inflation. However we do thank WCC for the additional \$90k per annum to this grant which was approved in 2010.



The Hub – Phase One

Some of the ZCP projects have allowed the Trust to be strategically placed to grow revenue. The Hub project with its new Mojo café and the 100 seat function centre, Kamala's, will allow new revenue streams for the Zoo. The Zoo has contracts with five preferred caterers from Ruth Pretty catering to Baxter's. This new space will allow a range of functions from fine dining to BBQs to occur. Our Tourism and Functions Coordinator will work closely with our caterers to grow this area of our business once The Hub is fully operational. Marketing collateral has already been prepared and has been distributed at catering conferences, expos and business meetings. Business meetings, such as Business after Five with the Hutt City Chamber of Commerce, are already acting as a vehicle to promote these new services at the Zoo. The Nest *Te Kōhanga* meeting room is also proving popular as a meeting venue for external organisations providing the Zoo with additional revenue.

We have set growth targets for our commercial revenue in the 2011-12 budget to reflect the greater potential the Zoo has in this area with these new facilities.

Contribution to Operational Funding by the Trust

	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	Forecast 2010-11	Draft Budget 2011-12
Operational Funds raised by Zoo Trust	\$1,444,928	\$1,779,061	\$1,979,504	\$2,150,690	\$2,384,678	\$2,436,320	\$2,606,190	\$2,852,302
Total Operational Expenditure	\$3,863,636	\$4,164,185	\$4,576,396	\$4,634,648	\$4,906,024	\$5,127,267	\$5,395,190	\$5,651,302
Zoo Trust Generated Funds as % Total Operational Expenditure	37%	43%	43%	46%	49%	48%	48%	50%

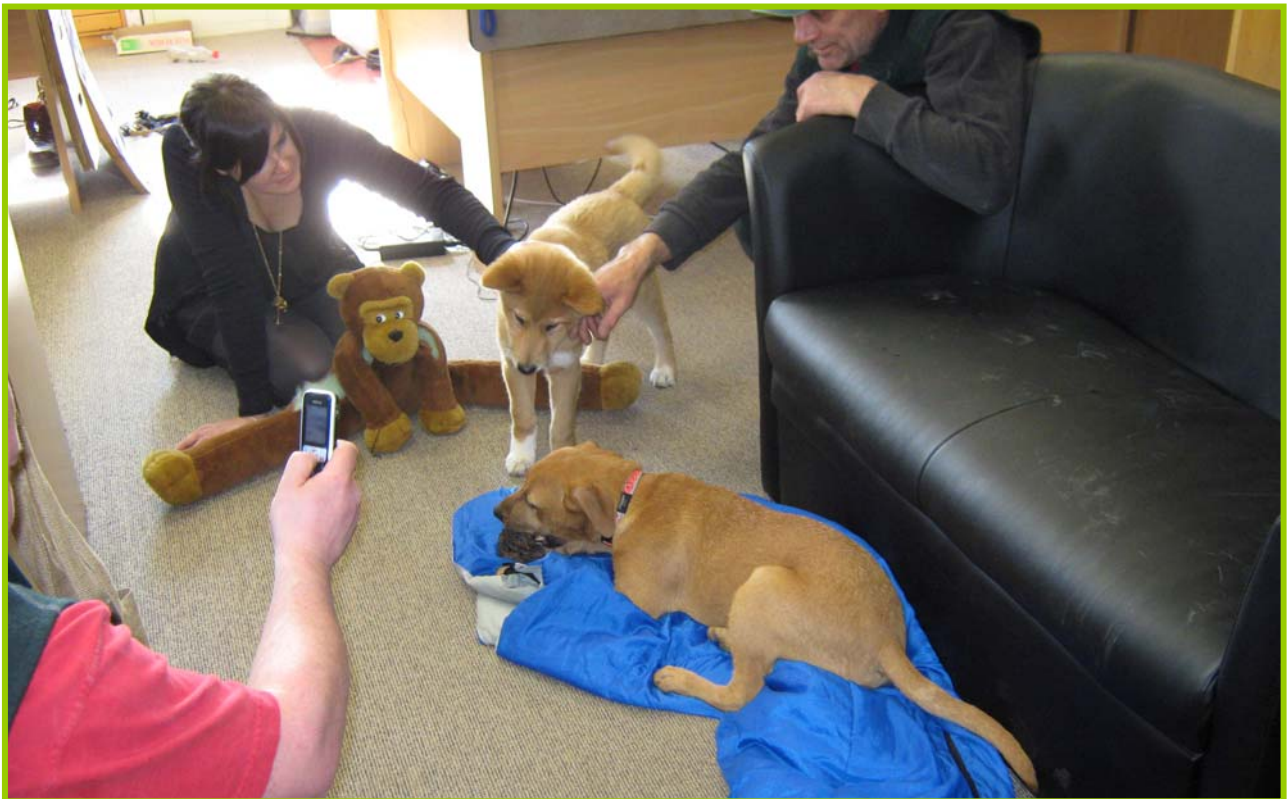
The Trust has set itself a target of raising \$5.2 million in capital funding by 2016 as its contribution to the Zoo Capital Programme. At the end of April 2011 \$3,335,094 has been raised towards this target for specific ZCP projects.

Capital Funds Generated by Wellington Zoo Trust	2006/07	2007/08	2008/09	2009-10	Forecast 2010-11
Capital Funds Raised	\$775,209	\$846,389	\$488,852	\$820,482	\$404,162

7 THE REMAINING ZCP AND ASSOCIATED FUNDRAISING STRATEGY

The ZCP runs from 2006 to 2016. The current programme is outlined below from the start to the proposed final years of the investment. Understandably over ten year costs of capital projects increases and as the ZCP had no inbuilt inflationary increase some projects from the original ZCP are unable to be included in the next four years. The major projects affected are the Welcome Plaza, the Tropical River Trail Aviary and the off exhibit Monkey House. The Trust will be in a clearer position to inform Council about the requirements for these projects well before this current ZCP is complete.

The table below indicates the proposed phasing of the ZCP until 2016. This varies from the current LTCCP. The Trust will further discuss this phasing with Council Officers.



Wellington Zoo staff introducing Percy our SPCA puppy to our dingo puppy Wolfrik – September 2010

PROPOSED PHASING OF REMAINDER OF ZCP	2011/12	2012/13	2013/14	2014/15	2015/16	TOTAL spend to end of current ZCP
Completion of The Hub which will create a central place in the Zoo for reptile exhibits, fun play for children and a new café for all visitors. It also house Kamala's Function Centre which will enable the Zoo to increase revenue and provide Wellington with a unique conference and function space for over 100 guests.	380,000					\$380,000
Asia (sun bears and tigers) will provide the Zoo's iconic sun bears with a new home and improve visitor viewing at the tigers. This project also addresses severe gradients in that part of the Zoo and adds to the thematic, contextual visitor engagement strategy of the new developments	2,300,000					\$2,300,000
Meet the Locals is the NZ precinct from sea to the mountains. With walkthrough aviaries, an interactive sustainable farm and up close and personal experiences this precinct will engage visitors with the NZ of the future and provide state of the art animal housing and staff areas.	386,403	1,265,000	1,265,615			\$2,917,018
Meet the Locals				582,982		\$582,982
Australia will be a walkthrough exhibit which will house iconic Australian animals. This precinct will improve animal housing and allow visitors to be up close with these Aussie icons.				1,282,691		\$1,282,691
TOTAL	\$3,066,403	\$1,265,000	\$1,265,615	\$1,865,673	\$0	\$7,462,691

These projects will enhance the visitor experience and meet the health and safety and animal welfare requirements agreed in the original ZCP Business case.

The fundraising strategy is currently being reviewed in light of successful ZCP fundraising results. The Trust is still to raise \$1.7m over the next four years, having successfully raised \$3.3m to date. The Trust wishes to encompass best practice capital fundraising approach and raise this sum as a whole rather than by project as is currently the case. With this approach we will be able to adapt our fundraising across the whole spectrum of fundraising opportunities rather than relying on Trusts and Foundations for most of our support. Through this approach we can tailor our fundraising activities in the best way for the donor. Given our research and success to date we feel confident that this approach will bear the results we require. We are conducting a feasibility study to ensure this approach is solid. The feasibility study will be complete in May 2011. After this we will have further discussions with Council Officers to decide the way forward.

7.2 GIANT PANDA

The Department of Prime Minister and Cabinet (DPMC) asked for Expressions of Interest in hosting Giant panda from the four major NZ zoos by January 14, 2011.

Results from the EOI process are not available at this time but we predict that Wellington Zoo will have further discussions with DPMC in this regard. A complete feasibility study needs to be undertaken to ensure due diligence for this project. With the recent growth in tourism from Asia to NZ and the business benefits achieved in South Australia from hosting panda we believe this project is a compelling strategic initiative for Wellington.

As this project progresses we will continue to inform WCC of any developments. In regard to costs we cannot provide accurate figures at this stage but we would expect a solid feasibility study to be in the vicinity of \$40,000 to \$70,000. Arrival of the Giant panda is most likely to be at least three to five years away based on information available from MFAT and DIA.

Giant panda acquisition is now on hold for the foreseeable future as the Central Government invests in rebuilding Christchurch. Wellington Zoo will be advised should this project be resurrected in the future.



New baby chimpanzee, Malika – Born October 2010

8 RUGBY WORLD CUP

Collaborating with our partners and other Wellington CCOs, Wellington Zoo will make a contribution to Rugby World Cup, which is a significant event for our city. This event will enable all of us to undertake some activities which will act as prototypes for future possibilities around joint marketing and experience offerings in particular.

