

Report to the Wellington City Council CCO Performance Committee First quarter ended 30 September 2010

KEY HIGHLIGHTS

- In July 55 kakariki were translocated into ZEALANDIA from Kapiti Island in an attempt to establish Wellington City's first breeding population in 100 years.
- A male pateke originally banded in ZEALANDIA becomes a regular visitor to the Waiwhetu Stream in Petone - a rare migration for this species.
- DOC announces initial results of its 10-year kiwi census with the news that ZEALANDIA's kiwi are faring much better than in other managed populations with an annual increase of nearly 10% cf 6.5% nationally. The latest estimate is c100 birds.
- 15 years on with great success with the removal of introduced mammals and control of weeds from the terrestrial ecosystem, the Trust is now ready to begin the restoration of our streams and lakes. Department of Conservation (DOC) has applied and was granted a resource consent to remove brown trout from the upper Karori reservoir and the streams flowing into it this summer. This would be a “first” for New Zealand, as the complete removal of introduced fish from streams has not been successful here before.
- In September NZ falcons were confirmed to be nesting for the second year running - ZEALANDIA has been the only place in Wellington City where falcons have successfully bred since at least the 1970s!
- A local marketing campaign has been developed and will be rolling out in October. The objective is to re-engage Wellingtonian's and invite them in to their sanctuary.
- Former TNZ chief George Hickton joined as new Board member.

VISITORS/MEMBERSHIPS

- Visitor numbers for the quarter at 16,834 were close to budget of 17,461 but above last year of 11,441.

- Membership as at the end of September was 11,321 individuals. We have started to report individuals this year because of the change in the membership structure which make comparison between years difficult. Given this comparability issue, membership units at 30 September were 5,481 as compared to end of year target of 5,800.

MEDIA/VIPs

- In July Labour leader Phil Goff visited ZEALANDIA
- A number of news items were featured in various newspapers, magazines and TV - Mini Documentary to celebrate Conservation Day on TV1 Asia Downunder, kiwi population growth, fish Eradication, kaka chicks, kakariki nest, falcons breeding and Family visit (NZ Womens Weekly travel feature).
- In September ZEALANDIA hosted the awards ceremony for DOC's national photo competition. The winning photos are on display until mid-October.

MARKETING & TOURISM ACTIVITIES

- New marketing manager Karen MacDonald (ex PWT) started in early July.
- Much focus has been put into the development of a local marketing campaign. The main objective of the campaign is to create awareness, goodwill and advocacy before summer.
- Work is underway with PWT to establish various joint ticketing options with the Hop-On Hop-Off Bus.
- Display contracts for all i-sites have been reviewed and renewed as appropriate in time for the summer season. 24 i-site staff from the Auckland area were trained/updated in September.
- Our business development manager (with PWT and other attractions) spent the tail end of July and first two weeks of August in the UK and Europe attending a Tourism New Zealand workshop and making sales calls to European wholesalers. At the Tourism NZ workshop He met with 63 product managers from the UK, France, Hungary, Italy, Spain, Sweden, Netherlands, Denmark, Germany and Belgium. In addition to the product manager meetings around 150 frontline retail staff were trained.
- The mood in the UK was not great with many operators feeling a bounce back was slower than they hoped. However, there are pockets of positivity in the market. Attitudes in Europe were more positive with many companies reporting growth to NZ of between 1-5%. Campervans and Cars are still very popular with this market and we are well represented in key brochures
- ZEALANDIA's awareness is growing amongst the Trades, but as usual; it will take time to secure contracts. Contracts we are discussing are for the 11/12 and 12/13 year. The FIT market is more difficult to work with as most people choose to book product on the ground rather than pre-departure.

- Cruise ship season begins in October. We have secured 35 out of 61 ships this year, and we are expecting 3,000+ cruise ships visitors.

VISITOR EXPERIENCE/FACILITIES DEVELOPMENT

Valley Maintenance

Drains and fence audits were nearly completed. Remedial work on approx 20 angled corners of the fence top hat is underway and drain clearing continues to be a big job after all the rain we have had over the past few months. Transects are still to be finished (80% complete) and staff are about to start on a regular routine of perimeter clearing as the grass starts to grow.

