

EXECUTIVE SUMMARY

Last year the Trust undertook a thorough strategic review of its business and in the Spring 2013, ZEALANDIA re-launched its entry prices and memberships. The Spring Relaunch saw a refresh of the sanctuary's branding and lower admissions and membership prices and has been well received by the public and its supporters.

- Total visits for the 2013/14 year were 99,213, the highest annual visitor numbers to the sanctuary yet.
- Admission revenue was better than budget by 8% for the year.
- Paid visitor numbers were up 19% compared to 2012/2013.
- Membership numbers are up 10% compared to June 2013.
- Visitor satisfaction is continuing to improve with the percentage of visitors who would definitely return again up from 58% pre-relaunch to 74%.

In October 2013, the Trust appointed Hilary Beaton as Chief Executive and work began on a number of projects. These range from enhancing the visitor experience, to building network connections with Wellington Zoo and other Wellington conservation organisations, to developing organisation capability. The Trust is advancing the research and learning partnership with Victoria University and has made a start on upgrading business systems.

ZEALANDIA'S conservation success continued with record numbers of Kākā and Hihi fledglings produced during the breeding season while the Kākāriki population almost doubled from last year. The Trust held its first Foundation members' Day on 24th April 2014 with 235 guests attending and began a series of walks and coffee mornings for its veteran volunteers and members. Through its visitor experience programme ZEALANDIA offered varied content including seminars, walk and talks, themed weeks and custom tours. The education team held the first school sleepover and started incorporating technology into their programme as another method of engaging children in conservation learning. Also, a grant was secured to allow three low decile schools (228 children) from the Hutt/Mana area to visit ZEALANDIA through the Trust's subsidised bus scheme.

Earnings before interest and depreciation totalled \$65k for the year ended 30 June 2014, an improvement of \$261k on the previous year and \$462k on the year ended 30 June 2012. While the Trust's cash on hand diminished by \$246k for the year to June 2014, this was mainly to fund the Trust's repayment of its Community Trust loan plus some asset purchases. The Trust is forecasting, in 2015, that it will return to a positive net cash flow and it will begin to build-up its cash reserves.

SUMMARY FINANCIALS

FINANCIAL PERFORMANCE (\$000)	30-Jun-10	30-Jun-11	30-Jun-12	30-Jun-13	30-Jun-14	<i>Budget</i> 30-Jun-14	<i>Variance</i> 30-Jun-14
Total Revenue	6,681	3,099	2,654	2,749	3,444	3,344	100
Op. Exp. before Depreciation	2,939	3,098	3,112	2,986	3,419	3,343	76
Earnings before Depn.	3,811	63	(397)	(196)	65	36	29
Surplus (Loss) after Depn.	3,378	(902)	(1,386)	(1,917)	(1,373)	(926)	(447)
FINANCIAL POSITION							
Total Assets	21,856	20,684	19,141	17,169	15,588	16,918	(1,330)
Total Liabilities	12,021	11,751	11,594	11,538	11,331	11,449	(117)
Equity	9,835	8,933	7,547	5,630	4,257	5,469	(1,212)
CASH FLOWS							
Total Net Cash Flows	(2,803)	(245)	(727)	(331)	(246)	(137)	(109)
Opening Cash	4,841	2,038	1,793	1,066	735	735	0
Closing Cash	2,038	1,793	1,066	735	489	598	(109)

Earnings before depreciation and interest totalled \$65k (\$29k above budget) for the year ended 30 June 2014. This performance continues a return to the operational sustainability (excl. depreciation) for Trust following a \$397k loss to 30 June 2012 and \$196k loss last year (to 30 June 2013).

SUMMARY FINANCIALS

After absorbing depreciation of \$1.4m, the Trust reported a net loss of \$1.37m for the year ended 30 June 2014, \$447k higher than its forecast loss of \$926k for the year. The negative variance of \$447k results from a higher depreciation charge in the Visitor Centre and its exhibition than was forecast. The financial statements for the year ended 30 June 2013 were also restated to provide comparability.

The Trust's total revenue exceeded budget by \$100k for the year. The table below outlines the year-on-year growth in the Trusts main revenue streams and reflects the work the Trust has done to improve its financial performance in these areas.

Revenue Stream	2013/14	2012/13 Comparison & comment
Admissions	\$922k	8% better than last year. Impact of price reduction offset by increased numbers
Food, beverage & function hire	\$880k	23% better than prior year.
Memberships	\$283k	4% better than 2012/13.
Grants & donations*	\$231k	30% worse than last year due to end of sponsorship. Full time fund raiser will improve.
Retail	\$205k	19% better than 2012/13.

*The exception was grants and donations which declined 30% year-on-year reflecting the end of the Trust's sponsorship by Mitsubishi.

In the balance sheet, the Trust's equity is reducing in tandem with the depreciation of its fixed assets while its loan to Council of \$10.3m remains unchanged.

The Trust's net cash flows for the year were negative \$246k (over budget by \$109k). The Trust's 2014/15 SOI forecasts a stronger operating cash surplus in the year to 30 June 2015 which sees the Trust preserving its current cash on hand at or above current levels. Note: this assumes the continuation of Council grant funding which will be considered in the LTP processes.

KPI DASHBOARD

✔ Achieved ✘ Not Achieved. The tables contain a selection of KPIs and not a complete list.

30 JUNE Measure	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2014 Target
Non-financial							
Visitors	64,097 ✔	62,054 ✘	89,643 ✘	87,897 ✘	82,749 ✘	99,213 ✔	89,366
Membership units	5,300 ✘	5,314 ✘	5,034 ✘	4,830 ✘	4,527 ✘	n/a*	4,950
Individual members						10,919 ✔	9,900
Students & education visits	5,665 ✔	5,859 ✔	7,068 ✔	6,556 ✘	8,121 ✔	8,048 ✘	8,445
Satisfaction rating (out of 10)	--	--	9.1 ✔	9.2 ✔	9.3 ✔	9.3 ✔	9.0
Volunteer numbers	--	--	>400 ✔	>400 ✔	428 ✔	450 ✔	>400
Financial							
Average subsidy per visit	--	--	\$7.81 ✘	\$0.45 ✔	\$4.23 ✘	\$8.82 ✔	\$9.79
Average revenue per visit	--	--	\$25.69 ✔	\$29.13 ✔	\$28.69 ✔	\$25.64 ✘	\$28.40
Conservation							
Percentage native flora	--	--	--	--	--	46% ✔	45%
Total native plant species	170 ✔	177 ✔	182 ✔	--	177 ✔	180 ✔	176
Total exotic plant species	212 ✔	212 ✔	212 ✔	--	215 ✘	215 ✔	214
Percentage native fauna	--	--	--	--	--	71% ✔	71%
Total native fauna	42 ✔	41 ✘	43 ✔	--	42 ✘	42 ✔	42
New native fauna released	3 ✘	3 ✘	3 ✘	--	3 ✔	0 ✔	0
Total exotic fauna for control	44 ✔	43 ✘	34 ✘	--	41 ✔	17 ✔	17

* This KPI has changed to provide a better understanding of ZEALANDIA'S actual membership.

Education visits slightly below target due to not having an Education Team Leader in place for part of the year. This role was filled in February and education visits are expected to meet the forecasts going forward. The Ministry of Education has approved LEOTC funding through to the end of 2016.

KPI DASHBOARD

Average revenue per visit was impacted by the Spring Relaunch which saw reductions in the price of entry and memberships, however this has been offset by higher visitor numbers and total revenue for the year was \$89k above the Trust's SOI target.

Visitor satisfaction levels continue to exceed targets but the very pleasing measure (mentioned already) was that the percentage of visitors who would definitely return again improved from 58% pre-relaunch to 74% post relaunch.

ISSUES & OUTLOOK

The Trust will be seeking to maintain its Council grant funding of \$875k per annum and will engage with Council on this via the 2015-25 Long Term Plan.

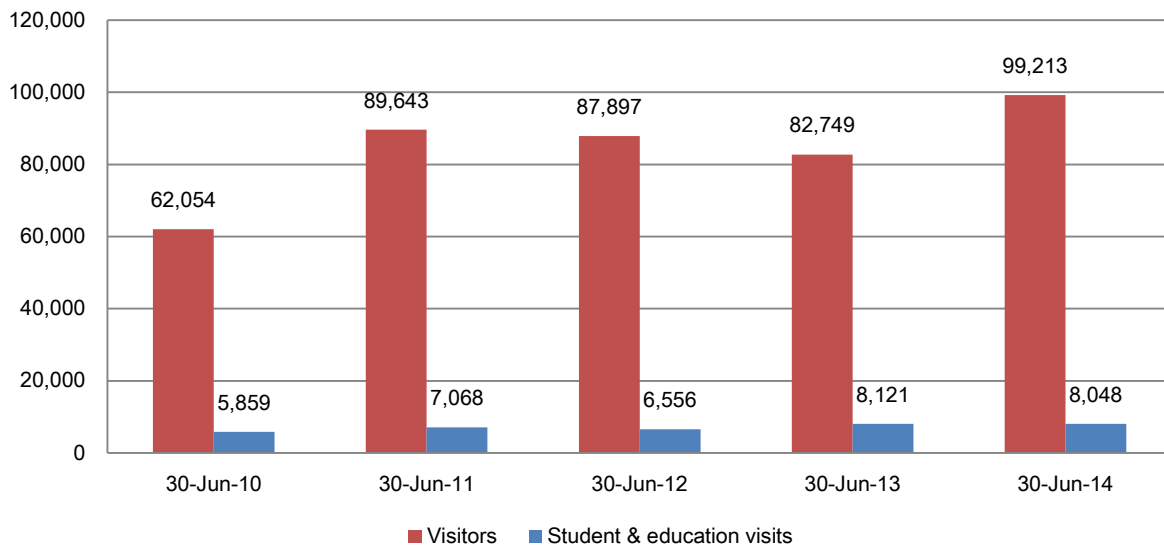
For some time now, the Trust has been working on building a research and learning partnership with Victoria University of Wellington (VUW). Discussions will continue with a view to securing a meaningful strategic relationship in the future.