Some examples of our marketing and visitor engagement plan include;

- Working with PWT on their giant famils and other famils to ensure open access to the Zoo to visiting VIPs, teams, and media.
- Working with PWT on their Visitor Guide and in provision of services at their iSite.
- Creating an atmosphere that the African Savannah at Wellington Zoo is the South African team and their supporters' 'home away from home', including a special event day at the Zoo where we hope to have the players visit us, including the provision of a special tour in Afrikaans and a braai.
- Creating PR stories, for example around the South African team, including hosting them at the Zoo.
- Training for our customer service and visitor engagement staff in KiaOraMai.
- Promotion of the city's Hop On Hop Off bus to make it easy for visitors to Wellington to find the Zoo. We will also work with PWT on promoting the Wellington City Sites visitor attractions ticket.
- Celebrating Wellington Zoo's native animals for the duration of the RWC and the October school holidays.
- Engaging with teams and their supporters while they are visiting Wellington, including allocating each team a Wellington Zoo animal as their mascot.
- Capturing the visiting friends and relatives (VFR) that Wellingtonians will no doubt host during the RWC by giving a special value add offer to those VFRs when they come to Wellington.
- Supporting the WCC proposed open days to ensure Wellingtonians are aware of all our city has to offer.

9 SHARED SERVICES AND EFFICIENCIES

Wellington Zoo Trust has, since its inception, operated on a shared services model with WCC. This is particularly successful in the areas of IT support, HR support, financial processing and procurement and CCO Unit Liaison.

We have indicated to WCC officers that we support this model of operation and we are willing to assist to create greater efficiencies for all CCOs within WCC.

10 COOPERATION IN MARKETING, PROMOTION AND PUBLIC RELATIONS

Wellington Zoo Trust works with PWT and other CCOs to better deliver mutual outcomes. Wellington Zoo has an MOU with the Wellington City Council Communications Team on how we work together for mutual benefit on a 'no surprises' basis.

We already have MOUs with PWT and Zealandia for specific outcomes associated with the areas our businesses can best collaborate. We work with the Museums Trust as the situation arises but to date this has been in the area of culturally important memorabilia from the Zoo's history. However we welcome the initiative of the Museums Trust in regard to the proposed Wellington card for local residents to receive benefits from their local attractions.

We welcome, and are part of, the discussions to better market Wellington such as Rugby World Cup, the City Sights Hop On Hop Off bus, joint packaging to visitor attractions, the proposed Wellington card and other initiatives to create a more holistic approach to marketing Wellington.

Wellington Zoo Trust hosted a meeting of all the Chief Executives of the WCC CCOs last year – a first for the CCOs – and we all agreed this was an excellent initiative which we support to continue. We believe that these types of meetings allow us to discuss common issues and opportunities and grow our relationships.

We would welcome any specific direction from WCC as to how to ensure this cooperation can be strategically aligned to WCC outcomes for our city.



Signage at our newest development The Roost Te Pae Manu

11 MEASURES

Over time the Trust reviews its measures and seeks to provide measures which show business growth and improvement. For 2011-12 the following table indicates the most important measures for WCC to monitor as far as the business case and ongoing growth of the business is concerned.

Measure	Frequency of measure	Target 2011-12	Target 2010-11	Actual 2009-10	Notes
Fundraising targets for ZCP reached or exceeded	Annually	\$766,601	\$658,894	\$720,499	Varies according to Business Case and CAPEX spend
		The target for 2011.-12 is 25% of the total spend but as this is a transitional year for our fundraising strategy so we may need some flexibility around that target within the range of 20-25%. Of total spend.			
Meeting ZCP project timing and budget programme	Per project	Phase two of The Hub December 2011 Completion of the Asia precinct March 2012	Phase one of The Hub Completion of The Roost Te Pae Manu		New measure
Increase total admissions by 2% each year on base year 2005/06 (170,116 visitors) as per Business Plan	Quarterly (see table below)	191,982	187,810	183,286	2% growth pa required from the ZCP Business Case
Meeting the 2011-12 budget	Annually				New measure
Average income per visitor (excluding WCC grant)	Quarterly	\$14.86	\$13.76	\$13.29	
Ratio of Trust generated income as % of WCC grant	Quarterly	102%	92%	90%	
Average WCC subsidy per visitor	Quarterly	\$14.58	\$14.90	\$14.78	
Staff Survey conducted	Annually	October 2011	October 2010	Aug-09	
Staff turnover (not including casual and fixed term roles)	Annually	<15%	<15%	11.94%	Measure to be met or exceeded
Collection in managed programmes (% of total Collection)	Annually	41%	41%	39.09%	Percentage approved by Regional Zoo Association
Volunteer hours (FTE)	Annually	≥5 FTE	≥5 FTE	5.54 FTE's	
Wellingtonians visiting the Zoo	Annually	50%	50%	44%	From RSS and Zoo market research
Measure visitor feedback and satisfaction	Annually	1 research project			New measure
Back Office functions review for Shared Services model	Annually	Completed by date directed by WCC			New measure

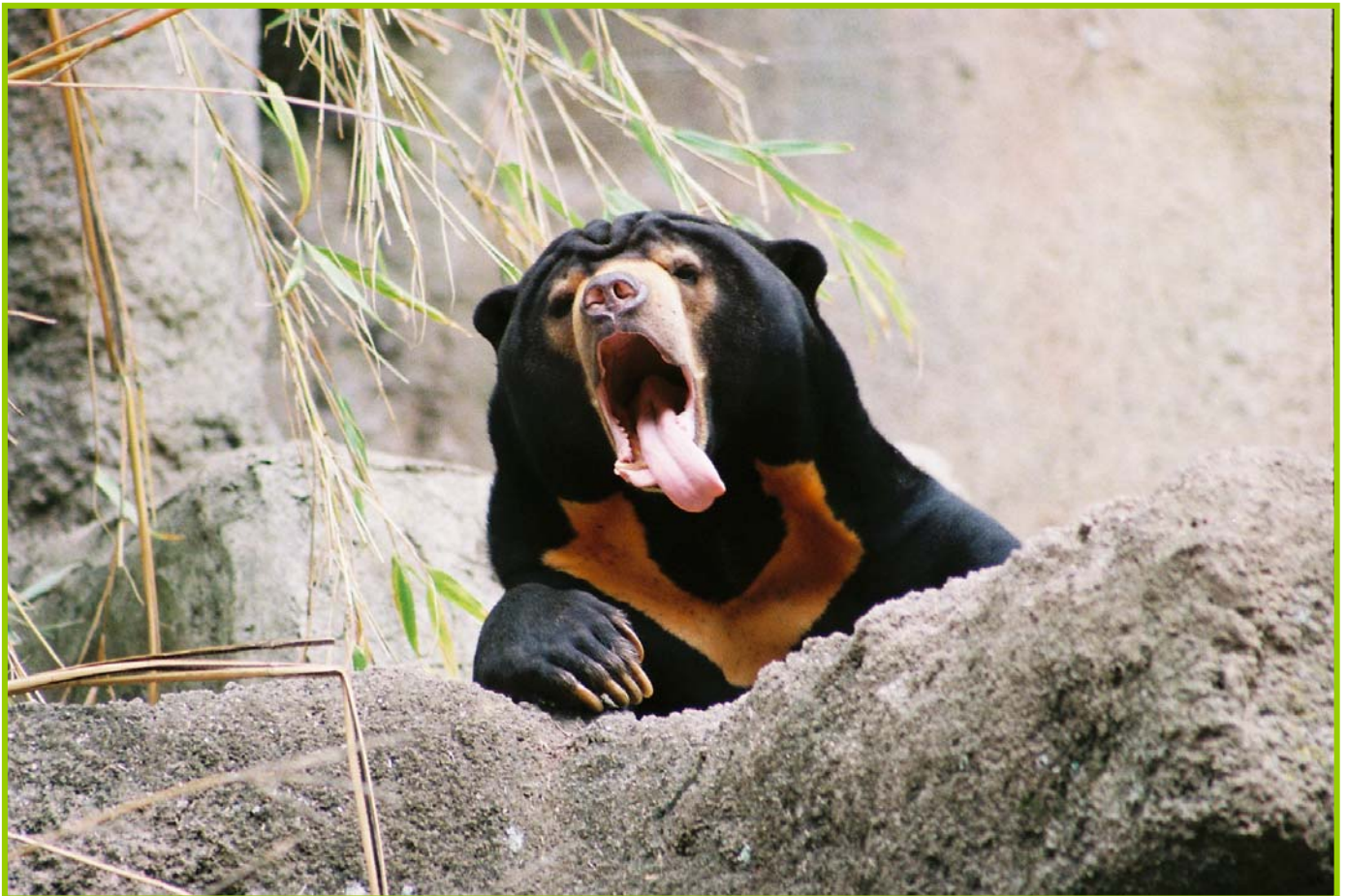
BUDGETED VISITOR NUMBERS BY QUARTER FOR 2011-12

Q1	Q2	Q3	Q4	TOTAL
42,017	48,729	60,010	41,225	191,982

12 RISK MANAGEMENT

The Wellington Zoo Trust has a Finance, Audit and Risk Committee which meets as required throughout the year. The Board monitors our risk matrix at each Board meeting and this matrix is updated as required. The Trust also has a rigorous Risk Management Policy.

The Wellington Zoo Trust seeks to minimise business risk by applying risk analysis and mitigation of identified risks. The Plan is outlined on the following pages.



