

Report to the Wellington City Council CCO Performance Committee First quarter ended 30 September 2009

KEY HIGHLIGHTS

- Changes to our Governance Structure have been finalised and implemented. The new board has revalidated the key assumptions of the Business Case and submitted the 2009/10 SOI and Strategic Business Plan
- We have been awarded Qualmark Enviro-gold - the Qualmark® accreditation which represents environmental and social commitment as well as general quality indicators
- ZEALANDIA has been included in the new Rough Guide's 'Clean Breaks. A new green guide which lists 500 new ways to see the world. We are the only New Zealand wildlife sanctuary which features
- The Visitor & Education Project is going well and is on schedule to open in April 2010.
- The Trust is rolling out a programme to develop the infrastructure, capacity and capabilities required to support the new operations
- We have submitted our tender for the new round of LEOTC (Learning Experiences Outside the Classroom)
- Monitoring of key fauna species during breeding season commenced.

VISITOR AND EDUCATION CENTRE

- The Project Control Group now comprised of:
 - Chair: Dean Riddell from Davis Langdon
 - Peter Allport, Chair of KST
 - Russ Ballard, KST board member
 - Nancy Ward, KST chief Executive
- The project is going well and is on schedule to open in April 2010. The building is 100% watertight. Exhibitions are being constructed off sites and filming has begun.

VISITORS/MEMBERSHIPS

- Visitor numbers for the quarter at 11,441 were above budget of 10,808 and above last year of 9,959. This was a pleasing result despite the weather for the first week of the third term school holiday was generally wet and cold.
- Membership as at the end of September was 5,199 as compared to the end of year budget of 5,400. Based on telephone followups, financial situation was still being cited as the main reason for not renewing. .
- A new Membership Structure and Programme which recognises different family structures has been developed and will be rolled out before the new Centre is opened.

MEDIA

- A number of media stories in the quarter with two stories featured in the Dominion Post (about our kaka and kiwi) and three significant international media hits. The first was a short article in Vogue India as part of a TNZ-hosted travel feature on Wellington. The second was a two-page in Wildlife Australia magazine – Australia’s most popular magazine for conservationists. The third was a great mention in the Time Out Guide to Wellington, sponsored by Positively Wellington Tourism (PWT) and distributed in Sydney. ZEALANDIA was described as ‘a sensational attraction (that) will bring out the untapped Attenborough in everyone who visits.
- Good national profile was secured during Conservation Week, when ZEALANDIA was the focus of a volunteering feature on Radio New Zealand’s “Our Changing World”. Internationally, our profile benefited greatly from ZEALANDIA’s inclusion in the new Rough Guide publication ‘Clean Breaks’ which targets environmentally-conscious travellers. ZEALANDIA also featured on the home page of the Rough Guide website for a week at the end of September and in a Wellington family getaway feature on Yahoo! Xtra Travel.

MARKETING & TOURISM ACTIVITIES

- We have been working with PWT on a MOU which sets out the principles of how the two organisations would work together to leverage on each other strengths. This includes KST staff working with PWT’s individual marketing managers in the development of our marketing plan and the joint monitoring of marketing activities.
- Regular newsletters have been sent to all Trades to keep them inform of the progress of the Centre development.
- We have secured bookings from all major cruise inbound operators for the current season.

- Work has begun in developing the conference/convention market with a number of famils undertaken. Feedback has been very positive with the market believe that ZEALANDIA is a unique venue.
- Work continues to develop existing relationships with the wholesalers and inbounders, and to secure new relationships.
- New packages are being trialled with local accommodation providers.

VISITOR EXPERIENCE/FACILITIES DEVELOPMENT

- A programme of upgrade work has begun in the sanctuary to ensure the valley is in top shape before the opening of the visitor & education centre.
- Bridges and boardwalks have now been cleaned and water blasted and the fitting of non slip mesh is finished. Three small bridges on the Faultline Track are due for replacement with the first having been completed.
- All main tracks have been resurfaced.
- The resealing of Lake Road is planned for Oct.
- All signage in the valley are being redeveloped over the next few months.

VISITOR OPERATIONS

A new Visitor Operations Manager has been appointed to oversee all the development and implementation of visitor delivery systems and services.

Activities commenced include:

- Implementing an integrated point of sale/tour bookings and membership system to support the new operations
- Development of the new café operations including the fitout
- Review, develop and implement new retail operations
- Identifying and document visitor flows, polices and processes

Activities to follow include:

- Recruitment, development and training of new paid guides and hosts
- Development of volunteer hosts and guides
- Identify, develop and implement operational requirements of the building including supplier contracts
- Planning for the opening.

EDUCATION

Education visits have been steady. The major focus has been the new funding bid for a LEOTC contract from 2010-2013. This was submitted in time for the October 2nd deadline.

The Educator has also worked with a total of 850 students from Newlands intermediate and Karori Schools to plant 3500 trees supplied by WCC to help with the restoration of Setton Nossiter and Karori Parks. It was a hugely successful day with great feedback from all involved. Visit also made to Wilford school to give a presentation to students about the sanctuaries work with endangered species.