The Trust has begun work on upgrading critical business systems and this will continue to be a focus in the current financial year. Council officers are working to provide support and assistance where this is practical. A tangible example of this will be the refurbishment of the Trust's offices at 31 Waiapu Road which is expected to begin in the near future and be completed before the summer is over. Council is also continuing to assess the options to provide IT infrastructure support for ZEALANDIA and these investigations are ongoing.

The Trust is preparing a sanctuary blueprint and landscape plan to help inform its management of the sanctuary and to improve opportunities for visitor experiences and engagement. ZEALANDIA will continue to build on the work it started over 12 months ago aimed at rebuilding its reputation and positioning it for a long future as one of the city's unique assets.

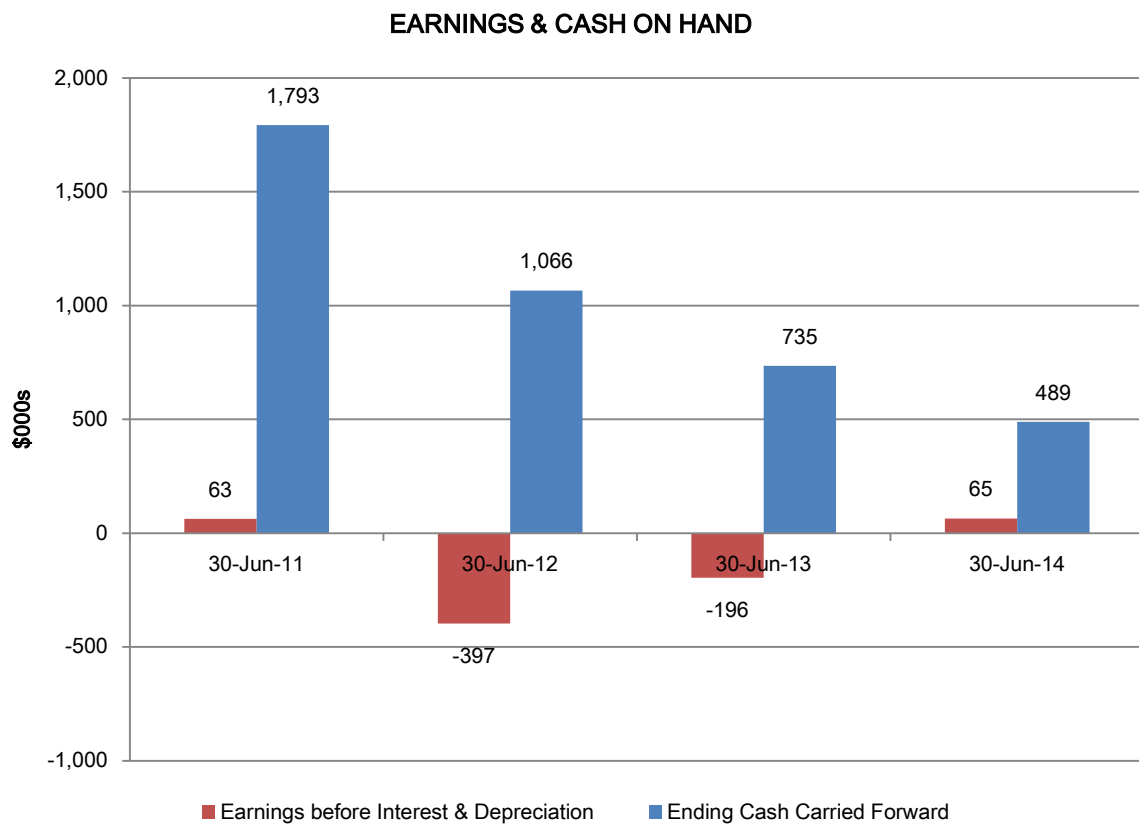
EFFECTIVENESS INDICATORS

VISITATION



The visitation response to ZEALANDIA'S Spring Relaunch was extremely pleasing and exceeded the Trust's expectations with total visits for the year almost reaching 100,000.

EFFECTIVENESS INDICATORS



This chart illustrates the Trust's return from negative Earnings Before Interest & Depreciation and highlights the impact on its year-end cash balances. The Trust's SOI forecasts continued improvement in its earnings before interest & depreciation and relatively stable cash on hand.

Annual Report

2013/14



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Chair's Highlights

2013/14 has seen strong progress on the Trust's aims of enhancing our relationships, revenue and reputation, and establishing foundations for sustainability and resilience in the long term.

The Spring 2013 relaunch of ZEALANDIA's offer for visitors and Wellingtonians was a major focus for Board and management in the first quarter. The relaunch was warmly received. The positive practical results (visitation and revenue) were indicative of the sanctuary's strengthening relationships with Wellingtonians, and growing recognition of ZEALANDIA as a must see experience for visitors to the capital.

In October 2013 we welcomed our new Chief Executive, Hilary Beaton. Under Hilary's leadership we have progressed a number of projects that underpin our future. These range from enhancing the visitor experience, to building network connections with the zoo and other Wellington conservation organisations, to developing organisation capability. We are advancing the research and learning partnership with Victoria University. We have made a start on upgrading our critical business systems. Although there is further work to be done in all these areas, we have made a solid start.

A major contributor to the Trust's sustainable future is our active and positive partnership with Wellington City Council, and the Council's financial contribution to our core operations. The Council has also provided technical and professional input in a number of areas. We are grateful to the Mayor, Councillors and council staff for their support and encouragement over the year.

Thanks are due to many people including the staff and volunteers whose day to day efforts help to create our contribution to Wellington; from bird life and birdsong throughout the capital, to a unique visit experience and centre for conservation research and learning. They are supported by our members and other generous donors.

During this significant year of change, Jim Lynch and the other Sanctuary Guardians have acted as wise counsel. Natasha Petkovic-Jeremic provided leadership continuity through the first quarter. Hilary Beaton and her team have had an active and focused year on major projects to take us forward. The Board is grateful to all of them.

As chair, I acknowledge the very significant effort put in by my fellow trustees Phillip Meyer, Pam Fuller, Steve Thompson and Charles Daugherty.

ZEALANDIA has a unique contribution to make as the natural heart of the capital city. Working in strong partnerships we are confident that we can make a significant difference for Wellington.

A handwritten signature in black ink, reading "Denise F. Christ". The signature is written in a cursive, flowing style.

Chief Executive's Report

Our 2013/14 Statement of Intent began by saying that the year was to be one of change and challenge. We have certainly lived up to that statement as we have worked to lay a solid foundation for the organisation to build upon.

Along with the change and challenge there has been great success. The Spring Relaunch in October saw a refresh of our branding and lowered admissions and membership prices. Since the relaunch we have seen an increase in admissions and total visitor numbers for 2013/14 were our highest ever. There has also been a significant increase in membership numbers and visitor satisfaction since the relaunch. The Spring Relaunch was a huge undertaking and I would like to take this opportunity to thank all our staff and volunteers that were involved with this project.

The year finished with a small surplus which was \$277k better than the previous year and almost \$500k better than 2011/12. This positive trend is encouraging but there is still work to do to move ZEALANDIA towards financial sustainability.

We continued to have great conservation success with record numbers of Kākā and Hihi fledglings produced during the breeding season. The Kākāriki population has grown considerably, almost doubling from last year.

Through our visitor experience programme we offered varied content including seminars, walk and talks, themed weeks and custom tours. Our education team held the first school sleepover and started incorporating technology into their programme as another method of engaging children in conservation learning.

It's also exciting to see the strong performance of Rata Cafe this year as it becomes a destination in itself.

A key focus of 2013/14 has been realigning the organisation to ensure we have the right people with the right skills to achieve the strategic outcomes that will move us towards financial sustainability. The organisation has been realigned into four key work programmes that are managed and delivered by staff. Inevitably, this has meant that we have said goodbye to a number of our staff this year. I have been deeply impressed by all staff for the professionalism displayed during what has been a difficult time.

Significant work has also been completed this year to improve our systems and processes, to ensure we are working as efficiently as possible.

The work undertaken in 2013/14 means we now stand on firmer ground that will allow us to move ZEALANDIA forward. I thank all of our members, volunteers and partners for their support - the sanctuary and its positive contributions to Wellington are made possible because of you.

I look forward to sharing our successes with you as we move into the next phase of our journey.

Nga mihi nui.

A handwritten signature in black ink, reading "Hilary Seaton". The signature is written in a cursive, flowing style with a long, sweeping underline.

Highlights of the 2013/14 Year

The focus of 2013/14 has been to establish a solid foundation for ZEALANDIA to build on as the organisation moves towards a sustainable future.

We've celebrated many achievements through the year in our visitor, education, conservation and research programmes.