Sun bear, Sasa – December 2010


Risk Analysis & Mitigation Plan for Wellington Zoo Trust


Risk No	Areas of Risk	Risk Identification	Probability	Impact	Risk Value	Impact	\$ Value of Risk	Risk Treatment	Owner
1	Financial, H & S, Operational, Collection, Visitation	Natural Disasters causing destruction and infrastructure failure	-2	7	5			Continue developing contingency plan. Civil Defence kit kept on site and maintained.	GMO
2	Financial, H & S, Operational, Collection, Visitation	Loss of business due to weather	0	5	5			Marketing Strategy	Group Manager Commercial Development
3	Financial, H & S, Operational, Visitation, Fundraising, ZCP	Attraction and Retention of Key Staff	-1	6	5			Succession planning, staff development, Recruitment and Induction Policies, Remuneration Policy.	CEO
4	Financial, H & S, Visitation, ZCP	ZCP Fundraising Targets Not Reached	-1	6	5		\$478K:10/11 Financial Year	Fund Raising Strategy, Projects on hold, relationship building	Group Manager Commercial Development
5	Financial, H & S, Operational, Visitation, Reputational Fund Raising, ZCP	Significant site incident (including animal related incidents)	-2	7	5			Health & Safety Management System, Emergency Procedures, Safe Operating Procedures, Containment Standards, Staff Training	CEO
6	Financial, H & S, Operational, Visitation, ZCP, Collection	Building Fire (Including animal night quarters)	-1	6	5			Health & Safety Management System, Fire Alarms, Building WOF's, Emergency Procedures Manual	GMO
7	Financial, H & S, Operational, Collection, Visitation	Zoonotic Disease	-3	7	4			Avian influenza contingency plan, screening policy, MAF Guidelines, ERMA policies	GMO
8	Financial, H & S, Operational, Visitation, Fundraising, ZCP	Project Design, Development and Delivery Risk (including not obtaining resource consent)	-2	6	4			Project Management Process	CEO
9	Financial, Operational, Reputational, Visitation, Fundraising, ZCP	Reputation Falters	-3	6	3			Code of Conduct, Communications Strategy, Fund Raising Audit Process	CEO
10	Financial, H & S, Operational, Collection	Security Breach / Vandalism	-2	5	3			CCTV System, Security Alarms, Maintenance of Perimeter Fence	GMO
11	Financial, Reputational, Visitation, Fundraising	Loss of Business Due to Competition / Economic Downturn	-1	4	3			Business Plan, Strategic Plan	CEO
12	Financial, Operational, Visitation, Fundraising, ZCP, Collection, H & S	IT and Utilities Infrastructure Loss and Failure	-1	4	3			Emergency Procedures Manual, Zoo Manual	GMO
13	Financial, H & S, Operational, Collection, Visitation, Reputational, Fundraising	Reduction or Withdrawal of Support From Wellington City Council	-3	6	3			Business Plan, Recognition Policy, Statement of Intent, Contract for Services, Communications Strategy	CEO
14	Financial, Operational, Visitation, Reputational Fund Raising, ZCP	Inability to import animals to replace collection	-1	4	3			Collection Plan	CEO
15	Financial, Operational, Reputational, Visitation, Fundraising	Loss of LEOTC contract	-2	4	2		\$247,000	Meet KPI's as per Contract	Group Manager Visitor Experience
16	Financial, Operational, Reputational, Fund Raising, ZCP	Inappropriate procurement processes followed	-2	4	2			Procurement Policy, Register of Interests	CFO
17	Financial, Operational, Reputational Fundraising	Fraud	-3	4	1			Well documented procedures and spot audits of procedures. Daily sign off for banking and float reconciliations	CEO


Score	Probability that the Event will Occur
1	Almost Certain and / or could occur frequently
0	Very likely to occur and / or could occur more than once
-1	Moderately likely to occur and / or could occur at least once
-2	Unlikely to occur and / or might occur once
-3	Very unlikely to occur


Score	Level of Impact of the Event Occurring
7	Catastrophic Damage value greater than 50% of the project value, or Major delay to the project completion, or Major impact on this and other business opportunities
6	Very High Impact Damage value about 20% - 50% of the project value, or Significant delay to project completion, or Significant impact on this and other business opportunities
5	Major Damage value about 5% - 20% of the project value, or Project completion affected, or Some impact on this or other business opportunities
4	Minor Damage value less than 5% of the project value, or Project completion not impacted (although a phase of the project may be), or This business opportunity could be impacted
3	Negligible Damage value covered by contingency, any delays barely noticeable and client unaffected
2	Minimal

These two scores are added together to give a "Risk Value". This will be in the range zero to eight.

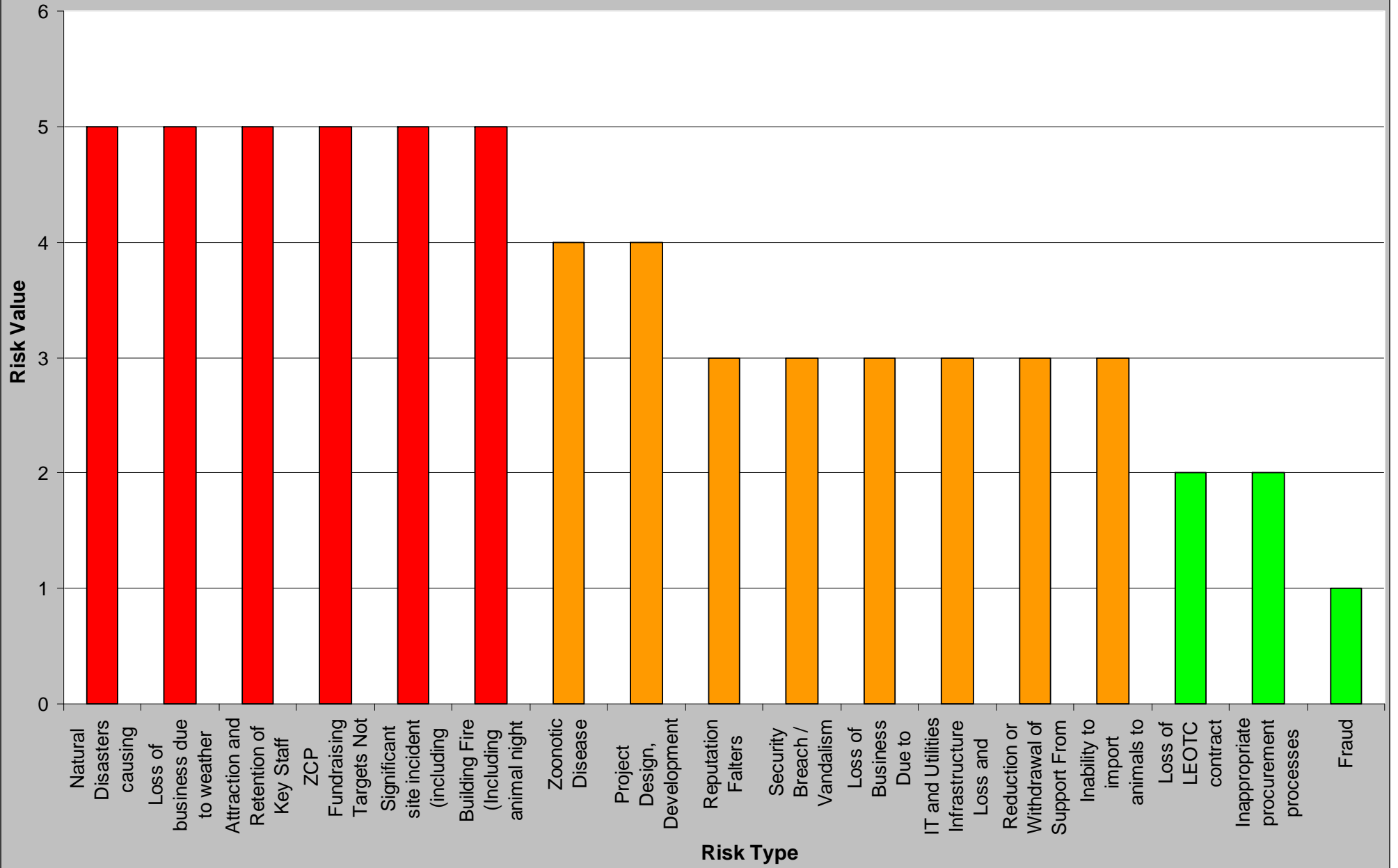
 All risks with a Risk Value of 5 - 8 must have a mitigation plan developed and agreed by all parties to the project. This level of risk will probably require some immediate special action or special planning dedicated to reducing the particular risk. A contingency plan should also be developed.

 All risks with a Risk Value of 3 or 4 shall have a mitigation plan so they can be managed.

 All risks with a Risk Value of 0 - 2 can just be recorded and accepted as such until such time as they produce a higher score.

 Any risk that has a Probability Value of one (1) or an Impact Value of five (5) or more must still have a mitigation plan even if the overall Risk Value is less than five.

Wellington Zoo Trust Risk Matrix



13 RELATIONSHIP WITH COUNCIL

The Trust will report quarterly to the Council through the Council Controlled Organisations Monitoring Sub-Committee on the Key Performance Indicators above and over all financial performance.

The Trust's Statement of Financial Performance and audited accounts will be presented to Council within 60 days of financial year end.

The Trust will disclose any material or potentially contentious transactions that are planned within its annual business plan. Where this is not possible, the earliest practicable notice will be given to Council of such transactions.

The Trust will publicly acknowledge Council's contribution to the Zoo wherever appropriate.

The principles governing the relationship between the Trust and Council will include:

- A "no surprises" approach which is addressed in the Memorandum of Understanding with Wellington City Council Communications
- Open communications which acknowledge each partner's objectives and constraints
- Mutually respectful negotiation of resolution of differences
- Reciprocal recognition of the requirements of each other's processes
- Regular meetings between Wellington City Mayor, Wellington City Council Chief Executive, Wellington Zoo Trust Board Chair and Wellington Zoo Trust Chief Executive to discuss issues and direction.

Wellington Zoo Trust will recognise Wellington City Council as Principal Funder of the Zoo as part of the Trust's Recognition Policy.

