

Report to the Wellington City Council CCO Performance Committee Third quarter ended 31 March 2011

KEY HIGHLIGHTS

- We released two rare takahe (Puffin and T2) into the sanctuary valley. They have settled in extremely well and are becoming a key attraction.
- In partnership with Department of Conservation, we have successfully completed the eradication of introduced fish in the top lake.
- The recent native Maud Island frog census counted 25 adults, 1 yearling and 12 hatchlings. Survivorship continues to be higher than any other captive population.
- We banded over 80 kaka chicks - the best kaka breeding season ever.
- The summer calendar of events continued from January through to the end of March alongside the “local half price when bring in an out of towners” promotion.
- We are implementing a number of strategies to increase visitor numbers and non admission revenue

VISITORS/MEMBERSHIPS

- Visitors for the quarter at 25,120 were ahead of last year by 46% but below budget by 56%. The depressed economic environment and the overly optimistic targets are major contributors to the shortfall.
- We are implementing a number of strategies aiming to mitigate the adverse trading conditions including:
 - free shuttle from city to ZEALANDIA
 - enhancing visitor and product experience including trialing free guided walk
 - review opportunities to increase non admission revenue such as café, retail and fundraising
 - continue to build awareness including better signage at cable car precinct, and to seek stronger Wellington positioning of “accessible nature/biodiversity capital of New Zealand”
 - seeking opportunities to work closer with various stakeholders to leverage each other strengths.
- Membership as at the end of March was 11,330 individuals as compared to 11,021 in July 2010 (Last year figure was not available due to the new membership structure).

MEDIA/VIPs

ZEALANDIA hosted a number of local, international and domestic media/agents/VIPs during the quarter including:

- Hurricanes and Minister of Community & Volunteers Sector
- Al-Jazeera “Earthrise” – article on ZEALANDIA goals, successes to-date
- Fishhead
- Metro for NZ Must Do’s during RWC
- Guardian for RWC
- Independent for RWC
- Total Rugby UK for RWC
- Green Travel Guides
- French operator Terres D’Adventure
- Taiwan TV
- City Sights (HoHo) drivers
- I-Site staff from Picton and tokoroa

ZEALANDIA has a number of media coverage during the quarter including

- Pam Fuller, a volunteer was awarded Kiwibank 2011 Local hero
- Fish eradication in DomPost and Radio
- TVNZ, TV3, DomPost, Fourcorners, Nelson mail for takahe transfer
- Kiwi chicks in World Info Finance, AucklandNews.Net, DomPost
- ZEALANDIA funding issues and opinion editorial – DomPost
- Maud Island frogs - DomPost

ZEALANDIA is ranked 2nd of 111 reviewed Wellington attractions on Trip Advisor and we have 1,127 Facebook fans and over 566 Twitter followers.

MARKETING & TOURISM ACTIVITIES

Key marketing activities included:

Local

- 30,000 “Summer in your Sanctuary” event calendar was circulated around Wellington to drive visitation and memberships over the summer months, by providing reasons to visit now creating call to action.
- Events held include: Twilight evenings, Storytelling, Walk the Wild Side escorted walks, Barber shop, Ukelele Jam and Tuatara Beer tasting.
- A promotion to encourage locals to bring in their out of town visitors and friends was run from December to March with locals gaining entry at half price.
- Children’s day promotion with kids get in free was badly attended because of the bad weather.

Domestic and International

- We have trialed free transport from Cable Car to ZEALANDIA targeting the FIT passengers. This initiative was supported by posters at the port and at the bottom of cable car, as well as staff/volunteers distributing brochures at the top of Cable Car. 1,326 passengers were transported over 29 dates, an average of 45 per day. We have 1,757 cruise passengers on pre booked guided tours, in addition to FIT passengers.
- Two major issues identified from surveys conducted of FIT cruise passengers are that cruise passengers have limited time and the lack of awareness of our product if the passengers came from cruise ships that do not have pre-book customers to ZEALANDIA.
- A number of wholesalers have included our products in their 11/12 brochure.

CONFERENCE/FUNCTION

- A Chamber of Commerce Business After 5 function was held to showcase our venue and food. It was a big success with feedback that it was the best after 5 function they had.
- We have a number of weddings during the quarter and 11 weddings booked for the next summer season.