HIGHLIGHTS INCLUDED:

Success of our Spring Relaunch

- Our Spring Relaunch began on 20th October 2013 with refreshed branding, lower admission and membership prices, aiming to improve our public profile with local Wellington residents and to increase our visitor numbers and membership.
- Our recovery programme is on track. We have increased visitor numbers, membership, revenue growth and satisfaction and are making strong progress with relationships and reputation.
- Total visits for the 2013/14 year were 99,213, our highest annual visitor numbers yet.
- Admission revenue was better than budget by 8% for the year.
- Paid visitor numbers were up 19% compared to 2012/2013.
- Membership numbers are up 10% compared to June 2013.
- Number of new members are up 40% compared to 2012/2013.

Enhanced Visitor and Member Experience

- Visitor satisfaction is continuing to improve with the percentage of visitors who would definitely return again up from 58% pre-relaunch to 74%.
- Our Sirocco Encounters programme ran from 22nd July to 6th September 2013. A total of 3,677 visitors attended, 11% above target.
- We held our first Foundation members' Day on 24th April 2014 with 235 guests attending and began a series of walks and coffee mornings for our veteran volunteers and members.

Building our Education Programme

- We have designed a new Youth Program with sleepover and school holiday programme components. Attendance at the holiday programme almost doubled from the first term.
- Three low decile schools from the Hutt/Mana area visit ZEALANDIA through our subsidised bus scheme.
- Weekly Te Reo classes are now running and available for all staff.

Continuing Growth in our Commercial Business

- We have increased interest in functions, weddings and venue hire services. This area performed 22% better than budget for 2013/14 and has already secured 65% of the upcoming wedding season.
- Appointment of a Manager, Commercial Development in May who will continue to develop the commercial potential of the sanctuary.

A Growing Reputation

- There is increased recognition of ZEALANDIA as an essential part of Wellington's identity and overall media coverage has been positive.
- ZEALANDIA has been voted Best Local Operator 2014 by the Viator Travel Awards, in recognition of a year of 5-star customer ratings.
- We were awarded the Trip Advisor Certificate of Excellence 2014.
- Our international reputation is increasing with a growing number of visits from overseas dignitaries. In the 4th quarter we have had visitors from Canada, Korea, Australia, United Kingdom and the United States. These were individuals working in the urban environment space and saw ZEALANDIA as a world-leading working model.

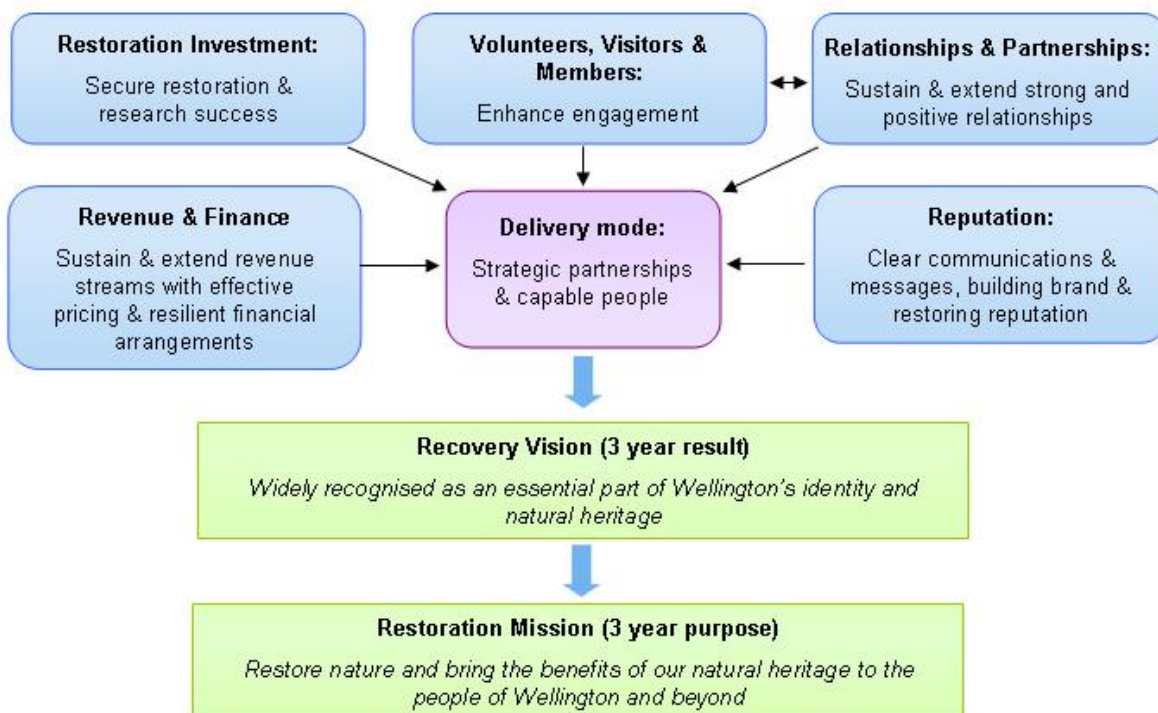
Building a Sustainable Business

- The appointment of our new CEO, Hilary Beaton, who started at ZEALANDIA on 22nd October 2013. The CEO implemented a staff review and organisational realignment which, after consultation, had all of organisation buy-in and acceptance. Implementation is now underway.
- Appointment of a dedicated fundraiser in October to enable greater donor care and a proactive approach to sourcing new support.
- We are continuing to develop partnerships with corporate and community organisations as demonstrated by our involvement with Nature Connections and partnerships with Hotel Intercontinental and Tuatara Brewery.
- We are upgrading, and in some cases building for the first time, systems to support our service delivery. We are already seeing potential benefits of improving infrastructure including greater IT capability, improved staff performance and capacity, greater reliability of data and improved responsiveness to a range of stakeholders, especially management and handling of schools bookings.
- Project charter for the refurbishment of 31 Waiapu Road was signed off on 20th May 2014.

Vision & Strategic Objectives

In 2013/14 we developed a one page plan that would guide the organisation to achieve the following objectives set out in our founding documents:

- To carry out education and research into all matters pertaining to the conservation and restoration of New Zealand's natural heritage and in particular, to restore representative examples of New Zealand's natural heritage.
- To establish and maintain a secure native wildlife sanctuary.
- To restore the sanctuary's ecosystem as closely as practicable to its presumed pre-human state but allowing for construction of specific habitats to enhance its diversity and conservation values.
- To provide facilities for recreation and tourism activities.
- To seek and foster community support and participation.
- To manage and manipulate such ecosystems as may be necessary to maintain requisite populations.



Goal 1: Reputation

ZEALANDIA realises its vision, mission and brand with integrity: building trust, engagement and loyalty and inspiring advocacy from visitors, volunteers, members and Wellingtonians.

SPRING RELAUNCH

On 20th October 2013, ZEALANDIA began a Spring Relaunch with the aim of improving our public profile with Wellington residents and increasing visitor and membership numbers. The focus of the relaunch was on:

- Reduced pricing to remove concerns of locals that we are expensive. This demonstrated that we are listening to the concerns of our community.
- Enhanced benefits to our members.
- Refocused messaging around our core values and to support a worthy cause.
- A strong communications programme assisted by Wellington City Council.
- Refreshed collateral and signage.

Following the relaunch we have seen increased visitor numbers, with record visits each month from November 2013 to March 2014. In total, we had 99,213 visitors this year, the highest number we've ever had, 11% better than target and up 20% compared to last year.

We have also seen increases in membership, revenue growth and satisfaction ratings.

MEMBERSHIP

As at the end of the 2013/14 year, ZEALANDIA has over 10,000 individual members, up 10% on the previous year. This increase in membership is attributed to our active engagement with members and promotional offers. It also indicates that the community is re-engaging with us and seeing ZEALANDIA in a positive light.

We recognise that our members are powerful advocates for ZEALANDIA and this year we have sought new ways of connecting with our members. Members' walks are being held fortnightly and Veteran's Morning Teas are being held quarterly, an initiative to bring together and celebrate our longstanding members. We have also received very positive feedback from members regarding the 'bring friends for 50%' initiative.

We celebrated our Foundation Members on 24th April 2014 with a morning tea on the Heritage Lawn. There 235 guests at this event that acknowledged the support of our original members.

Our AGM was held on 24th November 2013 where we presented our achievements for the year and gave several presentations including conservation highlights and stories about volunteering. The main business was followed by an opportunity to have a picnic lunch and take a guided tour through the valley.

We continued to engage with our members this year through Kereru, our biannual newsletter, our monthly e-newsletter and social media channels.

VOLUNTEERS

In 2013/14 our volunteers donated over 33,000 hours to ZEALANDIA. This equates to more than \$450,000 in operational costs. Volunteers are at the heart of our organisation and the sanctuary succeeds through their efforts. We are extremely grateful for their continued support.

With over 400 active volunteers supporting us in a variety of functions from office administration to delivering our visitor experience, we are able to offer opportunities to a cross section of the community.

Engagement with our volunteers is crucial to our success and we are working to improve this communication. A meeting was held with volunteers in June to outline the organisational restructure and what impact this will have on volunteers. A method of allowing volunteers to provide suggestions for consideration by management has also been implemented.