This recognition is offered to Wellington City Council in the spirit of partnership with the Zoo as we mature as a charitable trust. We would like to ensure that we recognise all donors and funders in an appropriate way and note that if we were to receive such a large donation from a private individual or company as the one the Council gives to us, we would be recognising that donation in a similar way.

Wellington Zoo Trust will provide the following benefits to the Wellington City Council for its continued operational and capital expenditure support of Wellington Zoo Trust.

13.1 BRANDING BENEFITS

The Trust will:

- use the Absolutely Positively Wellington logo to recognise the Council's contribution where practicable
- recognise Wellington City Council in our regular Communication Channels
- acknowledge the Council's contribution in our newsletter and website editorial
- use a boilerplate outlining Wellington City Council contribution on all media releases
- provide a framed certificate of partnership for the Council foyer
- send the Zoo's quarterly newsletter, "Zoo Views - news from the best little zoo in the world"
- ensure prominent mention in the Trust's annual report
- ensure that the Council's logo is on the Zoo's web site with a hotlink
- allow the Council to use the Zoo's logo
- construct signage relevant to the Council's grant at new exhibits
- maintain the Council's name on the partners' tree inside Zoo

13.2 HOSPITALITY BENEFITS

We will:

- invite Directors and Councillors to all standard Zoo events
- give Wellington City Council access to the use of two venues at the Zoo per year, for example the Wild Theatre or Archibald Centre
- provide the Council with 110 single passes to the Zoo per year:
 - 10 for each directorate, including the Chief Executive's office to be administered by the Communications Manager. It is up to each Directorate as to how these passes are given out.

13.3 STAFF BENEFITS

We will:

- Provide Council Staff discount on all Zoo products, such as Encounters and Sleepovers (20%). This does not include sales at the Zoo's catering outlets.
- Hosting of a Council Picnic Day at Wellington Zoo, free of charge to all Council employees and their families:
 - To be held in the summer months annually
 - Held on two consecutive Saturdays to ensure all workers can attend
 - Council is welcome to utilise these events as the staff Christmas events or any other 'special day'

14 TRUST'S ACCOUNTING POLICIES

Statement of Significant Accounting Policies

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 has been negotiated for a period of 3 years to 30 June 2012.

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 Equivalents to International Financial Reporting Standards (NZIFRS).

Reporting Period

The reporting period for these financial statements is for the year ended 30 June 2010.

The financial statements were authorised for issue for the Board of Trustees on 13 August 2010.

Accounting Policies

The measurement basis applied is historical cost, modified by the revaluation of certain assets and liabilities as identified in this statement of accounting policies.

The accrual basis of accounting has been used unless otherwise stated. These financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated.

Judgements and Estimations

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Where material, information on the major assumptions is provided in the relevant accounting policy or will be provided in the relevant notes.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised when the revision affects only that period. If the revision affects both current and future periods, it is reflected in the current and future periods.

Judgements that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year, are discussed in the relevant notes.

REVENUE

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.

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.

Interest

Interest is accrued using the effective interest rate method.

EXPENSES

Grants and subsidies

Expenditure is classified as a grant if it results in a transfer of resources to another entity in return for past or future compliance with certain conditions relating to the operating activities of that entity. Grants expenditure includes any expenditure arising from a funding arrangement with another entity that has been entered into to achieve the objectives of the Trust. Grants are distinct from donations which are discretionary charitable gifts.

Where grants and subsidies are discretionary until payment, the expense is recognised when the payment is made. Otherwise, the expense is recognised when the specified criteria have been fulfilled and notice has been given.

Donated 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.

FINANCIAL INSTRUMENTS

The Group classifies its financial assets and financial liabilities according to the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Non Derivative Financial Instruments

Financial Assets

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. Trade and other receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date for loans of a similar maturity and credit risk. Trade and other receivables issued with duration less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired.

Cash and cash equivalents comprise cash balances and call deposits with up to three months maturity from the date of acquisition. These are recorded at their nominal value

Financial liabilities

Financial liabilities comprise trade and other payables and borrowings. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

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 consist 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. Losses resulting from impairment are reported in the Statement of Financial Performance, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease.

Disposal

Realised gains and losses arising from the disposal of property, plant and equipment are recognised in the Statement of Financial Performance 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:

Audio Visual Equipment	3 years
CCTV	3 years
Projector	5 years
Incubators	10 years
Shade Sail	10 years
Hospital Equipment	10 years
Garden Furniture	12.5 years
Living Room Furniture	15 years
Composter	10 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. Borrowing costs are not capitalised.

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.

Holiday Leave

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 and Retirement Gratuities

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. The discount rate used represents the Zoo's average cost of borrowing.

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. Liabilities and provisions to be settled beyond 12 months are recorded at their present value

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.

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 retained earnings 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 subject to the netting of certain cash flows. Operating activities include cash received from all income 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, Group, key management personnel and the governing body (Trust Board).

Directors' remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a director 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.

Comparative figures

The Trust has adopted the NZ equivalents to International Financial Reporting Standards.

Changes in Accounting Policies

There have been no changes in accounting policies. Uniform accounting policies have been applied on a consistent basis during the year. Any changes in accounting policies are approved by the Finance and Audit Committee of the Trust.

The Trust has adopted the following revision to accounting standards during the financial year, which have had only a presentational or disclosure effect.

NZ IAS 1 Presentation of Financial Statements (Revised 2007) replaces NZ IAS 1 Presentation of Financial Statements (Issued 2004). The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with owners. The Trust has decided to prepare a single statement of comprehensive income for the year ended 30 June 2010 under the revised standard. Financial statement information for the year ended 30 June 2009 has been restated accordingly. Items of other comprehensive income presented in the statement of comprehensive income were previously recognised directly in the statement of changes in equity.

As the Trust has no non-owner changes in equity, such as gains or losses in assets or financial instruments through comprehensive income or changes in hedges, the Trust's comprehensive income is equal to its surplus after tax.

15 FUNDING SOUGHT FROM COUNCIL

To deliver the services described in this Statement of Intent, the Trust is seeking a continuation of the current **operational funding grant of \$2,799,000** for the 2011-12 year.

Although the Trust does not own the Zoo's assets, it is charged with planning and developing them under its founding documents. Accordingly, the Trust has requested that the Council approve **\$3,066,403 for CX340** and **\$242,384 for CX125** for 2011-12.

If the discussions in regard to Giant panda proceed further then a feasibility study will need to be undertaken within the year DPMC announce the possible hosts. We would expect this study to be in the range of **\$40,000 to \$70,000**. Any financial discussions will occur with all parties once any further information is forthcoming.

16 OBLIGATIONS/LIABILITIES

The Trust has no significant obligations or contingent liabilities.

17 DISTRIBUTION TO SETTLOR

The Wellington Zoo Trust does not make a distribution to the Settlor.



Ross Martin
Chairperson

APPENDIX ONE – FINANCIAL INFORMATION

CCO: Wellington Zoo Trust Business Plan 2011/12		\$NZ000's						
Estimate 30-Jun-11	EARNINGS STATEMENT	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	Total YE 30-Jun-13	Total YE 30-Jun-14
	Revenue							
2250	Trading Income	528	684	761	498	2,471	2,583	2,705
2799	WCC Grants	700	700	700	699	2,799	2,799	2,799
82	Other Grants	21	21	20	20	82	82	82
180	Sponsorships and Donations-Operational	49	49	49	50	197	197	197
836	Sponsorships and Donations-Capital				600	600	600	600
24	Investment Income	8	4	7	3	22	22	22
70	Other Income	15	24	23	18	80	80	90
6,241	Total Revenue	1,321	1,482	1,560	1,888	6,251	6,363	6,495
	Expenditure							
3,573	Employee Costs	931	931	931	932	3,725	3,825	3,902
1,796	Other Operating Expenses	495	459	457	489	1,900	1,912	1,967
26	Depreciation	7	6	7	6	26	26	26
0	Interest					0	0	0
1,006	Vested Assets				600	600	600	600
6,401	Total Expenditure	1,433	1,396	1,395	2,027	6,251	6,363	6,495
(160)	Net Surplus/(Deficit) before Taxation	(112)	86	165	(139)	0	0	0
0	Taxation Expense					0	0	0
10	Operating Surplus (Deficit)	(112)	86	165	(139)	0	0	0
(160)	Net Surplus/(Deficit)	(112)	86	165	(139)	0	0	0
0.2%	Operating Margin	-8.5%	5.8%	10.6%	-7.4%	0.0%	0.0%	0.0%