EDUCATION

- A range of programme were organised for the school holiday period including guided tours and a series of activities such as harakeke weaving, building of weta hotels etc.
- An EnviroSchools Te Whanganui a Tara hui was hosted at ZEALANDIA during March with a number of schools in attendance, and representatives from WCC and DOC.
- We have hosted the Wellington ZOO education team to discuss ideas and approaches to LEOTC delivery.

FUNDRAISING

- We are close to finalizing an agreement with a sponsor to provide funds for the development of a tuatara baby enclosure – see Flora & Fauna section of this report.
- A grant application has been submitted to Lottery for bellbird transfer and subsequent monitoring.
- The Annual Appeal Week has been delayed to September due to the earthquakes in Christchurch.

VOLUNTEERS

- In the month of March we have recorded close to 3200 hours.

FLORA & FAUNA

Bellbirds



The final tally for the season was **64** fledglings from known nests with an additional 9 juveniles and 3 adults of unknown origin captured and banded. There are presently 5 birds wearing transmitters with 7 transmitters still to be attached on candidate birds. Staff and volunteers are tracking them both inside and outside the sanctuary. Two female juveniles were found dead outside the sanctuary, with their transmitters still attached. One showed signs of rat predation.

Hihi



71 chicks have been banded to-date with 2 chicks still to fledge. This has been a good season as compared to 43 last year.

Kaka



More than **80** chicks have been banded to date, and there are still un-banded chicks turning up at the feeder. This is our **best** breeding season ever. As a result, we have run out of this season's colour bands (orange) and need to use last season bands (yellow cohort bands). So yellow cohort will end up including birds from two breeding seasons.

Parakeets



The first breeding season for the parakeets.
Total banded chicks so far was 13.
Nesting still continues.

Little spotted kiwi



Two research projects on kiwi continue -
Acoustic survey of kiwi and Genetics of
little spotted kiwi which is part of a wider
FRST funded investigation into little
spotted kiwi reproductive behaviour and
success across several populations.

Takahe



Puffin and T2 were transferred into the
sanctuary from Mana Island on the 28th
January. They were placed into the
quarantine pen off-display for a while.

They have now settled well into the
wetland area and are regularly seen by
visitors.

Ranger talks on takahe will commence
soon.

Tuatara



We have been given iwi and DOC approvals to build a display enclosure for juvenile tuatara.

Eggs from the sanctuary will be incubated at Victoria University and the babies will be released in the enclosure. The enclosure enables us to protect the juveniles at their vulnerable stage before release back into the sanctuary, and to provide advocacy opportunity while they are in the enclosure.

9 healthy hatchlings have hatched to-date

Maud Island frogs



In March, a census of the adult frog pen found 25 adults (1 less than last time), 1 yearlings (confirming that some juveniles can survive in the presence of adults) and 12 babies (3 clutches of hatchlings) indicating a very good survival rate. The youngsters have been released into a separate pen (which will be emptied in a few years to check survival).

BIOSECURITY

Fish eradication

The fish eradication operation using rotenone was undertaken in the Upper Lake and its tributaries on 22 & 23rd February. The operation has been implemented successfully and is now into the post-operation monitoring phase. The outlet from the Upper Lake was opened on 18th March following good test results and approval from Greater Wellington. So lake levels and stream flows are now back to normal. A master student is monitoring the effectiveness of the operations during the next two years.

Pest plants

The weed team's season has now ended. One of their focus was on the strawberry dogwoods as they are dominant and highly invasive.

WCC have begun Pine removal around the eastern perimeter.

Pest Animals

The mammalian audit using tracking tunnels has been completed in January with nothing untoward detected. We checked for rodents first and then mustelids and the audit took about 3 weeks. Another audit will be undertaken in April/May.

Transect work (cutting scrub) is ramping up working towards the annual June mouse control. A volunteer has come forward who is willing to focus on transect issues & train others.