Our annual volunteer appreciation event was held on 22nd November 2013. This event is an opportunity to recognise the work that volunteers do and to thank them for their continued support. This year we presented Volunteer Awards for an outstanding contribution over the year to:

- Jenny Atkinson
- Bill Beale
- Eleanor Bentley
- Julie Bracegirdle
- John Falkner
- John Galloway
- Jenn Keenan
- Peter & Lynette Martin
- Iain McIntosh
- David Murphy
- Alan Perry
- Mike Priest
- Jenny Roy
- Roy Sharp
- Dave Watt

At this event, we also acknowledge volunteers who have completed 10 years of continued service at ZEALANDIA. This year's recipients of the ZEALANDIA 10 Year Badge were Linton Lapsley-Miller and Judi Lapsley-Miller.



OUR TEAM

In order to move ZEALANDIA towards a sustainable future, there has been an organisational realignment this year. Changes have been made to align the organisational structure with the Strategic Business Plan, maximising efficiency and standard of delivery. This realignment is ongoing and will be completed early in 2014/15.

The Board acknowledges the efforts of the team who have made significant achievements during the year, despite the number of changes being made.

During the year we farewelled Natasha Petkovic-Jeremic (Acting Chief Executive Officer), Brian Ireland (Education Team Leader), Lauren Schaer (Marketing and Communications Coordinator), Saiorise Holic (Café and Functions Supervisor) Peter Laurensen (Marketing Manager), Craig Riley (Facilities Officer), Juliane Hoffman (Visitor Centre Operations Manager), Ruby Easther (Admissions Supervisor).

Anna Burns (Cafe Manager) and Michael Ayre (Volunteer Coordinator) also left on parental leave.

During the year we welcomed Hilary Beaton (Chief Executive Officer), Kimberley Collins (Marketing and Communications Coordinator), Jon McQueen (Fundraising Coordinator), Kylie Smith (Strategic Projects Assistant), Darren van Hoof (Education Team Leader), Philip Claassen (Cafe and Functions Manager), Mike Dennis (Head Chef), Ian Phillips (Manager Commercial Development).

Goal 2: Visitor Experience & Engagement

ZEALANDIA will deliver excellent environmental outcomes for Wellington through community engagement via our visitor experience and commitment to learning for all, enhanced by a range of projects and strategic partnerships and underpinned by a long term strategic investment plan.

VISITOR EXPERIENCE

ZEALANDIA is committed to providing a meaningful visitor experience and significant work has been undertaken during the year to continue building our programme. Through our programming, we aim to give our visitors a deeper appreciation of our natural heritage and inspire them to take our conservation message into their homes and communities.

In 2013/14 we provided visitors unique opportunities to connect with nature through our programme, guided tours, night tours and other events.

Themed Events

During the year, a number of themed events were held to enhance the visitor experience:

- Ongoing Walk and Talks and Feeder Talks
- Kaka Week
- Tuatara February
- Bug Week
- Clue Trails
- 'Behind the scenes' weekends for the public to experience kaka as our monitors do.
- Sunday Storytelling at ZEALANDIA
- Wine and Wander with Kaimira Estate Wines
- Winter Wander Night Tour
- Woolf Photography Workshop
- Kids Photography Workshops
- Introducing ZEALANDIA Weekend Presentations

Sirocco Encounters Programme

We were delighted to host Sirocco the Kakapo this year, for the second time. Sirocco was with us from 22nd July to 6th September 2013 during which a total of 3,677 people visited him.

Presentations and Seminars

A number of presentations were held this year:

- Co-evolution of Native Plants and Extinct Moa, presented by Dr Kevin Burns.
- Conservation Update, presented by Raewyn Empson, Conservation Manager.
- Bug Week Seminar with presentations from Olivia Vergara from Victoria University on the preliminary results of her weta study at the sanctuary and from James Cowan on dragonflies.
- Tuatara Tales Seminar, presented by Sue Keall and Anna Carter.

ZEALANDIA by Night

The ZEALANDIA by Night (ZBN) tours continue to gain popularity with 2,795 visitors for the year. In January we had 426 people on the tour, our highest number ever for one month.

Wildlife sightings are high on these tours with 95% of tours seeing a kiwi, 98% seeing tuatara and 90% seeing takahe. Sightings of eels and frogs were 66% and 62% respectively. Other wildlife that is regularly seen during the ZBN tours includes Pateke, Ruru, Cave Weta, Tree Weta, Black Harvestman and Gherkin Slugs. Highlights this year have included seeing an emerging Huhu Beetle and excellent glow worm displays at the Morning Star Mine.

We have received positive feedback on the Quietvox Audio System that we have started using on our tours this year. The system consists of a microphone for the guide and a receiver for the visitor, allowing them to clearly hear the guide. This has been a great enhancement to the visitor experience and we have received a lot of positive feedback.

EDUCATION

ZEALANDIA is an open air classroom where students can learn about Wellington's natural heritage and the importance of conservation.

In 2013/14, 8,048 students visited the sanctuary as part of our education programmes. We were slightly below target for the year due to not having an Education Team Leader in place for part of the year. Of the total education visits, 4,819 visited as part of the Ministry of Education (MOE) Learning outside the Classroom (LEOTC) programme, which was slightly above our MOE target for the year.

The MOE has approved our funding through to the end of 2016, which will continue to allow students to visit ZEALANDIA and experience our ngahere as it should be.

Since the appointment of a new Education Team Leader in February, significant work has been undertaken to design a new youth programme. This included the first school sleepover in April and the week-long School Holiday Programme.



We received outstanding feedback on our education programmes from teachers, parents and students as our education team continue to engage and inspire their students. Some sample feedback is below:

"The guides had a positive, upbeat attitude and their love for the sanctuary was infectious."

St Theresa's School

"This visit was a highlight of our Wellington trip, the children have come away richer for the experience."

Strath Taieri School

"We love your programme and think you're doing a marvellous job. My little David Attenborough loves it!"

Holiday Programme Parent

"I would actively promote this school holiday option for any children that enjoy the outdoors and have an interest in plants, bugs, animals and birds. A little boy's paradise!"

Holiday Programme Parent

A grant was secured this year to subsidise travel costs for low decile schools in the Hutt/Mana region to visit ZEALANDIA. Several schools have already taken up this opportunity, allowing 228 children to visit sanctuary.



Photo Credit: Peter Fisher

Outreach Programme

World Wildlife Fund has continued our outreach programme until December 2015. This funding enables us to visit schools and get kids to take action in their communities. This funding allows students to track and trap pests that are present in their community and have a positive impact on saving our unique flora and fauna.

Innovative Conservation Learning

The Education Team is always seeking ways to incorporate new ways of learning and to lead new innovations in conservation education learning. ZEALANDIA is now using technology to not only engage students in nature but to encourage them to continue learning about conservation long after they leave us.

Nature Watch has allowed school groups to capture their journey in the valley and view these observations back at school and at home. At the end of June each iPad had logged around 500 observations in our valley which will be used by students, scientist and nature enthusiasts all around Aotearoa.

APPRENTICE EXCHANGE PROGRAMME

This year ZEALANDIA started an Apprentice Exchange Programme. As part of the programme our Operations apprentice completes three placements at Wellington City Council sites (Botanical Gardens, Otari-Wilton Bush and Berhampore Native Plant Nursery). In return three WCC apprentices work with ZEALANDIA for a week to understand and learn the skills required to keep the sanctuary operating from a facilities point of view. This gives all the apprentices involved great learning experiences and a deeper understanding of the work of ZEALANDIA and the WCC sites.

REACHING OUR AUDIENCES

Community Involvement

Our relationship with the community and our ability to affect positive change is integral to the success of ZEALANDIA.

We issued 141 complimentary passes this year for use as prizes at kindergarten, school and local community events.

Discounted admission and products for seniors, students and Community Services cardholders are offered year round and our participation in Wellington's Gold Coin day in May meant over 6,000 people visited ZEALANDIA, who may not have otherwise. Other promotions held this year included:

- Twilight Thursdays
- Members bring friends at half price
- \$10 Tuesdays Students
- \$10 Wednesdays buggies go bush
- Entertainment book 2 for 1 – Adult General admission
- PWT Wellington City Pass

As our reputation continues to grow, more high profile and international guests continue to visit the sanctuary. High profile visitors this year included:

- Te Radar, Comedian
- Elizabeth Gilbert, American Author
- Rayya Elias, American Author
- Marcus Chown, British Astrophysicist
- Steve Dickson, Queensland Minister for National Parks, Recreation, Sport and Racing
- Mick Abbott, Associate Professor Design & Innovation, Lincoln University
- His Excellency Kang Chang-hee, Speaker of the National Assembly of South Korea
- Joe Oliver, Canadian Finance Officer

Domestic and International

The Spring Relaunch reinforced our brand and visitor experience and positioned ZEALANDIA as a significant visitor attraction for domestic visitors. We reach visitors to the city via the i-SITE, accommodation providers, travel guide books, John's Hop On Hop Off Bus, Wellington Cable Car, Wellington City Pass and outdoor signage. We also actively participate in Positively Wellington Tourism initiatives that promote Wellington as a tourist destination.

Fewer cruise ships visited Wellington this year which impacted this area of our business. In 2013/14, 2,637 cruise ship passengers visited ZEALANDIA, 26% less than last year.

Our premium products performed very well in 2013/14:

- Custom tour visitors totalled 1,123 - up 41% compared to last year.
- ZEALANDIA by Night visitors booked via tourism operators totalled 1,015 – up 34% compared to last year.
- Corporate tour visitors totalled 320 – up 83% compared to last year.

Free Shuttle

ZEALANDIA's free shuttle welcomed over 11,000 passengers on board during the year. The shuttle operates seven days a week and runs an hourly circuit starting from the Wellington City i-SITE and passing several key locations including Te Papa and the Cable Car precinct before reaching ZEALANDIA.