Estimate 30-Jun-11	STATEMENT OF FINANCIAL POSITION	As at 30-Sep-11	As at 31-Dec-11	As at 31-Mar-12	As at 30-Jun-12		As at 30-Jun-13	As at 30-Jun-14
	Shareholder/Trust Funds							
0	Share Capital/Settled Funds	0	0	0	0		0	0
0	Revaluation Reserves	0	0	0	0		0	0
120	Restricted Funds	120	120	120	120		120	120
262	Retained Earnings	150	236	401	262		262	262
382	Total Shareholder/Trust Funds	270	356	521	382		382	382
	Current Assets							
1,092	Cash and Bank	1,686	1,078	1,950	1,118		1,144	1,192
100	Accounts Receivable	85	85	85	110		85	85
60	Other Current Assets	60	60	60	60		60	60
1,252	Total Current Assets	1,831	1,223	2,095	1,288		1,289	1,337
	Investments							
0	Deposits on Call	0	0	0	0		0	0
0	Other Investments	0	0	0	0		0	0
0	Total Investments	0	0	0	0		0	0
	Non-Current Assets							
92	Fixed Assets	85	79	72	66		40	14
0	Other Non-current Assets	0	0	0	0		0	0
92	Total Non-current Assets	85	79	72	66		40	14
1,344	Total Assets	1,916	1,302	2,167	1,354		1,329	1,351
	Current Liabilities							
616	Accounts Payable and Accruals	600	650	650	650		600	600
	Provisions						0	0
300	Other Current Liabilities	1,000	250	950	276		301	323
916	Total Current Liabilities	1,600	900	1,600	926		901	923
	Non-Current Liabilities							
0	Loans - WCC	0	0	0	0		0	0
0	Loans - Other	0	0	0	0		0	0
46	Other Non-Current Liabilities	46	46	46	46		46	46
46	Total Non-Current Liabilities	46	46	46	46		46	46
382	Net Assets	270	356	521	382		382	382
1.4	Current Ratio	1.1	1.4	1	1.4		1	1.4
28.4%	Equity Ratio	14.1%	27.3%	24.0%	28.2%		28.7%	28.3%
	STATEMENT OF CASH FLOWS							
Estimate 30-Jun-11		Qtr to Sep-11	Qtr to Dec-11	Qtr to Mar-12	Qtr to Jun-12	Total YE Jun-12	Total YE Jun-13	Total YE Jun-14
	Cash provided from:							
2,250	Trading Receipts	528	684	761	498	2,471	2,583	2,705
2,799	WCC Grants	1399	0	1400	0	2,799	2,799	2,799
82	Other Grants	21	21	20	20	82	82	82
1,016	Sponsorships and Donations	49	49	49	650	797	797	797
24	Investment Income	8	4	7	3	22	22	22
70	Other Income	15	24	23	18	80	80	90
6,241		2,020	782	2,260	1,189	6,251	6,363	6,495
	Cash applied to:							
3,573	Payments to Employees	931	931	931	932	3,725	3,825	3,902
1,796	Payments to Suppliers	495	459	457	489	1,900	1,912	1,945
	Net GST Cashflow					0	0	0
1,006	Other Operating Costs (VESTING)			0	600	600	600	600
	Interest Paid	0				0	0	0
6,375		1,426	1,390	1,388	2,021	6,225	6,337	6,447
(134)	Total Operating Cash Flow	594	(608)	872	(832)	26	26	48
	Investing Cash Flow							
	Cash provided from:							
	Sale of Fixed Assets					0	0	0
	Other					0	0	0
0		0	0	0	0	0	0	0
	Cash applied to:							
0	Purchase of Fixed Assets					0	0	0
0	Other -vesting Cash for Capital Projects	0	0	0	0	0	0	0
0		0	0	0	0	0	0	0
0	Total Investing Cash Flow	0	0	0	0	0	0	0

Estimate 30-Jun-11	STATEMENT OF CASH FLOWS (CONT)	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	Total YE 30-Jun-13	Total YE 30-Jun-14
	Financing Cash Flow							
	<i>Cash provided from:</i>							
	Drawdown of Loans					0	0	0
	Other					0	0	0
0		0	0	0	0	0	0	0
	<i>Cash applied to:</i>							
	Repayment of Loans					0	0	0
	Other					0	0	0
0		0	0	0	0	0	0	0
0	Total Financing Cash Flow	0	0	0	0	0	0	0
(134)	Net Increase/(Decrease) in Cash Held	594	(608)	872	(832)	26	26	48
1,226	Opening Cash Equivalents	1,092	1,686	1,078	1,950	1,092	1,118	1,144
1,092	Closing Cash Equivalents	1,686	1,078	1,950	1,118	1,118	1,144	1,192

Estimate 30-Jun-11	CASH FLOW RECONCILIATION	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	Total YE 30-Jun-13	Total YE 30-Jun-14
(160)	Operating Surplus/(Deficit) for the Year	(112)	86	165	(139)	0	0	0
	<i>Add Non Cash Items</i>							
26	Depreciation	7	6	7	6	26	26	26
	Other (Gifted Hospital Assets)		0		0	0	0	0
(134)		(105)	92	172	(133)	26	26	26
	Movements in Working Capital							
522	(Increase)/Decrease in Receivables	15	0	0	(25)	(10)	25	0
90	(Increase)/Decrease in Other Current Assets		0	0	0	0	0	0
(170)	Increase/(Decrease) in Accounts Payable	(16)	50	0	0	34	(50)	0
(442)	Increase/(Decrease) in Other Current Liabilities	700	(750)	700	(674)	(24)	25	22
0		699	(700)	700	(699)	0	0	22
	Net Gain/(Loss) on Sale:							
	Fixed Assets	0				0		
	Investments	0				0		
0		0	0	0	0	0	0	0
(134)	Net Cash Flow from Operations	594	(608)	872	(832)	26	26	48
0	Check	0	0	0	0	0	0	0

Wellington Zoo Trust

Business Plan

2011-12



Kakapo Chick in The Nest Kōhanga May 2011 – Solstice One at 35 days old

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Introduction	3
1 Our Vision, Dream, Purpose, Commitments	4
2 Strategic Elements	5
3 Delivering the Strategic Elements	10
4 Structure	13
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6 Financial Requirements	18

Introduction

The Business Plan for 2011-12 will assist Wellington Zoo Trust to clarify decisions, focus action and research the key developments and prospects for Wellington Zoo this financial year. It provides a logical framework within which to develop the business and pursue the six strategic elements. It also provides measures for actual performance against the six strategic elements.

Wellington Zoo is a unique business within Wellington, being the only zoo in the capital city and in fact the region. The Zoo is a well loved community asset and it is well supported by Wellingtonians and visitors to Wellington. The Zoo provides a visitor facility with high value at affordable cost and the Trust endeavours to provide accessibility for all sectors of the community while operating within a commercial framework.

Wellington Zoo is now on a significant redevelopment programme which has already shown benefits to the Wellington community. The process of creating a 21st century zoo is not without its challenges but the six strategic elements provide focus on the most important outcomes for this type of business. They give a framework to make business choices over the coming year to maximise the long term benefit to the business and to the community.

The Zoo redevelopment Business Case forecasts presented to Wellington City Council in 2006 are consistent with our expectations of the business in the coming year. The Trust is confident that the prudent and successful business decisions made since the inception of the Trust in 2003 will provide a sound foundation for the organisation.

Fundraising is a key outcome for Wellington Zoo Trust so a strategic fundraising programme using all fundraising tactics will be implemented in 2011-12. This fundraising programme will include the already successful traditional funders such as Trusts and Foundations, corporate partners and individual donors through a community campaign and a major gifts capital campaign. The major gifts campaign is a new approach for the Trust and aligns with best practice fundraising. However we are aware that the event in Christchurch will possibly have an effect on our fundraising outcomes this year. The Trust will closely monitor this and ensure WCC is advised should any issues arise.

The Trust is conscious of the operational gap of funding and operational costs which will continue to grow even as the facilities and product offering to the community improve. We are stepping up to our responsibility to provide for a growing proportion of the Zoo's operational requirements over time as we believe the business needs to grow and develop. This is challenging, however, as the operational expenditure required is growing as we improve the asset and the offering to our growing visitor base and as well as provide better care for our animals, enhance our contribution to conservation efforts and provide an improved workplace for our staff. The Trust understands the ramifications of the operational grant projections from Wellington City Council. We have been working to address the long term shortfall by employing a more commercial approach to the operation of the Zoo while also maintaining affordable access without creating a 'discount' mentality in the community.

The Business Plan for 2011-12 addresses these issues and links strategy and operation to produce sound business outcomes by building a strong foundation of business revenues and careful resource allocation.

1 Our Vision, Dream, Purpose, Commitments

VISION

Wellington Zoo ... a magical place of learning and fun, leaving visitors with a sense of wonder and respect for nature, and a belief in the need for a sustainable co-existence between wildlife and people.

DREAM

To be the best little zoo in the world

COMMITMENTS

The Zoo is committed to:

- Highest standards of animal care
- Learning
- Conservation
- Fun
- Creativity
- Partnerships
- Honesty



The Hub – Phase one

2 Strategic Elements

The **Six Strategic Elements** for Wellington Zoo are to:

CREATE OUTSTANDING, INTIMATE AND UNIQUE VISITOR EXPERIENCES

The Zoo Capital Programme (ZCP) will form the basis of new facilities for improved animal housing and visitor experience. Wellington Zoo will continue to build its reputation as a unique and intimate zoo by including more contact animal experiences throughout the Zoo.

The pace of the ZCP roll out will also affect visitor value as some older parts of the Zoo remain undeveloped. In this financial year, however, The Hub will be completed and the Asian Precinct (Sun bears and tigers) will also be completed this year. These projects will highlight the approach to creating a 21st century zoo. We believe that the development of a critical mass of improved visitor experience (both large and small projects) will enhance visitation and community support. ASB have agreed to be the naming rights sponsor for the sunbears – the first corporate donor of this magnitude for the Zoo.

Visitor research will be analysed for the Nest Te Kōhanga this year. We have evaluated visitor engagement with this exhibit as it is the most expensive of the ZCP. We want to capture and understand this return on investment.

As almost half the population of Wellington visit the Zoo each year (according to the Wellington City Council Resident Satisfaction Survey), as well as over 30,000 NZ domestic and international tourists, the Zoo recognises its potential to deliver conservation and sustainability messages to our visitors. The ZCP has and will enable 'stage sets' and contexts to be developed to engage visitors with conservation messages that are relevant and can lead to personal action..



Wolfrik Wellington Zoo's Dingo Pup meeting our visitors

INTEGRATE CONSERVATION AND SUSTAINABILITY

Wellington Zoo is committed to conservation being the underpinning reason for existence and will be a key stakeholder in collaborative conservation programmes within the zoo industry and with the conservation agencies of New Zealand.. Managed species programmes in this region ensure the sustainability of zoo collections and have emphasis on CITES 1 (Convention on International Trade in Endangered Species) animals and endangered species.