Two Royal Society Fellows have joined us for six months. One is studying the scientific and cultural comparisons between biodiversity of the Pacific Islands and that of New Zealand and, eventually to develop educational resources that will enable us to engage more effectively with students of Pacific Island heritage. The other is working to increase the visibility of native species in the valley.

FLORA & FAUNA

Bellbirds



Bellbirds are nesting. Eight pairs were identified in the sanctuary and 1 pair outside at the beginning of the season, 4 of these females having been transferred from Kapiti Island in August 2009 confirming the importance of these transfers to the sanctuary population. Currently 7 pairs are being monitored, 6 inside the sanctuary, and 1 outside the sanctuary (at South Karori), all with active nests. One pair has already fledged chicks, about 2 weeks earlier than last year, and is renesting.

Hiihi



Nesting is now underway with their first eggs laid in late September, 8 days earlier than last year. Twelve females and 23 males have been located in the sanctuary.

Kaka



Breeding is underway but a month later than previous years with the first eggs laid in late September. Two active nests have been located to date, one in a box placed near one of last year's inaccessible natural nests which is helpful, and the second in a natural nest located last year and now made accessible with a door cut into the tree.

Staff will shortly place dataloggers on some of the feeders to identify microchipped kaka that use them and increase information about survival and feeder use. At this stage only one cohort of kaka has been microchipped, but we plan to catch older birds over time once we have confirmed that the technology is feasible.

Planting

Annual planting is almost completed. Areas planted include those cleared of weeds last summer, plus areas where exotic trees have been felled along Lake Road and near the top dam. These areas will need more planting next year to increase diversity and density of plants and reduce weed invasion.

BIOSECURITY

Pest animals

Annual baiting was undertaken in August. This was followed by an audit by a mustelid detector dog from DoC – no sign was detected. Such audits are very useful, complementing the ongoing vigilance by staff and volunteers, and our tracking tunnel audits undertaken in summer.

Work on improving the bait station infrastructure and maps have been ongoing. To improve our resources for detection and incursion response new traps and tracking tunnels have been prepared for storage and deployment as required.

Pest plants

The weed team has been appointed for a 5 month contract starting at the beginning of November. A review of equipment and training requirements for abseil work is to be undertaken.

Pest and hazardous tree removal

A programme of exotic tree removal is almost complete targeting radiata pine, macrocarpa, cypress and dogwood. Pest and hazardous trees have been removed at various sites along Lake Rd and at the upper dam addressing threats from dead and dying trees and invasive species as well as opening up bush margins for planting and natural re-vegetation.

FUNDRAISING

- Fundraising activities continue.

FINANCIALS

- For the quarter, operating revenue at \$1.58m was above budget of \$1.4m. Total expenditure at \$0.533m was above budget of \$0.5m giving a surplus of \$1.05m as compared to the budget of \$0.9m.
- The favourable operating quarter results were primarily due to:
 - Higher visitor revenue
 - A bequest received and
 - Higher interest revenue

The above were slightly mostly offset by:

- Higher than budget expenditure due to budget phasing
- After the inclusion of Visitor & Education Centre funding, quarter surplus at \$2.9m was above budget of \$2.7m. This was due to the reasons as explained above, and the release from grant in advance of \$0.1m for the visitor & education centre.
- The bank balances as at 30 September 2009 stood at \$7,466,476. The cash surplus is required for the visitor and education centre project and operational funds for subsequent years.
- No adjustments have been made to opening balances for unearned income (relating to member subscriptions), holiday pay accrued, and stock as these are considered immaterial.

Measurement against Targets in SOI.

High level outcome measures

Measure	Frequency of measure	Annual Target 2009/10	Sept Quarter Target	Sept Quarter Actual
Visitation numbers	Quarterly	64,336	10808	11,441
Members units	Quarterly	5,400	-	5,199
No of school student visits * & Outreach	Quarterly	5,500		651 1,000
Total native plant species in the Sanctuary	Annually	170	annual	annual
Total number of species to be planted	Annually	30	annual	annual
Total adventives plant species in the Sanctuary	Annually	212	annual	annual
Number of exotic plant species targeted for control/monitoring	Annually	44	annual	annual
Total native fauna species in the Sanctuary	Annually	43	annual	annual
Number of native fauna species released	Annually	4	annual	annual
New Visitor & Education Centre		Complete		

* Student numbers included in total visitation numbers above

Cost effectiveness measures

Measure	Frequency of measure	Annual Target 2009/10	Sept Quarter Target	Sept Quarter Actual
Average subsidy per visitation (Based on WCC grant averaged over year).	Quarterly	\$18.03	\$26.83	\$25.35
Average revenue per visitation (excludes Council, & Government grants).	Quarterly	\$21.27	\$23.35	\$36.36

Organisational health and capability measures

Measure	Frequency of measure	Target 2009/10	Sept Quarter
% of visitors surveyed rate their visit as being good to excellent	Quarterly	>95%	99.6%
Volunteer numbers	Quarterly	>400	425
% of School visits rate their overall satisfaction as being good to excellent	Half yearly	>98%	N/A
Performance appraisals completed	Annually	100%	-
Qualmark accredited	Two yearly	Achieved	Achieved

Karori Sanctuary Trust
Statement of Financial
Performance
For the Quarter ended 30 September 2009.