Media Coverage

ZEALANDIA has received a lot of media coverage this year, primarily with a positive focus. Highlights of the coverage included stories on:

- Sirocco
- Spring relaunch
- Hilary Beaton's appointment as CEO
- Return of Little Spotted Kiwi chick
- Tuatara Ambassadors
- Tuatara Release

ZEALANDIA was also mentioned in numerous travel features on places to visit in Wellington.

We also hosted a number of media groups in 2013/14, including:

- Paul Henry Show: regarding hedgehogs as pests.
- Seven Sharp: interview with Minister Nick Smith about conservation.
- Campbell Live: regarding the Gareth Morgan cat debate.
- ONE News: regarding our large volunteer base with ties to recent results from a survey that listed the environment as a key issue in the upcoming election.
- STEM Creative: filming the reservoir using a drone for a promotional video for Positively Wellington Tourism.
- APN Media: travel piece on places to visit in Wellington.

Trade Shows & Community Events

Staff represented ZEALANDIA at a number of trade shows and community events during the year including:

- Pest Fest – a public information event run by DOC.
- Spring Wedding Show
- Show me Wellington
- Festival of Education

Satisfaction

The sanctuary valley and the exhibition are major attractions for visitors, allowing them to experience New Zealand's native species in their natural environment and learn about our natural heritage.

Visitor satisfaction is continuing to improve with the percentage of visitors who would definitely return again up from 58% pre-relaunch to 74%. Our overall satisfaction rating is 9.3/10 which is the same as last year and our value for money rating is 8.9/10, up from 8.7 last year.

We also received the following awards this year in recognition of the positive feedback we received on social media this year:

- Trip Advisor Certificate of Excellence for receiving an average satisfaction rating of 4.5/5.
- Viator Travel Awards Best Local Operator 2014 in recognition of a year of 5-star customer ratings.

Qualmark Evaluation

We scored 93% in our Qualmark evaluation which was completed on 7th March 2014. We also retained our Enviro Gold grade.



Photo Credit: Janice McKenna

Goal 3: Restoration Investment

ZEALANDIA's restoration and research work is recognised by funders and partners as leading the way in Wellington's environmentally active community.

CONSERVATION & THE COMMUNITY: RESTORATION & RESEARCH

North Island Kākā

The 2013/14 Kākā breeding season saw 105 fledglings produced by 28 pairs. This represents the greatest number of birds produced in any single season. The number of pairs being monitored is constrained by the number of nest-boxes we offer. Nestlings were banded as part of ongoing population monitoring. There has been a significant increase in unbanded Kākā, confirming that birds fledged from natural nests both inside and outside the sanctuary.

This season also marked the first time Kākā have been transferred from ZEALANDIA to another site to help re-establish a population. The venture delivered partial success and an unexpected outcome. Two chicks were removed from nests for transfer to Boundary Stream via Pukaha Mt Bruce but when it was discovered that one was suffering symptoms of lead poisoning, more clutches were tested and another three chicks were sent to Massey University for treatment. Two of these Kākā have been released at Boundary Stream, the other three will be released there as soon as they have been cleared. The issue of exposure to lead in an urban environment and its ramifications will be a research topic in the next breeding season.

We ran two behind the scenes weekends for the public in November so they could experience Kaka as our monitors do. They were invited to accompany our regular monitors to selected nestbox sites and view chicks; they also received a background explanation of the monitoring program.

Red-Crowned Parakeet / Kākāriki

Monitoring ZEALANDIA's Kākāriki population has continued thanks to sponsorship by W N Pharazyn Charitable Trust. We were able to provide supplementary food for Kākāriki for the fourth consecutive year, improving their visibility for visitors, as well as helping us to monitor and catch birds for banding.

The population of Kākāriki grew considerably during the past year. Over 100 different birds were identified in March, which is the high point of the year with lots of juveniles present. This is compared to just over 50 the previous March.

There were 26 confirmed breeding pairs, compared to 13 in 2012/13. Successful pairs increase from one to three broods over a 3-9 month season. The two most productive pairs each raised 14 chicks successfully.

Over 164 fledglings were raised by the 26 pairs from the 49 nests that were located and 157 nestlings were banded.

We were surprised to find two pairs of Kākāriki breed (unsuccessfully) at five months of age towards the end of the season. First time breeders are usually less successful in fledging their chicks than more experienced pairs.

Hihi / Stitchbird

The breeding season was notable for having the most breeding pairs and fledglings recorded at ZEALANDIA since transfer in 2005. Twenty-six females produced over 100 fledglings.

It was also the first time that females have used natural cavities for nesting rather than supplied nestboxes. At least four nests went undetected, deduced from the number of unbanded juveniles that were seen and caught at feeder stations.

A new feeder design for delivering sugar water was adopted for use at our feeder stations this year. It increases the amount of sugar water held in reserve as well as increasing accessibility to the birds, thus reducing problems caused by dominance.

ZEALANDIA continued to support the research of John Ewen and his associates in Oxford, England by collecting data, tissue samples and feathers. The information provided also supported the Hihi Recovery Group in making its recommendations to further the national recovery of the species.



Hihi/Stitchbird: Janice McKenna

Korimako / Bellbird

The goal of establishing a viable Korimako population at ZEALANDIA took another backward step this season with poor recruitment of females into the breeding population continuing to be a limiting factor. While there were only five breeding females, productivity remained high (a feature of our site) with 32 fledglings. Encouragingly, another eight females were recorded at various sites within 2km of ZEALANDIA.

Takahe

Our pair of Takahe continue to thrive and be a highlight for our visitors. However this was the first year since their arrival in 2011 that they didn't nest. This is reflective of their age (almost 20 years). Eggs have been laid in previous breeding seasons but have not been fertile.



Kakapo

Sirocco, the Department of Conservation (DOC) travelling advocacy bird returned to ZEALANDIA for his second visit. Since he was last displayed here significant improvements had been made to his viewing enclosure. Sirocco arrived on 20th July and departed on 4th September. Alisha Sheriff (DOC) was his main minder and presenter and ZEALANDIA staff stepped in for Alisha when required. Sirocco gained weight steadily throughout his stay and his levels of activity and willingness to interact with the public remained high which indicated contentment with his surroundings.

Karearea / New Zealand Falcon

A pair of falcon was again recorded breeding in ZEALANDIA and although the nest was not closely monitored, one chick was recorded. Through the summer there were three separate instances of falcon being discovered either dead or fatally injured in suburbs adjacent to the sanctuary. This highlights both the vulnerability of falcon in an urban environment but also an increased local abundance of this threatened species. Falcon have continued to be seen and heard in the sanctuary.

Tuatara

One of the three juvenile display enclosures was decommissioned due to deterioration of the construction materials. As a result, the seven largest animals were released and the remaining eight were redistributed to the remaining enclosures.



Photo Credit: Tom Lynch

Maud Island Frogs / Pepeketua

ZEALANDIA remains the only site to have Maud Island frogs on display and they are seen regularly by visitors on ZEALANDIA by Night tours. Frog swaps (six females and four males) were undertaken in April to achieve a more even spread of numbers and maintain the genetic diversity in all three enclosures.

Flora

Over 600 locally sourced plants of 28 species were kindly provided to us by Forest & Bird's native plant nursery and their volunteers. Most of the planting was done at the southern end of the valley, and included some of the rarer plants such as matai (*Prumnopitys taxifolia*), *Coprosma foetidissima*, *C. rhamnoides*, *Melicytus crassifolius*,

Pittosporum cornifolium and *Raukaua anomalus*. Many of these have been given individually numbered tags and recorded with GPS to help us monitor their survival and growth, as well as map their distribution. The NZ passionfruit (*Passiflora tetandra*) planted at the Visitor centre fruited for the first time, and the *Clematis paniculata* also planted experimentally there was covered in white flowers in spring.

Since planting records began in 2000, over 32,000 plants (c. 100 species) have been planted in the valley, mostly by volunteers. As well as introducing rare or missing species, planting revegetates disturbed areas after track work or weed management. Most of the rarer species have now had hundreds of specimens planted so to avoid unnatural age-homogeneity we will wait around 20 years to plant another cohort.

RESEARCH

Our location in Wellington and ground-breaking successes make the valley an attractive place for researchers to work and is reflected in our close relationship with Victoria University of Wellington.

ZEALANDIA is a 'living laboratory' where students and scientists can study our plants, animals and ecosystems.

By undertaking and supporting research in the valley, we enhance our understanding of changes that are occurring, the success of translocations and management activities, and increase knowledge about species, habitats and methodologies that could be applied elsewhere.

In 2013/14 ZEALANDIA hosted or assisted with six research projects undertaken by leaders in their field. Five PhD projects, one MSc and one MA projects were undertaken, and research was also undertaken by Trust staff.