Wellington Zoo will review its Conservation Strategy this year to focus conservation effort on strategic projects. Conservation messages have been established for all keeper talks in the Zoo and we have continual training for our people in face to face delivery of these messages.

In-situ conservation programmes such as holding Otago and Grand skink insurance populations in partnership with the Department of Conservation also form part of the Conservation Strategy implementation. The organisation has strategically selected in situ conservation programmes to support which relate to our collection and meet conservation outcomes we have identified.

The Zoo has made significant advances to reduce its environmental footprint. This work will be clearly targeted in the Zoo's Conservation Strategy and the Zoo will work towards contributing to Wellington's carbon neutrality. The Zoo has achieved much external recognition in this area and we see sustainability as a point of difference for us and also that it is imperative that we 'walk the talk'.



Wellington Zoo Staff at our Big Bite Two event where we raised over \$35,000

ENSURE FINANCIAL SUSTAINABILITY

The Zoo will continue to monitor all commercial products and continue to build a more commercial culture to ensure a sustainable business model. Wellington Zoo has been successful in obtaining both operational and capital grants and donor support for the operational requirements of the Zoo.

The building of working capital is a prudent business measure that buffers the business from any economic problem. The long term visitation data illustrates the Zoo's vulnerability to bad weather set against the Trust's ongoing responsibility for meeting an increasing share of (rising) operating costs.

The Trust takes its responsibility of financial sustainability seriously and success over the life of the Trust indicates that the Trust will make every effort to ensure this outcome. We seek to mitigate financial risk while still providing an accessible and value for money attraction for Wellington. We will increase prices for some products this year as well as admission for both adults and children. We do not lightly increase prices but this is the one way we can increase our revenue. The GST increase in 2010 has affected our revenue and we must be able to pay for increases in service costs and animal food.

BUILD LASTING COMMUNITY SUPPORT AND PARTICIPATION

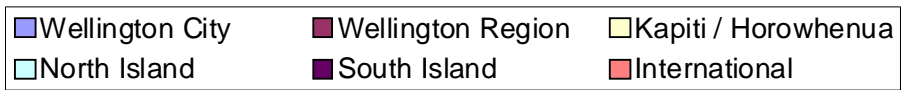
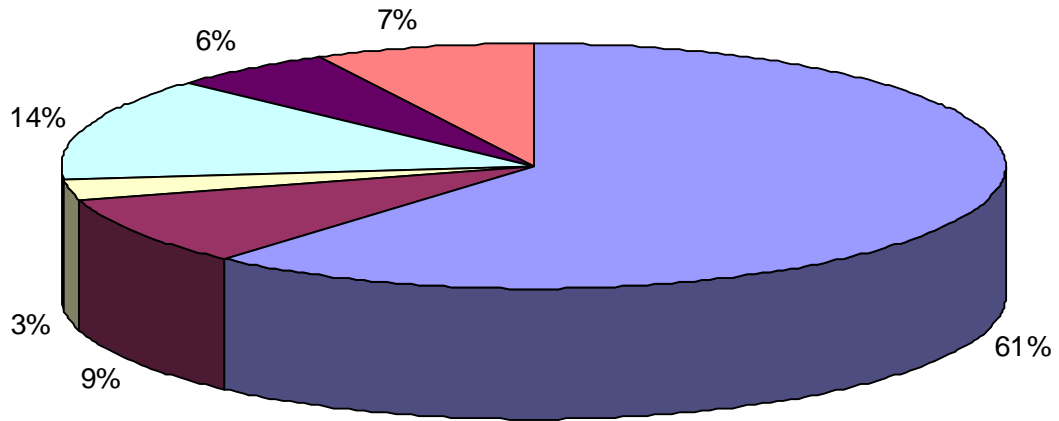
The business case indicates an increase in visitation of 2% per year as a realistic projection of improved attendance as a result of the ZCP.

Wellington Zoo aims to be 'the best little zoo in the world' and has immense community support as can be seen from the recent Colmar Brunton Regional resident survey for Regional amenity funding commissioned by WCC. As a community asset, Wellington Zoo develops partnerships within the community. Wellington Zoo will focus on retaining current Zoo Crew members over the next year as well as the number of participants in the volunteer programme both individual and corporate. These groups within the community become advocates for the Zoo and strong supporters. The Trust initiatives such as Neighbours Night ensure that the Zoo continues to provide affordable access for all sectors of our community. The Zoo provides a high value proposition for visitors at an affordable price.

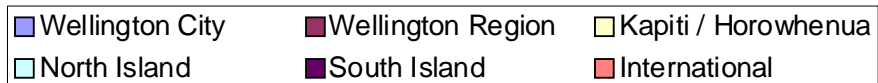
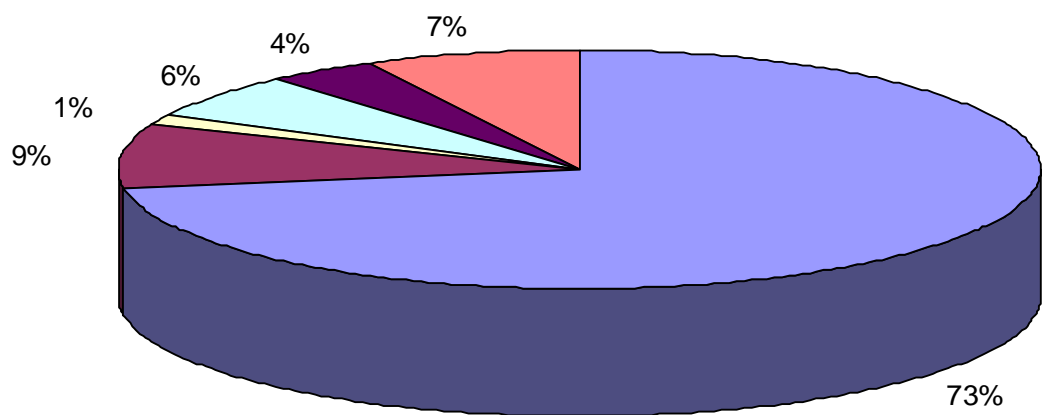


Visitor Engagement staff helping to build and place signs for Houghton Valley School as part of their Bush Builders programme

**Wellington Zoo
Demographics 1 July 08 to 30 June 09**



Demographics 09 to 10



SHOW INDUSTRY LEADERSHIP

Wellington Zoo plays a key role in Australasia as one of the four major zoos in New Zealand. Wellington Zoo is New Zealand's first zoo and its location in the capital city requires it be an industry leader for New Zealand zoos. The Zoo is responsible for population management within the collection for managed regional species and has a number of staff who hold regional zoo industry positions including the Chief Executive who is the Vice President of the Regional Zoo and Aquarium Association Board (soon to be President) and the Zoo Collection Coordinator who sits on the Australasian Regional Collection Planning Committee.

As a conservation agency, the Zoo is able to play a vital role in assisting the community to take positive action for the environment. The Sustainability initiatives have been successful in reducing the environmental footprint of the Zoo and environmental practices in the new construction and other initiatives will further enhance this result and make environmental action more visible to visitors. Wellington Zoo has been recognised by the Sustainable Business Network, HER Business Wellington and the Wellington Gold Awards for our leadership work in the sustainability area. The Chief Executive has recently been elected to the Wellington region Sustainable Business Network Advisory Council and received the Wellingtonian of the Year Award for Environment in 2010.

ENSURE ALL STAFF ADD VALUE AND ARE VALUED

One of the key areas of focus at the Zoo is on our people through training and development.

We have been able to implement an in house learning calendar as well as becoming much more strategic in regard to HR options. Zoo expertise is found in a small pool of people across the world and it is imperative to the success of Wellington Zoo to have skilled and motivated staff. Staff attraction, development and retention are key areas for the Trust as part of the six strategic elements.

However the JRA Best Places to Work survey result (28th out of 245 organisations in 2010) indicates that our People and Culture initiatives are working. As a small zoo the calibre and motivation of our people is critical to our success. We will be completing the JRA Survey again this year.



Barbara Blanchard receiving her 30 year long service award at the annual Wellington Zoo Aoraki Awards

3 Delivering the Strategic Elements

The Strategic Plan outlines the following activities for the next three years which will position the Trust for success. The Trust will show Industry Leadership across its suite of activities.

Strategic Element Addressed	Action
<ul style="list-style-type: none"> Create Outstanding, Intimate and Unique Visitor Experiences 	<ul style="list-style-type: none"> Acquisition of animals – most importantly giraffe, chimps, nyala, squirrel monkeys, dingo, tigers, snow leopard or Giant panda Complete the current ZCP – The Hub, Asia Precinct, Meet the Locals and the Australian Walk through Improve visitor engagement through multilayered consistent experiences for the whole community
<ul style="list-style-type: none"> Achieve Financial Sustainability 	<ul style="list-style-type: none"> Achieve fundraising and budget targets - OPEX and CAPEX Grow commercial revenue through functions, venue hire, catering and product development Achieve visitation targets of 2% growth pa through new markets and retention of the existing visitor base
<ul style="list-style-type: none"> Build Lasting Community Support and Participation 	<ul style="list-style-type: none"> Ensure Wellington Zoo is a credible sustainable, cause related business through sustainable practice, positive reputation and productive partnerships
<ul style="list-style-type: none"> Ensure All Staff are Motivated and Valued 	<ul style="list-style-type: none"> Attract and retain talented staff through development, reward and recognition and positive culture
<ul style="list-style-type: none"> Integrate Conservation and Sustainability across the Organisation 	<ul style="list-style-type: none"> Support the current suite of conservation projects through the Conservation Fund and Conservation Leave

Statement of Intent (SOI) Measures

The following targets are included in the SOI and are monitored by WCC.