RESEARCH

Research being undertaken in the valley currently includes:

Institution	Qualification	Dates:	Topic/actions
Auckland University		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 undertaken Feb/March 2011
VUW	Post Doc/FORST	July 2010- July 2013	Genetics of Little spotted kiwi
VUW	PhD	Feb 2011-2014	Inbreeding and ecology 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
Landcare		1/1/09-1/4/2013	Monitoring lizard population changes using artificial covers and radiotelemetry
Otago Univ	MSc	Sept 2010-March 2012	Assessing the impact of rotenone on native fish and stream invertebrates
NIWA		February 2011	Acoustic survey of perch in Lower Lake to assess distribution and abundance and effects of removal
Waikato University		February 2011	Removal of perch from Lower Lake using netting and electric fishing techniques to assess effects of removal

MEASUREMENT AGAINST TARGETS IN SOI

High level outcome measures

Measure	Frequency of measure	Annual Target 2010/11	Mar Quarter Target	Mar Quarter Actual
Visitation numbers	Quarterly	144,201	57,178	25,120
*Members units	Quarterly	5,800	N/A	5,218
Individual members				11,330
**No of school student visits	Quarterly	6,000	1,100	1,897
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

* With the new membership structure, the membership unit figure in the target is not directly comparable with the actual figure. The Trust is now reporting individual members rather than units.

** Numbers included in total visitation numbers above.

Cost effectiveness measures

Measure	Frequency of measure	Annual Target 2010/11	Mar Quarter Target	Mar Quarter Actual
**Average subsidy per visit.	Quarterly	\$4.85	\$3.06	\$6.96
Average revenue per visitation (excludes Council, & Government grants).	Quarterly	\$25.23	\$24.87	\$27.64

** Annual subsidy apportioned to show 3months this qtr

Organisational health and capability measures

Measure	Frequency of measure	Target 2010/11	Mar Quarter
Visitors satisfaction factor good to excellent	Quarterly	8.7	9.4
Volunteer numbers	Quarterly	>400	425
% of School visits rate their overall satisfaction as being good to excellent	Half yearly	>98%	100%
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 deficit at \$277k was behind the budgeted operating surplus of \$72k. Year to-date deficit at \$371k was behind budget operating deficit of \$260k and budget deficit of \$63k after the inclusion of the last instalment of government funding for the visitor centre. The last instalment of government funding included in this year budget was actually received in the 2009/10 financial year.
- Total operating revenue for the quarter at \$694k was below budget of \$1.422m. This was primarily due to the lower visitor numbers and revenue. The depressed economic environment and the overly optimistic targets in the domestic and international markets were the major contributors to the below budget performance. However local visitors continue to perform well against target. The unfavourable visitor variances were partly offset by better than budget donations, grants, and interests received.
- Café and function continue to do well despite the lower visitor numbers. And it should achieve the revenue target by end of year.
- Membership revenue was lower because the budget assumed increased membership numbers on day one and that all membership were renewed at the new rate at the beginning of the year, but in reality members renewed when they next visit the sanctuary.
- Total operating expenditure for the quarter at \$971k was below budget of \$1.350m. The better than budget performance for the quarter was primarily due to tight cost control in view of the lower visitor numbers and timing of expenditure.
- The bank balance as at 31 March stood at \$2.4m as compared to the budget of \$588k. This balance was higher than budget primarily because of higher than expected cash balance carried forward into this financial year due to better than budget performance; deferrals or delay in asset purchases and timing of expenditure and revenue. Tight control of expenditure this year also reduced the impact of reduced visitor numbers. The cash balance is required to mitigate any shortfall in revenue during the transitional years as visitor numbers are being built up.
- 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 31 March 2011.

	March Quarter Actual	March Quarter Budget	YTD Actual	YTD Budget	Annual Budget
	\$	\$	\$	\$	\$
Operating Revenue					
Trading Income	585,427	1,347,880	1,572,696	2,620,667	3,364,745
Other Operational Funding	84,578	74,000	323,519	190,000	273,000
WCC Operations Grant	0	0	700,000	700,000	700,000
Interest Received	24,316	0	68,595	0	0
Total Operating Revenue	694,321	1,421,880	2,664,810	3,510,667	4,337,745
Less Operating Expenditure					
Employee costs	430,261	594,846	1,343,494	1,601,801	2,180,787
General Expenses	300,732	501,611	964,082	1,416,084	1,850,521
Depreciation	224,921	230,871	681,744	688,943	922,276
Interest	15,000	22,575	46,889	60,420	83,000
Total Operating Expenses	970,914	1,349,903	3,036,209	3,770,248	5,036,584
Surplus/(deficit) after Interest	-276,593	71,977	-371,399	-259,581	-698,839
Add Visitor & Education Centre Funding	0	0	0	196,596	196,596
Surplus/Deficit	-276,593	71,977	-371,399	-62,985	-502,243