	Quarter Actual	Quarter Budget	Annual Budget
	\$	\$	\$
Operating Revenue			
Entry	92,643	88,811	604,552
Membership	63,411	63,153	317,644
Retail Revenue	28,306	25,123	106,820
Food Sales	0	0	23,700
Operational Funding	162,584	52,275	293,000
WCC Operations Grant	1,160,000	1,160,000	1,160,000
Interest Received	69,109	23,000	23,000
Total Operating Revenue	1,576,053	1,412,362	2,528,716
Less Operating Expenditure			
General Expenses	460,665	427,023	3,234,222
Depreciation	52,856	52,857	389,393
Interest	19,809	19,810	81,829
Total Operating Expenses	533,330	499,690	3,705,444
Surplus/(defecit) before Visitor & Education Centre Funding	1,042,723	912,672	-1,176,728
Add Visitor & Education Centre Funding	1,866,781	1,766,781	3,469,162
Surplus/Defecit	2,909,504	2,679,453	2,292,434

Karori Sanctuary Trust
Statement of Financial Position
As at 30 September 2009.

	Actual 30/9/09	Budget 30/09/09	Budget 30/06/10
	\$	\$	\$
Equity			
Accumulated Funds	<u>9,366,830</u>	<u>9,136,779</u>	<u>8,749,760</u>
Current Assets			
Cash and Bank	7,466,477	7,661,727	332,456
Accounts Receivable	22,684	39,056	36,474
Stock on Hand	23,872	23,872	51,838
Total Current Assets	<u>7,513,033</u>	<u>7,724,655</u>	<u>420,768</u>
Non Current Assets			
Fixed Assets	<u>13,368,270</u>	<u>13,355,647</u>	<u>20,342,656</u>
Total Non Current Assets	<u>13,368,270</u>	<u>13,355,647</u>	<u>20,342,656</u>
Total Assets	<u>20,881,303</u>	<u>21,080,302</u>	<u>20,763,424</u>
Current Liabilities			
Unearned Income	130,463	130,463	138,296
Holiday Pay Accrued	104,994	104,994	119,062
Creditors	884,015	874,901	366,227
GST to pay	(3,983)	1,745	1,745
Grants Received in Advance	871	100,000	0
CTW	108,333	108,333	108,333
Total Current Liabilities	<u>1,224,693</u>	<u>1,320,436</u>	<u>733,663</u>
Term Liabilities			
Limited recourse WCC Loan	9,314,780	9,648,087	10,380,000
Community Trust Loan	975,000	975,000	900,000
Total Term Liabilities	<u>10,289,780</u>	<u>10,623,087</u>	<u>11,280,000</u>
Total Liabilities	<u>11,514,473</u>	<u>11,943,523</u>	<u>12,013,663</u>
Net Assets	<u>9,366,830</u>	<u>9,136,779</u>	<u>8,749,760</u>

Karori Sanctuary Trust
Statement of Cashflow at 30 September 2009

	September Quarter \$	Quarter Budget \$	Annual Budget \$
Surplus/(deficit) from Operations	1,042,723	912,672	(1,176,728)
Add Non Cash Item - Depreciation	52,856	52,857	389,393
Add(deduct) Movements in Working Capital			
Dec/(Inc) in GST Receivable	(81,573)	(75,844)	(75,844)
Dec/(Inc) in Stock	0		(27,966)
Dec/(Inc) in Accounts Receivable	16,371		2,582
(Dec)/Inc in Income in Advance Operations	871		7,833
(Dec)/Inc in Accounts payable Operations	(9,688)		35,299
Net Cash Flows From Operating Activities	1,021,561	889,685	(845,431)
Cash Flow from Investing Activities			
Cash was Applied to:			
Purchase of Assets	(12,620)		(575,000)
Visitor & Education Centre	(2,373,202)	(2,392,002)	(9,670,452)
Net Cash Flow from Investing Activities	(2,385,822)	(2,392,002)	(10,245,452)
Cash Flow From Financing Activities			
Cash was Provided from:			
WCC Loan	2,247,957	2,581,264	3,313,177
Government Funding - Visitor & Education Centre	1,766,781	1,766,781	3,369,162
Other - Visitor & Education Centre			
Cash was Applied to:			
Community Trust Loan Repayment	(25,000)	(25,000)	(100,000)
Net Cash Flow from Financing Activities	3,989,738	4,323,045	6,582,339
Net Increase/(Decrease) in Cash	2,625,477	2,820,728	(4,508,544)
Opening Cash	4,840,999	4,840,999	4,840,999
Closing Cash	7,466,476	7,661,727	332,455
Cash and Cash Equivalents Comprise			
Cash and Bank Balances	7,466,476	7,661,727	332,455