Measure	Frequency of measure	Target 2011-12	Target 2010-11	Actual 2009-10	Notes
Fundraising targets for ZCP reached or exceeded	Annually	\$766,601 The target for 2011.-12 is 25% of the total spend but as this is a transitional year for our fundraising strategy so we may need some flexibility around that target within the range of 20-25%. Of total spend.	\$658,894	\$720,499	Varies according to Business Case and CAPEX spend
Meeting ZCP project timing and budget programme	Per project	Phase two of The Hub December 2011 Completion of the Asia precinct March 2012	Phase one of The Hub Completion of The Roost Te Pae Manu		New measure
Increase total admissions by 2% each year on base year 2005/06 (170,116 visitors) as per Business Plan	Quarterly (see table below)	191,982	187,810	183,286	2% growth pa required from the ZCP Business Case
Meeting the 2011-12 budget	Annually				New measure
Average income per visitor (excluding WCC grant)	Quarterly	\$14.86	\$13.76	\$13.29	
Ratio of Trust generated income as % of WCC grant	Quarterly	102%	92%	90%	
Average WCC subsidy per visitor	Quarterly	\$14.58	\$14.90	\$14.78	
Staff Survey conducted	Annually	October 2011	October 2010	August 2009	
Staff turnover (not including casual and fixed term roles)	Annually	<15%	<15%	11.94%	Measure to be met or exceeded
Collection in managed programmes (% of total Collection)	Annually	41%	41%	39.09%	Percentage approved by Regional Zoo Association
Volunteer hours (FTE)	Annually	≥5 FTE	≥5 FTE	5.54 FTE	
Wellingtonians visiting the Zoo	Annually	50%	50%	44%	From RSS and Zoo market research
Measure visitor feedback and satisfaction	Annually	1 research project			New measure
Back Office functions review for Shared Services model	Annually	Completed by date directed by WCC			New measure

Wellington Zoo Measures 2011-12

The following table indicates the specific actions the Trust will internally monitor for 2011-12

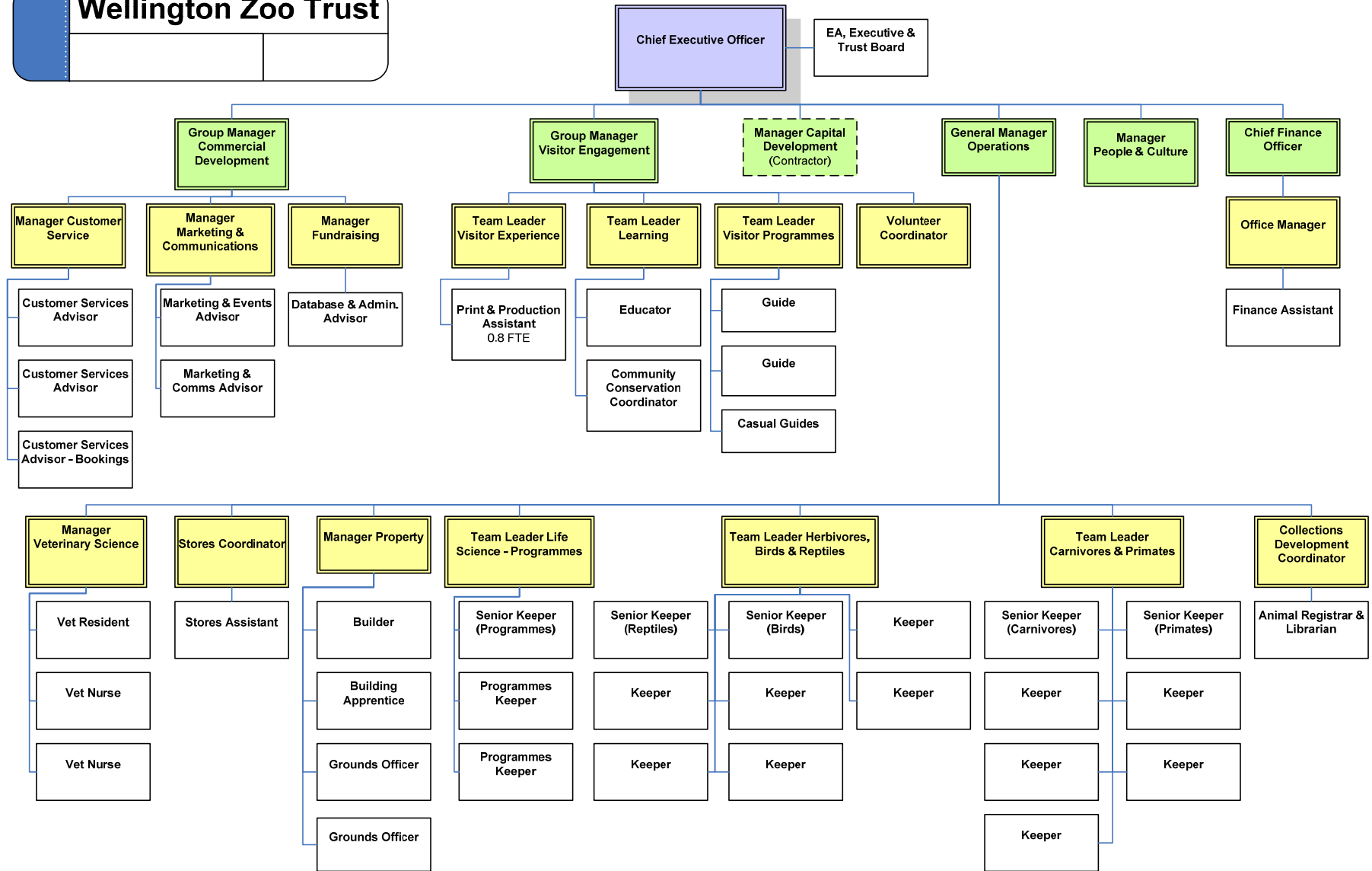
Strategic Element	Measures for 2011-12	Target for 2011-12
Outstanding, intimate and unique visitor experiences	<ul style="list-style-type: none"> ▪ Complete ZCP projects for 2011-12 ▪ Review sleeperover and Close Encounter products ▪ Evaluate visitor programmes ▪ Interesting, innovative learning sessions developed and delivered ▪ Provide quality management and care of the collection 	<ul style="list-style-type: none"> ▪ >4 Visitor events ▪ 600 Contact Animal hours ▪ 9,000 LEOTC students ▪ Implement changes to sleeperovers and close encounters ▪ The Hub completed ▪ Asian precinct completed ▪ Collection plan reviewed every six months
Industry leadership	<ul style="list-style-type: none"> ▪ Participate in and lead a marketing and / or communication programme of benefit to our industry through the Marketing SAG ▪ ZAA position holders maintained ▪ Participate in related industry committees such as INNZ 	<ul style="list-style-type: none"> ▪ Number of position holders on external committees
Financial sustainability	<ul style="list-style-type: none"> ▪ Risk matrix reviewed annually ▪ Grow our commercial product capacity ▪ Increase visitor spend and commercial opportunities ▪ Secure WCC support 	<ul style="list-style-type: none"> ▪ Risk matrix reviewed monthly and fully reviewed April 2012 ▪ Write and implement the marketing, communications, customer service and fundraising plans ▪ Ensure all WCC documents and reports are delivered on time
Valued and motivated Staff	<ul style="list-style-type: none"> ▪ Culture of learning and development established ▪ SIT team to drive H&S culture ▪ Renew ACC WSMP Primary Level Accreditation ▪ Job sizing of all roles through Strategic Pay ▪ Aoraki Awards and Roar of Honour maintained ▪ Implement the Leadership Month 	<ul style="list-style-type: none"> ▪ >20 staff learning sessions delivered ▪ SIT team to meet 4 times this year ▪ Aoraki Awards in July 2011 ▪ Monthly recognition programme ▪ High potential staff identified and placed in leadership programme.
Integrate conservation and sustainability	<ul style="list-style-type: none"> ▪ Sustainability and conservation work interpreted throughout the Zoo ▪ Develop messaging for both internal and external audiences ▪ Review all external communication channels to ensure consistent conservation and sustainability messages. 	<ul style="list-style-type: none"> ▪ >1 Community Conservation project ▪ >2 scientific conservation programmes ▪ >20% of media releases have a conservation or sustainability message ▪ Animal collection related to conservation outcomes ▪ Review environmental sustainability results annually ▪ Evaluation of conservation messages integration in animal talks
Lasting community support and participation	<ul style="list-style-type: none"> ▪ Write and implement a relationship plan for all partnerships and allocate a relationship manager 	<ul style="list-style-type: none"> ▪ >8 written MOUs

4 Structure

The structure of the organisation has been arranged to give clarity and ownership for each of the six strategic elements. The structure is outlined on the next page.

It is imperative that the Trust continue to attract and retain skilled staff in order to provide the best in animal care, visitor experience and other business outcomes.