Lake Lowering

Lake lowering has not resulted in the expected 250-300mm drop in levels with only 100-150 achieved. Some adjustments to the biosecurity cage at the exit point of the historic spillway have been completed and the contractor is replacing the damaged signage. Adjustments to the boat jetties and pontoon walkway have been done with only an additional step still to be installed

CAFÉ/CONFERENCE/FUNCTION

- Café revenue was on target for the quarter. We participated on “Wellington on a Plate” which ran from 14-29 August. It was very well received & there was a lot of positive feed back.
- The venue has been pretty popular for corporate functions and weddings. Feedback has been excellent. Some of the comments were as follows.

“Those that went on the Kiwi tour really enjoyed themselves and quite a few people managed to see a Kiwi (one person saw 2) so they were very happy and appreciated having a secure place to leave their bags while they did the tour.

Everyone enjoyed the exhibition - and thought the venue was great.

Most people liked the verandah area best - the ambiance was nice there and it was very warm with the heaters, which was great.

The service was impeccable - drinks were refilled, everyone got the right meal.”

- We have developed a function brochure which was distributed to a targeted audience. As Christmas approaches, we will also be developing a Christmas package.
- We will continue to work with the convention bureau to secure convention functions.

EDUCATION

A number of successful planting days were held in various parks involving a number of schools and WCC rangers.

The educator has been discussing with tutors at Te-Wananga-o-Raukawa with the view of developing and delivering more Maori content in our educational tours. A member of the

Raukawa staff, Moko Morris, has been seconded onto the education reference group to provide ongoing support in this endeavour. The ideas generated from this discussion are being explored further.

School holiday activities for children/members were developed and operated in both weeks of the September holiday period from Tuesday to Thursday. These were run alongside the education tours for school holiday programme providers and the night-time adventures for kids.

FLORA & FAUNA

Bellbirds



8 females were transferred from Kapiti in July. Breeding season has started and 7 pairs are being monitored. To date 15 nestlings have been banded and 10 of these have now fledged. Four females have produced fledglings from their first clutch and have started rebuilding.

Hihi



14 females (7 experienced and 7 recruits) have been identified with the possibility of another 2.

The first egg was laid 30th September. One female is incubating 4 eggs. 8 females have fully lined nests ready for lay with the rest at early stages of nest building.

Kaka



The first kaka nest of the season was found in August, over three weeks earlier than the previous record. 4 chicks hatched and are doing well. Footage of the chicks is captured weekly by a volunteer and posted on You Tube, where it has attracted a steady following. It has also become a popular subject on Facebook and Twitter. There are now seven known active nests being monitored. There are still pairs of kaka being observed prospecting at nest

sites so there number of active sites is expected to increase.

Parakeets



In July 55 kakariki were translocated into ZEALANDIA from Kapiti Island. The first kakariki nest was found suggesting this species has responded well to the transfer.

Little spotted kiwi



DOC announced initial results of its 10-year kiwi census with the news that ZEALANDIA's kiwi are faring much better than in other managed populations with an annual increase of nearly 10% cf 6.5% nationally. The latest estimate is c100 birds⁵⁸. Transmittered kiwi continue to be monitored to obtain information about territory size, breeding success, and to complement the research being undertaken into the feasibility of acoustic surveys as a tool to distinguish individual kiwi.

Takahe

Work began on the Takahe quarantine holding pen, fences and planting in preparation for the January arrival of two Takahe.

Planting

Planting in various part of the valley was completed thanks to the effort of many volunteers.

BIOSECURITY

Introduced fish Eradication

The Trust's Restoration strategy and Management Plan identify the removal of introduced plants and animals from inside the fenced area as necessary to achieve our vision to restore the sanctuary. Since the construction of a predator proof fence in 1999, the Trust has had great success with the removal of introduced mammals and control of weeds from the terrestrial ecosystem. This has allowed the release into the sanctuary of 16 species of locally extinct birds,

reptiles, frogs and invertebrates, a ground breaking achievement within 10 years of construction of the fence. Many locally extinct or rare plants have been planted to improve the natural diversity of the mainly forest ecosystem. The Trust is now ready to begin the restoration of our streams and lakes.