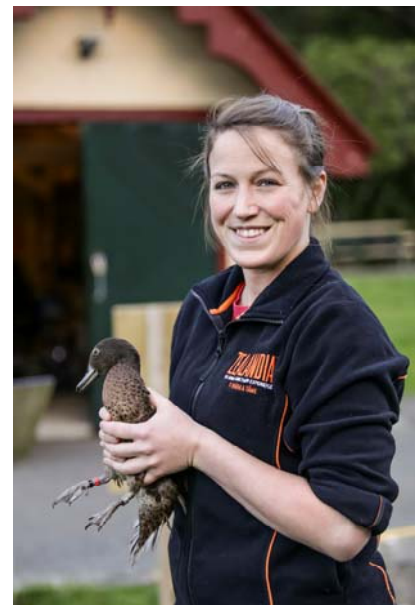


Photo Credit: Janice McKenna

Major Research Projects

Researcher	Institution	Topic/Actions
Angela Moles	University New South Wales	Effect of climate change on herbivory.
Kristina Ramstad	Victoria University	Examination of the inbreeding effects on Little Spotted Kiwi.
Marcus Vandergoes & Rewi Newnham	GNS & Victoria University	Developing a palaeothermometer using bacterial remains for assessing past climate change.
John Ewen, Patricia Brekke & Trust staff	Institute of Zoology, London & ZEALANDIA	Inbreeding, genetic drift and genetic management in Hihi.
Rachael Shaw	Victoria University	Fitness levels and heritability of cognitive abilities in Robins.
Megan Van Etten	Massey University	Inbreeding rates of tree fuchsia.

PHD Research Projects

Researcher	Institution	Topic/Actions
Olivia Vergara Parra	Victoria University	Influence of introduced mammals on invertebrate communities.
Helen Taylor	Victoria University	Inbreeding and ecology of Little Spotted Kiwi.
Julia Loepelt	Victoria University	Cognition and foraging in Kākā.
Kirsty Yule	Victoria University	Differences in Puriri moth parasitism and Kākā predation rates between host species in a tri-trophic system.
Stephanie Price	Victoria University	Population viability of Tuatara.

MSC/MA Research Projects

Researcher	Institution	Topic/Actions
Melody Robyns	Victoria University	Seasonal cycle of bacterial lipids in NZ lakes.
Katie Sheridan	CUNY Queens College, USA	Distribution and habitat use of Pāteke.

BIOSECURITY

Mammalian Pests

Pest control work is an essential part of our conservation work. Only mice were detected in the scheduled pest audits in February and April, but following the discovery of an open gate in the perimeter fence in late April, a further audit using tracking tunnels, traps and detector dogs was undertaken. No breaches were detected.

Our one-hectare Research Area continues to be monitored and trapped to ensure ongoing suppression of mice.

Plant Pest Management

As in previous years weed survey and control was undertaken in summer and autumn. Over 40ha were surveyed and 67 species had some control undertaken. Unusual finds were *Rhaphalepus umbelata* (Sexton's bride), *Larus nobilis* (Bay) as well as increasing numbers of trackside apple trees from discarded cores.

Pest tree management was extended to include Sycamore (*Acer pseudoplatanus*) – the extent of the main infestation was confirmed and treatment undertaken over about 8ha. WCC contractors assisted staff and volunteers with this to prevent reinvasion of Denton Park from sanctuary managed land.

SANCTUARY BLUEPRINT

A working group was established this year to review the sanctuary's Landscape Plan which identifies themed nodes (areas) of visitor activity. The aim of the review is to identify what elements of the plan have been achieved, how the nodes are currently functioning and if they are still relevant.

The work of the group to date has confirmed that the originally identified nodes continue to have relevance as a concept, although some areas are still to realise their full potential and others have lost their original theme. The group is working on development plans for a number of the nodes that will enhance visitor experience.

The output of this project will be an addendum to the Landscape Plan that will outline plans to continue development of the nodes.

Goal 4: Relationships & Partnerships

ZEALANDIA is a valued partner, developing and sustaining strong, positive relationships that contribute directly to our vision and mission.

Partnerships are crucial to ZEALANDIA's success and during the year we worked with a number of our key partners including Wellington City Council, Victoria University of Wellington and the Wellington Zoo Trust. We also continued strengthening relationships with Wellington Community Trust, Department of Conservation, Botanical Gardens, Otari Wilton's Bush, Forest and Bird, World Wildlife Fund and Wellington Museums Trust.

Wellington City Council

Wellington City Council (WCC) provides key support to ZEALANDIA as a major funder as well through providing business support services. WCC's support allows us to focus on implementing strategies that will lead to the long term sustainability of the organisation.

Victoria University of Wellington

Our relationship with Victoria University has continued to strengthen. Meetings have been held throughout the year to craft a way forward that works for all parties. A workshop on 11th June 2014 to design a vision for the partnership, define the next steps and outline an action plan to continue moving the relationship forward.

Iwi

Strong relationships with local iwi, in particular the Wellington Tenth's Trust, are critical in achieving wider Wellington sustainability initiatives.

Guardians

The role of the Guardians is to safeguard the founding vision of ZEALANDIA. The Guardians appoint up to five trustees and are a strong and vital partner to the organisation.

Nature Connections

ZEALANDIA is involved with the Wellington Regional Amenities Fund (WRAF) funded pilot project aimed at identifying and improving the interpretive connections between similar eco-tourism destinations in the Wellington region. Nature Connections is jointly led by ZEALANDIA and Wellington Zoo and includes Staglands Wildlife Reserve, Pukaha Mount Bruce and the Harbour Island Kaitiaki Boards and DOC on behalf of Matiu/Somes Island.

Each organisation will develop interpretive tools onsite highlighting why the region is inspirational and what the connections are between the partner organisations. ZEALANDIA will have four staff members trained as

'trainers' in presentation delivery. These trainers will subsequently provide a series of professional development training sessions for staff and volunteers aimed at improving presentation skill sets and improving the quality of the visitor experience at ZEALANDIA.

ZEALANDIA staff members have taken the opportunity provided by Nature Connections to visit each partner organisation's site to gain a greater understanding of their visitor experience and interpretation techniques. Nature Connections has provided excellent opportunities for ZEALANDIA to build relationships with other partner organisations that we hope to continue fostering over the next 12 months of the pilot project.

Wellington Zoo

ZEALANDIA has a strong relationship with Wellington Zoo and we are grateful for their support and the veterinary care they provide for wildlife that comes from the sanctuary.

In February an injured adult male tuatara was discovered outside the perimeter fence. It was assumed to have climbed the fence and sustained damage to his tail and pelvis after falling from the tophat as there was no evidence of any burrowing under the fence. The tuatara was taken to The Nest Te Kōhanga at Wellington Zoo where he has been making his slow recovery.

Karori Halo Project

ZEALANDIA is a participant in the Karori Halo Project which aims to combine community engagement with conservation science to control predators around the sanctuary as well as create awareness of the importance of backyard diversity.



Goal 5: Revenue, Finance & Organisation

ZEALANDIA:

- closely monitors expenditure;
- continues to develop revenue generation capability;
- creates and maintains a 'no surprises' framework that facilitates the goals of the organisation, protects assets and preserves staff and visitor health and safety; and
- will develop a culture where staff are advocates and owners of the organisation's vision, mission and values.

FINANCES

For the year ended 30th June 2014, the operating result before depreciation was \$25,005. This is an improvement of over \$260k compared to the previous year and almost \$500k better than 2011/12, demonstrating that the organisation is continuing its journey towards financial sustainability.

This improving trend is due to ZEALANDIA's focus on generating sustainable revenue while monitoring expenditure. The table below shows our key revenue streams for 2013/14 and our performance compared to the previous year.

Revenue Stream	2013/14 Income	Performance compared to 2012/13
Admissions	\$922,100	8% better than last year. The impact of the price reduction in October was offset by the significant increase in numbers following the relaunch.
Food, Beverage & Function Hire	\$880,218	23% better than last year.
Membership Subscriptions	\$283,177	4% better than last year.
Grants & Donations	\$231,175	30% worse than last year. This is primarily due to the end of our sponsorship agreement with Mitsubishi. With a full time Fundraiser now in place, we are working to improve income generated in this area.
Retail	\$205,424	19% better than last year.

ZEALANDIA also received \$875,000 in funding from Wellington City Council and we thank them for their ongoing support.

RATA CAFE & FUNCTIONS

The cafe and functions business is crucial to the commercial development of ZEALANDIA as it supports and enables our conservation effort in the sanctuary.

Rata Cafe performed exceedingly well this year with revenue up 23% compared to 2012/13. This is due to increased functions business. The transition to sustainability incurred some one-off costs during the year which meant expenditure for the cafe was high but this will be tightly controlled in the next year.

Cafe promotions and events held throughout year have included:

- Friday Fish & Chips special
- Saturday Big Breakfast \$16 Deal
- Sunday High Teas
- Entertainment Book 2 for 1 main menu
- 12 Days of Christmas
- Bug Week Menu
- Winter Solstice Dinner
- Cooking Classes
- Coffee Training Evenings
- Wellington on a Plate – Kakapo and Kai Event and Burger Wellington

Cafe and functions has great potential and work will continue to grow this side of the business in 2014/15.



Photo Credit: Paul McCredie

RETAIL

The ZEALANDIA store stocks a wide range of souvenirs, giftware and books with a focus on flora and fauna inspired products. Retail performed well this year, with revenue up 19% compared to 2012/13.

FUNDRAISING

Income from sponsorship, grants, appeals, donations and bequests is vital to the success of our vision while allowing people help make a difference.

ZEALANDIA received \$231,175 in grants and donations in 2013/14 and we wish to thank everyone who supported us this year.

Fundraising income was down 30% compared to last year which is primarily due to the end of our Mitsubishi sponsorship. With a Fundraiser Coordinator now in place, work is underway to develop a fundraising strategy that will continue to grow this critical revenue stream.