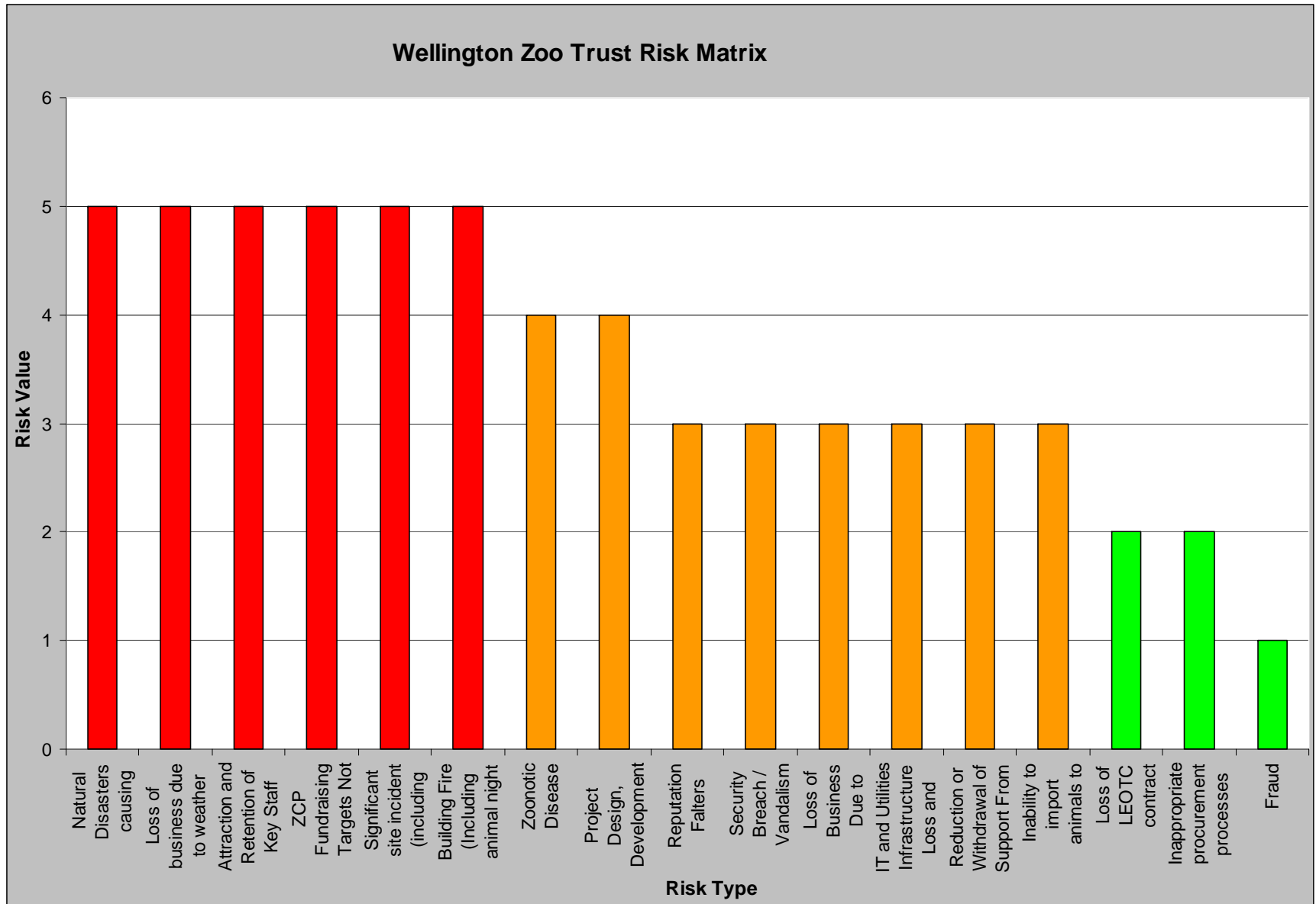
Wellington Zoo Trust



5 Risk Management

Risk No	Areas of Risk	Risk Identification	Probability	Impact	Risk Value	Impact	\$ Value of Risk	Risk Treatment	Owner
1	Financial, H & S, Operational, Collection, Visitation	Natural Disasters causing destruction and infrastructure failure	-2	7	5			Continue developing contingency plan. Civil Defence kit kept on site and maintained.	GMO
2	Financial, H & S, Operational, Collection, Visitation	Loss of business due to weather	0	5	5			Marketing Strategy	Group Manager Commercial Development
3	Financial, H & S, Operational, Visitation, Fundraising, ZCP	Attraction and Retention of Key Staff	-1	6	5			Succession planning, staff development, Recruitment and Induction Policies, Remuneration Policy.	CEO
4	Financial, H & S, Visitation, ZCP	ZCP Fundraising Targets Not Reached	-1	6	5		\$478K:10/11 Financial Year	Fund Raising Strategy, Projects on hold, relationship building	Group Manager Commercial Development
5	Financial, H & S, Operational, Visitation, Reputational Fund Raising, ZCP	Significant site incident (including animal related incidents)	-2	7	5			Health & Safety Management System, Emergency Procedures, Safe Operating Procedures, Containment Standards, Staff Training	CEO
6	Financial, H & S, Operational, Visitation, ZCP, Collection	Building Fire (Including animal night quarters)	-1	6	5			Health & Safety Management System, Fire Alarms, Building WOF's, Emergency Procedures Manual	GMO
7	Financial, H & S, Operational, Collection, Visitation	Zoonotic Disease	-3	7	4			Avian influenza contingency plan, screening policy, MAF Guidelines, ERMA policies	GMO
8	Financial, H & S, Operational, Visitation, Fundraising, ZCP	Project Design, Development and Delivery Risk (including not obtaining resource consent)	-2	6	4			Project Management Process	CEO
9	Financial, Operational, Reputational Visitation, Fundraising, ZCP	Reputation Falters	-3	6	3			Code of Conduct, Communications Strategy, Fund Raising Audit Process	CEO
10	Financial, H & S, Operational, Collection	Security Breach / Vandalism	-2	5	3			CCTV System, Security Alarms, Maintenance of Perimeter Fence	GMO
11	Financial, Reputational Visitation, Fundraising	Loss of Business Due to Competition / Economic Downturn	-1	4	3			Business Plan, Strategic Plan	CEO
12	Financial, Operational, Visitation, Fundraising, ZCP, Collection, H & S	IT and Utilities Infrastructure Loss and Failure	-1	4	3			Emergency Procedures Manual, Zoo Manual	GMO
13	Financial, H & S, Operational, Collection, Visitation, Reputational, Fundraising	Reduction or Withdrawal of Support From Wellington City Council	-3	6	3			Business Plan, Recognition Policy, Statement of Intent, Contract for Services, Communications Strategy	CEO
14	Financial, Operational, Visitation, Reputational Fund Raising, ZCP	Inability to import animals to replace collection	-1	4	3			Collection Plan	CEO
15	Financial, Operational, Reputational, Visitation, Fundraising	Loss of LEOTC contract	-2	4	2		\$247,000	Meet KPI's as per Contract	Group Manager Visitor Experience
16	Financial, Operational, Reputational, Fund Raising, ZCP	Inappropriate procurement processes followed	-2	4	2			Procurement Policy, Register of Interests	CFO
17	Financial, Operational, Reputational Fundraising	Fraud	-3	4	1			Well documented procedures and spot audits of procedures. Daily sign off for banking and float reconciliations	CEO


Wellington Zoo Trust seeks to minimise business risk by applying risk analysis and mitigation of identified risks. The plan is outlined on the following pages.





Score	Probability that the Event will Occur
1	Almost Certain and / or could occur frequently
0	Very likely to occur and / or could occur more than once
-1	Moderately likely to occur and / or could occur at least once
-2	Unlikely to occur and / or might occur once
-3	Very unlikely to occur


Score	Level of Impact of the Event Occurring
7	Catastrophic Damage value greater than 50% of the project value, or Major delay to the project completion, or Major impact on this and other business opportunities
6	Very High Impact Damage value about 20% - 50% of the project value, or Significant delay to project completion, or Significant impact on this and other business opportunities
5	Major Damage value about 5% - 20% of the project value, or Project completion affected, or Some impact on this or other business opportunities
4	Minor Damage value less than 5% of the project value, or Project completion not impacted (although a phase of the project may be), or This business opportunity could be impacted
3	Negligible Damage value covered by contingency, any delays barely noticeable and client unaffected
2	Minimal

These two scores are added together to give a "Risk Value". This will be in the range zero to eight.

 All risks with a Risk Value of 5 - 8 must have a mitigation plan developed and agreed by all parties to the project. This level of risk will probably require some immediate special action or special planning dedicated to reducing the particular risk. A contingency plan should also be developed.

 All risks with a Risk Value of 3 or 4 shall have a mitigation plan so they can be managed.

 All risks with a Risk Value of 0 - 2 can just be recorded and accepted as such until such time as they produce a higher score.

 Any risk that has a Probability Value of one (1) or an Impact Value of five (5) or more must still have a mitigation plan even if the overall Risk Value is less than five.

6 Financial Requirements

The Trust's operating and capital budgets for 2011-12 to deliver this Plan are detailed below.

CCO: Wellington Zoo Trust Business Plan 2011/12		\$NZ000's				
EARNINGS STATEMENT	Qtr to 30-Sep-11	Qtr to 31-Dec-11	Qtr to 31-Mar-12	Qtr to 30-Jun-12	Total YE 30-Jun-12	
Revenue						
Trading Income	528	684	761	498	2,471	
WCC Grants	700	700	700	699	2,799	
Other Grants	21	21	20	20	82	
Sponsorships and Donations-Operational	49	49	49	50	197	
Sponsorships and Donations-Capital				600	600	
Investment Income	8	4	7	3	22	
Other Income	15	24	23	18	80	
Total Revenue	1,321	1,482	1,560	1,888	6,251	
Expenditure						
Employee Costs	931	931	931	932	3,725	
Other Operating Expenses	495	459	457	489	1,900	
Depreciation	7	6	7	6	26	
Interest					0	
Vested Assets				600	600	
Total Expenditure	1,433	1,396	1,395	2,027	6,251	
Net Surplus/(Deficit) before Taxation	(112)	86	165	(139)	0	
Taxation Expense					0	
Operating Surplus (Deficit)	(112)	86	165	(139)	0	
Net Surplus/(Deficit)	(112)	86	165	(139)	0	
Operating Margin	-8.5%	5.8%	10.6%	-7.4%	0.0%	

Wellington Zoo Trust capital budget for 2011-12

CX340 New Capital Projects

\$3,066,403

CX125 Existing Asset Renewals Budget

\$242,384