Department of Conservation (DOC) has applied and was granted a resource consent to remove brown trout from the upper Karori reservoir and the streams flowing into it this summer. This project has generated some publicity in the media and a Fact Sheet was developed jointly by DOC and the Trust and was sent to all members and other interested parties.

Terrestrial pests

The annual baiting of mice was carried out.

Perimeter vegetation maintenance

The wet weather has caused fast growth of vegetation. Additional effort has been made to keep the perimeter's vegetation under control around the perimeter.

RESEARCH

Research being undertaken in the valley currently includes:

Institution	Qualification	Dates:	Topic/actions
Landcare		ongoing	Epiphytic planting trials for Northern rata - attached to Hinau, rewarewa & pine in several locations
VUW	-	31/10/06-31/10/46	Effect of climate change on herbivory
Waikato Univ & Cawthron		ongoing	Effects of perch on cyanobacteria in the Lower lake
DOC		ongoing	Can exotic fish be eradicated successfully? Trials with rotenone planned summer 2011
VUW	Post Doc/FORST	July 2010- July 2013	Genetics of Little spotted kiwi
VUW	PhD	4/3/09-1/3/2012	Year to year differences in numerical and spatial cognitive abilities in robins
VUW	PhD	9/3/09-9/3/2011	Spatial and temporal aspects of song variation in the forest bird community
VUW	PhD	18/5/09-18/5/2012	Acoustic survey of kiwi
VUW	MSc	26/4/10-25/2/11	Subtraction by robins
VUW	MSc	May-Dec 2010	Spatial memory in robins
Otago Univ	MSc	Sept 2010-March 2012	Assessing the impact of rotenone on native fish and stream invertebrates

Measurement against Targets in SOI.

High level outcome measures

Measure	Frequency of measure	Annual Target 2010/11	Sept Quarter Target	Sept Quarter Actual
Visitation numbers	Quarterly	144,201	17,461	16,834
Members units	Quarterly	5,800	N/A	5,481
*No of school student visits	Quarterly	6,000	1,500	1,765
Total native plant species in the Sanctuary	Annually	172	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

* Student numbers included in total visitation numbers above

Cost effectiveness measures

Measure	Frequency of measure	Annual Target 2010/11	Sept Quarter Target	Sept Quarter Actual
**Average subsidy per visit.	Quarterly	\$4.85	\$10.02	\$10.40
Average revenue per visitation (excludes Council, & Government grants).	Quarterly	\$25.23	\$26.95	\$32.65

** Annual subsidy apportioned to show 3months this qtr

Organisational health and capability measures

Measure	Frequency of measure	Target 2010/11	Sept Quarter
Visitors satisfaction factor good to excellent	Quarterly	8.7	9.3
Volunteer numbers	Quarterly	>400	425
% of School visits rate their overall satisfaction as being good to excellent	Half yearly	N/A	N/A
Performance appraisals completed	Annually	N/A	N/A
Qualmark accredited	Two yearly	Achieved	Achieved

ZEALANDIA has moved to an e-based survey system whereby people opt in to receive a survey which is emailed to them after their visit. Overall satisfaction levels are measured on a scale of 1 to 10, as opposed to the previous 5-point scale, allowing more flexibility and accuracy in the results. This change, along with the responses from a wider range of visitors, has meant a re-assessment of acceptable levels of satisfaction has been considered, and indicators are paper-based surveying over-states satisfaction by 7-10%. As such, the KPI has been adjusted from 95% under the old survey methodology to 8.7 to reflect the equivalent result under the new survey methodology, and this level will be monitored by ourselves and our survey providers, get-smart Ltd.

FINANCIALS

- For the quarter, operating revenue at \$1.25m was above budget of \$1.17m. Total operating expenditure at \$0.973m was below budget of \$1.051m giving an operating surplus before interest of \$0.277m as compared to the budget surplus of \$0.119m.
- The favourable operating quarter results were primarily due to:
 - Higher trading result primarily as a result of functions held
 - Higher Operating Funding due to higher donations of \$34k
 - Interest revenue of \$23.5k; and
 - Lower expenditure due to timing differences of \$77k
- The bank balance as at 30 September stood at \$2.6m. This balance is higher than expected during this time of the year because:
 - a) higher than expected cash balance as at 30 June 2010 as a result of:
 - better than budget performance
 - deferrals or delay in asset purchase
 - deferral of local marketing campaign into this financial year
 - timing of expenditure
 - last instalment of government funding received earlier than budgeted
 - b) Council grant of \$700k for 2010/11 was included in the first quarter

The cash balance will reduce as marketing campaign commences and assets purchased. The cash balance will also mitigate any shortfall in revenue during the transitional years as visitor numbers are being built up

- Accounts receivable as at 30 September include an outstanding amount from Council for sewer works carried out last financial year.
- No adjustments have been made to opening balances for holiday pay accrued and membership in advance as these are considered immaterial.