SYSTEMS & PROCESS UPGRADE

This year has been about building a foundation upon which the organisation can grow. We have worked to upgrade systems and processes to allow ZEALANDIA's ongoing success.

An upgrade of our server is underway and WCC's wifi has been installed in the Visitor Centre, allowing us to offer free internet access to our visitors. We have seen good uptake of this service and hope to expand the access through the valley in future years.

We have implemented a quality assurance programme including a revamped record management system, ideas register and full debriefs that are completed after all events and promotions in order to learn from each experience and continue to improve our services.

KEY PERFORMANCE INDICATORS

Performance against WCC 2013/14 Statement of Intent KPIs for the Year ended 30th June 2014

	2013-14 Actual	2013-14 Target	Status
Non-financial Performance Measures			
Total Visit Numbers	99,213	89,366	↑
Total Education Visits	8,048	8,445	↓
Individual Members	10,919	9,900	↑
Volunteers	450	>400	↑
Quality of Visit	93%	90%	↑
Financial Performance Measures			
Average Subsidy/Visit	\$8.82	\$9.79	↓
Average Revenue/Visit	\$25.64	\$28.40	↓
Conservation Performance Measures			
Total Native Plant Species in the Sanctuary	180	176	↑
Total Adventives (Exotic) Plant Species	215	214	↑
Percentage Native Flora	46%	45%	↑
Total Native Fauna Species in the Sanctuary (all vertebrates & mega invertebrates)	42	42	←
Number of New Native Fauna Species Released (not previously present)	0	0	←
Total Exotic Fauna	17	17	←
Percentage Native Fauna	71%	71%	←

RECOGNITION

The ongoing support of individuals and organisations through grants, donations, subscriptions, technical advice and in-kind support is absolutely critical to ZEALANDIA's ongoing success.

We wish to sincerely thank the following for their support in 2013/14:

Principal Funder

- Wellington City Council

Strategic Partners

- Victoria University of Wellington
- Department of Conservation
- Wellington Tenth Trust

Founding Supporters

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

Kaka (Gold) Supporters

- Russel McVeagh
- New Zealand Community Trust

Tui (Silver) Supporters

- The Holdsworth Charitable Trust
- R&D Evans Charitable Trust
- W.N Pharazyn Charitable Trust
- Stout Trust

Hihi (Bronze) Supporters

- Noel & Joanna Todd
- The Kinsky Family Trust
- Karori Brooklyn Community Trust/The Lion Foundation
- Trusthouse
- Ministry of Tourism
- The Fleming Family
- Nature Heritage Fund
- The Pacific Development & Conservation Trust
- Pub Charity

Community Supporters

- The Rotary Club of Karori
- Karori Lions Club
- Forest & Bird
- The Combined Rotary Clubs of Wellington

Business Supporters

- GO Wellington
- Tuatara Breweries
- Centaman System
- Kaimira Estate Wines
- Beca
- The Dominion Post
- Designwork
- Steam & Sand

Other Supporters

- Ngati Kuia
- Ngati Paoa
- Te Kawerau a Maki
- Ngati Manuhiri
- Ngai Tahu
- Ngati Toa
- Ngati Koata
- Te Ati Awa ki Whakarongotai
- Port Nicholson Block Settlement Trust
- MetService
- Southland Museum and Art Gallery
- Ministry of Education
- Woolyarns Ltd
- Dorothy L Newman Charitable Trust
- Ernst & Young
- Massey University
- Auckland University
- Wellington Zoo
- Techsoup/Microsoft
- Wellington Botanical Society
- PricewaterhouseCoopers
- Harbour City Security
- Hyve Communications
- A.J Wills

Business Goes Bush & Corporate Members

- Bolton Hotel
- Tregaskis Brown
- Kenex Knowledge Systems
- Intergen
- Leadership Matters Ltd

And a very special mention to our volunteers and members.

Appendix A: Financial Statements 2013/14

KARORI SANCTUARY TRUST (INC.)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

Karori Sanctuary Trust (Inc.)
Statement of Financial Performance
For the year ended 30 June 2014

	Note	2014 \$	2013 \$
Operating revenue			
Membership subscriptions		283,177	281,804
Wellington City Council grant		875,000	350,000
Other grants and donations		231,176	332,581
Admissions		922,100	857,293
Sale of goods		1,085,642	886,198
Other		22,206	15,879
Total operating revenue		<u>3,419,301</u>	<u>2,723,755</u>
Other income			
Interest received		24,329	24,822
Total operating revenue and other income		<u>3,443,630</u>	<u>2,748,577</u>
Operating expenses			
Cost of goods sold		374,536	285,623
Other operating expenditure	2	2,894,882	2,541,674
Audit fees		21,410	26,750
Trustee remuneration		87,800	91,000
Interest paid	7	39,997	40,735
Total operating expenses		<u>3,418,625</u>	<u>2,985,782</u>
Operating surplus/(deficit) before depreciation		25,005	(237,205)
Less Depreciation	3	(1,398,380)	(1,461,438)
Less Impairment of fixed assets		-	(218,081)
Net deficit		<u>(1,373,375)</u>	<u>(1,916,724)</u>

The accompanying notes on pages 5 to 11 form an integral part of these financial statements.

Karori Sanctuary Trust (Inc.)
Statement of Movements in Equity
For the year ended 30 June 2014

	2014	2013
	\$	\$
Accumulated funds at beginning of year	5,630,273	7,546,997
Net surplus/(deficit)	<u>(1,373,375)</u>	<u>(1,916,724)</u>
Total recognised revenues and expenses for the period	(1,373,375)	(1,916,724)
Accumulated funds at end of year	<u>4,256,898</u>	<u>5,630,273</u>

The accompanying notes on pages 5 to 11 form an integral part of these financial statements.

Karori Sanctuary Trust (Inc.)


Statement of Financial Position

As at 30 June 2014

	Note	2014 \$	2013 \$
Equity			
Accumulated funds		<u>4,256,898</u>	<u>5,630,273</u>
Represented by:			
Current assets			
Cash and bank		489,043	734,884
Accounts receivable		44,643	13,723
Prepayments		18,194	52,522
Stock on hand		82,638	72,647
GST refund		-	-
Total current assets		<u>634,518</u>	<u>873,776</u>
Non current assets			
Fixed assets	6	<u>14,953,837</u>	<u>16,294,891</u>
Total non current assets		<u>14,953,837</u>	<u>16,294,891</u>
Total assets		<u>15,588,355</u>	<u>17,168,667</u>
Current liabilities			
Accounts payable and accruals		117,195	190,542
GST to pay		12,082	18,722
Community Trust loan	7	108,333	108,333
Accrued holiday pay		80,742	97,711
Unearned subscription income		<u>166,416</u>	<u>176,397</u>
Total current liabilities		<u>484,768</u>	<u>591,705</u>
Non current liabilities			
Community Trust loan	7	500,000	600,000
Wellington City Council loan	8	<u>10,346,689</u>	<u>10,346,689</u>
Total liabilities		<u>11,331,457</u>	<u>11,538,394</u>
Net assets		<u>4,256,898</u>	<u>5,630,273</u>

The Board of Trustees authorised the financial statements for issue on

Chair:



Date: 30/9/2014

Trustee:



Date: 30/9/2014

The accompanying notes on pages 5 to 11 form an integral part of these financial statements.

Karori Sanctuary Trust (Inc.)

Statement of Cash flow

For the year ended 30 June 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Cash was provided from:			
Membership subscriptions		273,196	286,487
Grants and donations		1,106,177	682,581
Admissions and other income		1,999,027	1,759,371
Interest received		24,329	24,822
Total		<u>3,402,729</u>	<u>2,753,261</u>
Cash was applied to:			
Payments to suppliers and employees		(3,444,605)	(2,900,499)
Net GST payment		(6,640)	19,085
Total		<u>(3,451,245)</u>	<u>(2,881,414)</u>
Net cash flows from operating activities	9	<u>(48,516)</u>	<u>(128,153)</u>
Cash flows from investing activities			
Cash was applied to:			
Purchase of plant, equipment & other assets		(57,327)	(62,420)
Net cash flows from investing activities		<u>(57,327)</u>	<u>(62,420)</u>
Cash flows from financing activities			
Cash was applied to:			
Interest paid		(39,998)	(40,735)
Repayment of loan	7	(100,000)	(100,000)
Net cash flows from financing activities		<u>(139,998)</u>	<u>(140,735)</u>
Net decrease in cash		(245,841)	(331,308)
Opening cash		<u>734,884</u>	<u>1,066,192</u>
Closing cash		<u>489,043</u>	<u>734,884</u>
Cash and cash equivalents comprise			
Cash and bank		<u>489,043</u>	<u>734,884</u>

The accompanying notes on pages 5 to 11 form an integral part of these financial statements.

Karori Sanctuary Trust (Inc.)
Notes to the Financial Statements
For the year ended 30 June 2014

1. Statement of accounting policies

i. Basis of reporting

The financial statements presented here are for the reporting entity, the Karori Sanctuary Trust. The Trust is a charitable trust registered under the Charities Act 2005, established to develop a secure native wildlife sanctuary in the Karori Reservoir valley in the city of Wellington.

The Trust is a qualifying entity within the differential reporting framework issued by the New Zealand Institute of Chartered Accountants. The Trust qualifies on the basis that it has no public accountability (that is: not an issuer as defined under the Financial Reporting Act 1993 nor does it have coercive power to tax, rate or levy to obtain public funds) and is not considered large as defined by the framework. The Trust has taken advantage of all differential reporting concessions available to it except for FRS10 Statement of Cash Flows.