Karori Sanctuary Trust
Statement of Financial Position
As at 31 March 2011

	<u>Actual 31/03/11</u>	<u>Budget 31/03/11</u>	<u>Budget 30/06/11</u>
	\$	\$	\$
<u>EQUITY</u>			
Accumulated Funds	9,486,219	8,686,775	8,247,517
<u>CURRENT ASSETS</u>			
Cash and Bank	2,406,470	588,143	224,053
Accounts Receivable	149,559	15,000	40,058
Stock on Hand	91,856	90,000	90,325
TOTAL CURRENT ASSETS	2,647,885	693,143	354,436
<u>NON CURRENT ASSETS</u>			
Fixed Assets	18,905,333	19,758,713	19,670,380
TOTAL NON CURRENT ASSETS	18,905,333	19,758,713	19,670,380
<u>TOTAL ASSETS</u>	21,553,218	20,451,856	20,024,816
<u>CURRENT LIABILITIES</u>			
Unearned Income	159,028	160,000	179,084
Holiday Pay Accrued	121,752	120,000	154,618
Creditors	251,970	170,000	153,519
GST to pay	194,227	1,745	1,745
Grants Received in Advance	60,000	0	0
Community Trust of Wellington	108,333	108,333	108,333
TOTAL CURRENT LIABILITIES	895,310	560,078	597,299
<u>TERM LIABILITIES</u>			
Limited recourse WCC Loan	10,346,689	10,380,000	10,380,000
Community Trust Loan	825,000	825,003	800,000
TOTAL TERM LIABILITIES	11,171,689	11,205,003	11,180,000
<u>TOTAL LIABILITIES</u>	12,066,999	11,765,081	11,777,299
<u>NET ASSETS</u>	9,486,219	8,686,775	8,247,517

Karori Sanctuary Trust
Statement of Cash Flow as at 31 March 2011

	March Qtr Actual	March Qtr Budget	YTD Actual	YTD Budget	Annual Budget
	\$	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash was provided from:					
Trading income /grants etc	693,768	1,441,880	2,609,927	3,553,845	4,530,757
Interest received	24,316	0	68,594	0	0
Net GST received	1,237	0	197,636	0	0
Cash was applied to:					
Payments to suppliers and employees	-643,197	-1,121,457	-2,248,324	-3,234,995	-4,186,818
Interest costs	-15,000	-22,575	-46,889	-60,420	-83,000
Net GST Paid	-60,989	0	-84,489	0	0
NET CASH FLOW FROM OPERATING ACTIVITIES	135	297,848	496,455	258,430	260,939
CASH FLOW FROM INVESTING ACTIVITIES					
Cash was applied to:					
Purchase of assets	-17,752	-90,000	-57,021	-105,000	-250,000
NET CASH FLOW FROM INVESTING ACTIVITIES	-17,752	-90,000	-57,021	-105,000	-250,000
CASH FLOW FROM FINANCING ACTIVITIES					
Cash was raised for:					
Government grant:	0	0	0	196,596	0
Cash was applied to:					
Repayment of loan	-25,000	-24,999	-74,999	-74,997	-100,000
NET CASH FLOW FROM FINANCING ACTIVITIES	-25,000	-24,999	-74,999	121,599	-100,000
<u>Net Increase/(Decrease) In Cash</u>	-42,617	202,849	364,435	275,029	-89,061
Opening cash	2,449,087	385,294	2,038,127	313,114	313,114
Closing cash	2,406,470	588,143	2,402,562	588,143	224,053
CASH AND CASH EQUIVALENTS COMPRISE					
Cash and bank balances	2,406,470	588,143	2,406,470	588,143	224,053