Karori Sanctuary Trust
Statement of Financial Performance
For the quarter ended 30 September 2010

	September Quarter Actual \$	September Quarter Budget \$	YTD Actual \$	YTD Budget \$	Annual Budget \$
Operating revenue					
Entry	160,874	169,662	160,874	169,662	2,042,298
Membership	82,961	94,338	82,961	94,338	389,313
Trading Income	172,962	143,575	172,962	143,575	933,134
Other Operational Funding	109,326	63,000	109,326	63,000	273,000
WCC Operations Grant	700,000	700,000	700,000	700,000	700,000
Interest Received	23,513	0	23,513	0	0
TOTAL OPERATING REVENUE	1,249,636	1,170,575	1,249,636	1,170,575	4,337,745
Less Operating Expenditure					
General Expenses	745,737	822,276	745,737	822,276	4,031,308
Depreciation	227,333	228,867	227,333	228,867	922,276
Interest	16,149	15,270	16,149	15,270	83,000
Total Operating Expenses	956,921	1,066,413	956,921	1,066,413	5,036,584
Surplus/(deficit) before Visitor & Education Centre Funding	260,417	104,162	260,417	104,162	(698,839)
Visitor & Education Centre Funding					196,596
SURPLUS/DEFICIT	260,417	104,162	260,417	104,162	(502,243)

Karori Sanctuary Trust
Statement of Financial Position
As at 30 September 2010

	Actual 30/9/10 \$
<u>EQUITY</u>	
Accumulated Funds	<u>10,095,493</u>
<u>CURRENT ASSETS</u>	
Cash and Bank	2,605,110
Accounts Receivable	129,654
Stock on Hand	<u>72,628</u>
TOTAL CURRENT ASSETS	2,807,392

NON CURRENT ASSETS

Fixed Assets	<u>19,250,090</u>
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TOTAL NON CURRENT ASSETS	19,250,090
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TOTAL ASSETS	<u><u>22,057,482</u></u>
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CURRENT LIABILITIES

Unearned Income	144,629
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Holiday Pay Accrued	105,076
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Creditors	200,408
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GST to pay	161,854
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Grants Received in Advance	20,000
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CTW	<u>108,333</u>
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TOTAL CURRENT LIABILITIES	740,300
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TERM LIABILITIES

Limited recourse WCC Loan	10,346,689
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Community Trust Loan	<u>875,000</u>
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TOTAL TERM LIABILITIES	11,221,689
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TOTAL LIABILITIES	<u><u>11,961,989</u></u>
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NET ASSETS	<u><u>10,095,493</u></u>
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**Karori Sanctuary
Statement of Cashflow at 30 September 2010**

September Qtr \$

CASH FLOWS FROM OPERATING ACTIVITIES**Cash was provided from:**

Subs/visitors/grants	939,443
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Interest received	23,512
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Net GST received	286,681
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Cash was applied to:

Payments to suppliers and employees	(608,754)
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Interest costs	(16,149)
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NET CASH FLOW FROM OPERATING ACTIVITIES	(624,733)
CASH FLOW FROM INVESTING ACTIVITIES	
Cash was applied to:	
Purchase of assets	(32,750)
NET CASH FLOW FROM INVESTING ACTIVITIES	(32,750)
CASH FLOW FROM FINANCING ACTIVITIES	
Cash was applied to:	
Repayment of loan	(25000)
NET CASH FLOW FROM FINANCING ACTIVITIES	(25000)
Net Increase/(Decrease) In Cash	566,983
Opening cash	2,038,127
Closing cash	2,605,110
CASH AND CASH EQUIVALENTS COMPRISE	
Cash and bank balances	2,605,110