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. The Trust has chosen not to adopt the New Zealand equivalent to International Financial Reporting Standards (NZ IFRS). The decision not to adopt is consistent with the exemption provided by the Accounting Standard Review Board (ASRB) Release 9, issued September 2007. ASRB Release 9 provides a choice to certain qualifying entities to either adopt NZ IFRS or to continue to apply New Zealand Financial Reporting Standards (NZ FRS).

The measurement base adopted is that of historical cost.

Reliance is placed on the assumption that the Trust continues to receive sufficient income to fund ongoing operations.

ii. Recognition of revenue

Grants are recognised as revenue when the requirements under the grant agreement have been met. Any grants for which the requirements under the grant agreement have not been completed are carried as liabilities until all the conditions have been fulfilled.

Revenue received from membership subscriptions is allocated proportionally over the period to which they relate. The unearned portion of subscriptions is shown under current liabilities. Prepaid visits are also treated as current liabilities.

Sales of goods and admissions comprise the amounts received and receivable for goods and services supplied to customers in the ordinary course of business. This revenue is recognised when the goods or services are provided to the customer.

Interest income is accounted for as earned.

In the financial statements, there is no financial recognition of support given in the form of donated labour and materials.

iii. Fixed assets

Fixed assets are recorded at cost less accumulated depreciation and impairment.

The cost of purchased property, plant and equipment is the value of the consideration given to acquire the assets and the value of other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

iv. Depreciation

Depreciation of fixed assets is calculated on a straight-line basis so as to allocate the cost of the assets over their useful lives as follows:

Building / infrastructure	10 - 100 years
Exhibitions	3 - 5 years
Leasehold improvements	10 - 25 years
Predator fence	25 - 50 years
Fixtures, plant and equipment	5 - 75 years

Vehicles	5 - 10 years
Boat	15 years
Other Assets	2.5 - 50 years

v. Accounts receivables

Accounts receivable are stated at anticipated realisable value after providing against debt where collection is doubtful.

vi. Stock on hand

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

vii. Leased assets

As lessee:

Operating lease payments are recognised as an expense in the periods the amounts are payable.

viii. Impairment

Annually, the management assesses the carrying value of each asset. Where the estimated recoverable amount of the asset is less than its carrying amount, the asset is written down. The impairment loss is recognised in the statement of financial performance.

ix. Employee entitlements

Employee entitlements to salaries and wages, annual leave and other benefits are recognised when they accrue to employees.

The liability for employee entitlements is carried at the present value of the estimated future cash outflows.

x. Goods and services tax (GST)

The financial statements have been prepared so that all components are stated exclusive of GST with the exception of receivables and payables that include GST invoiced.

xi. Income tax

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

xii. Statement of cash flows

The following are the definitions of the terms used in the statement of cash flows:

- (a) Operating activities include all transactions and other events that are not investing or financing activities.
- (b) Investing activities are those activities relating to acquisition, holding and disposal of property, plant and equipment and of investments.
- (c) Financing activities are those activities that result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash.
- (d) Cash is considered to be cash on hand and current accounts in banks, net of bank overdrafts.

xiii. Changes in accounting policies

There have been no changes in accounting policies in the year.

2. Operating expenditure

	2014 \$	2013 \$
Administration and management	140,869	101,970
Personnel costs	1,914,455	1,769,617
Other operating expenditure	839,558	670,087
Total	<u>2,894,882</u>	<u>2,541,674</u>

3. Depreciation

	2014 \$	2013 \$
Trust buildings	186,590	187,121
Exhibition centre	893,328	938,449
Leasehold improvements	56,915	56,915
Predator fence	95,231	95,230
Fixtures, plant and equipment	57,695	57,660
Vehicles	13,374	12,507
Other assets	<u>95,247</u>	<u>113,556</u>
Total	<u>1,398,380</u>	<u>1,461,438</u>

4. Cash and Cash Equivalents

	2014 \$	2013 \$
Cash and bank	239,043	484,884
Term Deposit	250,000	250,000
Total	<u>489,043</u>	<u>734,884</u>

5. Capital commitments

There are no capital commitments (2013 nil).

6. Fixed assets

	Cost	Accumulated depreciation and impairment	Net book value 2014
	\$	\$	\$
Trust buildings	11,603,124	1,323,134	10,279,990
Exhibition centre	3,629,357	2,616,630	1,012,727
Leasehold improvements	1,132,006	388,344	743,662
Predator fence	2,457,633	1,332,558	1,125,075
Fixtures, plant and equipment	1,694,622	464,012	1,230,610
Vehicles	164,217	96,044	68,173
Other assets	1,156,781	663,180	493,601
Total	21,837,739	6,883,902	14,953,837

	Cost	Accumulated depreciation	Net book value 2013
	\$	\$	\$
Trust buildings	11,603,124	1,136,544	10,466,580
Exhibition centre	3,629,357	1,723,302	1,906,055
Leasehold improvements	1,132,006	331,429	800,577
Predator fence	2,457,633	1,237,327	1,220,306
Fixtures, plant and equipment	1,681,544	406,317	1,275,227
Vehicles	164,217	82,670	81,547
Other assets	1,112,532	567,933	544,599
Total	21,562,332	5,267,441	16,294,891

7. Community Trust loan

The Trust received a loan of \$1,500,000 in 1999 from the Community Trust of Wellington to fund the construction of the predator fence with the Wellington City Council as a guarantor for this loan. Repayment commenced in 2005/6 over a 15 year period. Interest payments commenced in 2004/5.

The current portion of the term liability as at 30 June 2014 was \$108,333 (2013: \$108,333) and the interest for the current year was 5.41% (2013: 5.41%).

8. Wellington City Council Loan

In 2007, an interest free limited recourse loan agreement of \$8m was entered into with the Wellington City Council to assist with the development of ZEALANDIA Visitor Centre Project. This loan was further increased to \$10,346,689 in 2009.

The loan is repayable subject to the availability of surplus funds in any financial year as defined in the terms of the loan agreement. The loan is classified as a non current liability as it is not budgeted to be repaid within one year. Due to surplus, funds not expected to be available.

9. Reconciliation of cash flow statement

Reconciliation of net cashflow from operating activities with operating surplus

	2014	2013
	\$	\$
Net (deficit) / surplus from operations	(1,373,375)	(1,916,724)
Add / (deduct) non cash items		
Depreciation	1,398,380	1,461,438
Fixed assets impairment	-	218,081
Interest paid	39,997	40,735
Movements in working capital items		
Decrease / (increase) in GST receivable	(6,640)	19,087
Decrease/ (increase) in stock on hand	(9,990)	4,808
Decrease / (increase) in accounts receivable and prepayments	3,407	18,813
(Decrease) / increase in income in advance	(9,981)	-
(Decrease) / increase in accounts payable from operations	(90,314)	25,609
	<u>(90,314)</u>	<u>68,317</u>
Net cash flow from operating activities	<u>(48,516)</u>	<u>(128,153)</u>

10. Related party transactions

During the year, the following material related party transactions occurred.

	2014	2013
	\$	\$
Related party transactions:		
Grants from Wellington City Council	875,000	350,000
Board remuneration paid to Trustees	87,800	91,000
Year end balance:		
Wellington City Council Loan	10,346,689	10,346,689

11. Lease commitments

i. ZEALANDIA land

The Trust is a party to an agreement with the Wellington City Council and Wellington Regional Council for the transfer of ZEALANDIA land and its ultimate lease to the Karori Sanctuary Trust. The lease agreement is currently being finalised.

ii. Trust offices

The Trust leases its office building from the Wellington City Council at an annual rental of \$7,280 (2013 \$7,280).

iii. Photocopier and EFTPOS terminals

The Trust rents a photocopier from Canon at an annual rental of \$2,100 (\$2013 \$3,176). The rental agreement expires in April 2018.

EFTPOS terminals are lease leased from Direct Payment Solutions at an annual rental of \$5,388. The lease agreement expires in March 2015. An additional mobile unit is leased for an annual rental of \$828. The lease for the mobile unit expires in September 2017.

12. Contingent liabilities

There are no contingent liabilities as at 30th June 2014 (2013 nil).

13. Post balance date events

There is no post balance date event which affects these financial statements (2013 nil).



Independent Auditors' Report

to the members of Karori Sanctuary Trust (Inc.)

Report on the Financial Statements

We have audited the financial statements of Karori Sanctuary Trust (the "Trust") on pages 1 to 11, which comprise the statement of financial position as at 30 June 2014, and the statement of financial performance, statement of movements in equity and statement of cash flows for the year then ended, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information.

Trustee's Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal controls as the Trustees determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider the internal controls relevant to the entity's preparation of financial statements that present fairly the matters to which they relate, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditors we have no relationship with, or interests in the Trust.



Independent Auditors' Report

Karori Sanctuary Trust (Inc.)

Opinion

In our opinion, the financial statements on pages 1 to 11 present fairly, in all material respects, the financial position of the Trust as at 30 June 2014, and its financial performance and cash flows for the year ended on that date in accordance with generally accepted accounting practice in New Zealand.

Restriction on Use of our Report

This report is made solely to the Trust's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's members, as a body, for our audit work, for this report or for the opinions we have formed.

A handwritten signature in blue ink that reads 'PricewaterhouseCoopers' in a cursive script.

Chartered Accountants
3 October 2014

Wellington