

Wellington Zoo Trust

Statement of Intent

2009-2010



Beni the Chimpanzee, born Labour Day 2007

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

VISION

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

DREAM

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

PURPOSE

Wellington Zoo exists to bring animals in their environments and people who visit, on site and on line, together.

Individuals, families and other groups experience shared learning about the wonder and beauty of the natural world beyond themselves.

Special moments of connection are built on by the Zoo to inspire visitors to respect the natural world and to understand their part in securing a sustainable future for it and for us within it.

COMMITMENTS

Wellington Zoo is committed to:

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

1 OBJECTIVES

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

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

2 STRATEGIC GOALS

OUR ANIMALS' WELL BEING

The Zoo is known throughout Australasia for the high quality of the animals' environment and for our husbandry and welfare practices.

CONSERVATION

The Zoo is a community leader shaping visitors' views on the need for conservation.

LEARNING

Visitors have memorable learning experiences based on exploration, discovery and fun.

SIX STRATEGIC ELEMENTS FOR WELLINGTON ZOO OVER THE NEXT THREE YEARS ARE TO:

- Create outstanding, intimate and unique visitor learning experiences

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

The construction of a new 21st century zoo will be challenging in regard to the impact on the visitor experience and visitor flow. The Zoo is planning to mitigate this issue during construction by creating other value added experiences for visitors. The pace of the ZCP roll out will also affect visitor value as older parts of the Zoo remain undeveloped. In this financial year, however, The Nest, Wellington Zoo's Animal Hospital, will be completed and also the birds in bird valley will be moved to new housing. These two projects will highlight the approach to creating a 21st century zoo. We believe that the development of a critical mass of improved visitor experience (both large and small projects) will enhance visitation and community support.

As almost half the population of Wellington visit the Zoo each year (according to the Wellington City Council Resident Satisfaction Survey results), as well as over 30,000 domestic and international tourists, the Zoo recognises its potential to deliver conservation and sustainability messages to our visitors. The ZCP will enable 'stage sets' and contexts to be developed to engage visitors with conservation messages that are relevant and personal. The Nest will particularly add to this dimension for the Zoo. This large audience will contribute to Wellington City Council's goals of Wellington as a Green Capital and the Zoo will work with Council to ensure synergy between the two organisations in this area. In the 2007-08 financial year the Zoo had its best ever visitation and continues to perform well – this shows that visitors consider the Zoo value for money and are also recognising the value the improvements have made to the experience.

- Make a leading contribution to conservation and research

Wellington Zoo is committed to conservation being the underpinning reason for existence and will be a key stakeholder in collaborative conservation programmes within the zoo industry and with the conservation agencies of New Zealand. The ARAZPA (Australasian Regional Association of Zoological Parks and Aquaria) New Zealand Species Management position jointly funded by Auckland Zoo, Hamilton Zoo and Wellington Zoo continues to build relationships with government conservation agencies in Wellington. Managed species programmes in this region ensure the sustainability of zoo

collections and have emphasis on CITES 1 (Convention on International Trade in Endangered Species) listed animals and endangered species.

Wellington Zoo has implemented a new Conservation Strategy to focus conservation effort on strategic projects. The recently completed Conservation Action Plan will ensure the operational delivery of the Strategy. Wellington Zoo is able to take a leadership role in delivering the conservation message to the community by virtue of our visitation numbers and can provide a portal to the community for other agencies. Conservation messages have been established for all keeper talks in the Zoo and the effectiveness of these will be measured during 2009/10.

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

The possum fertility project is a major research project for Wellington Zoo Trust in partnership with Victoria University of Wellington. Wellington Zoo holds the research possums for the university and this research will be interpreted for visitors to highlight the need for protection of New Zealand's fragile environment. This collaborative project is a first for zoos in this region and could produce ground breaking results. The project to date is showing promising results and this work will be interpreted for visitors when Conservation Corner is complete.

The Manager Conservation and Veterinary Science continues to work in collaboration with agencies such as the Department of Conservation and Landcare Research for conservation outcomes for New Zealand. The Nest will allow further work in this area and provide a facility for conservation outcomes on many levels.

The Zoo also supports the Green Capital initiatives and has made significant advances to reduce its environmental footprint. This work will be clearly targeted in the Zoo's Conservation Strategy and the Zoo will work towards contributing to Wellington's carbon neutrality. The Zoo will enter the Sustainable Business Challenge again this year and we hope to improve on our 2008 finalist position.

- Achieve financial sustainability

The Zoo will be operating in a difficult environment over the coming financial year. The business case indicates an increase in visitation of 2% per year as a realistic projection of this situation. However, the recent economic downturn is top of mind for the Zoo and we will ensure that we are aware of economic trends. We will mitigate risks, capitalise on opportunities and communicate any effects on the Zoo to Council as soon as possible. We endeavour to be prudent and prepared for any trend changes and impacts on the Zoo.

The Zoo will continue to review all commercial products and build a more commercial culture to ensure a sustainable business model. Wellington Zoo has been successful in obtaining grants and the ZCP should ensure this success continues. Wellington Zoo Trust's intent to facilitate appropriate timing of fundraising grants and other financial support for the ZCP is agreed in principle with Wellington City Council Officers. However, if indications are received that fundraising through Trusts and Foundations grants is slowing then the Trust recognises that this may impact on the roll out of the ZCP if targets are not met. The Trust seeks to ensure Council that resources will be applied to garner the maximum result in the fundraising area.

The Trust has ongoing financial support from some corporate organisations and while approaches to corporate organisations with strategic fit with the Zoo will be made in 2009-10 it is not anticipated that this will result in any great increase in support due to the economic climate.

The building of working capital is a prudent business measure that remedies an establishment problem. The resilient organisation has a prudent reserve of working capital and while the Trust has shown commitment to growing working capital we have further work to do over the next two to three years to build a desired level of at least two to three months operational costs of approximately \$1million. Also the long term visitation data illustrates the Zoo's vulnerability to bad weather and economic downturn, set against the Trust's ongoing responsibility for meeting an increasing share of (rising) operating costs.

The Trust is managing to grow revenues that slowly allow us to reduce our percentage reliance on Council funding. By reallocation the Trust has put more resources in the areas that drive real benefits from the capital investments such as fund raising, visitor experience, conservation and animal care. However, there is still a gap between current Operational Expenditure (OPEX), and the OPEX that would support the scale and level of activities/ resources/ people appropriate to a credible, modern facility.

These include:

- ④ providing sufficient training for a young and inexperienced keeping team so that we manage risks to people and animals
- ④ enough investment in conservation and research work so that we can meet modern zoo expectations enough investment in collection management that we can assure the zoo's long term future
- ④ enough investment in fundraising and marketing that we can tap the opportunities to secure external funding into the future
- ④ sufficient funds to deliver the best visitor experience for the community in areas of the Zoo especially in parts if the asset not targeted for redevelopment

The Trust does not take its responsibility of financial sustainability lightly and success over the life of the Trust indicates that the Trust will make every effort to ensure this outcome. We seek to mitigate financial risk while still providing an accessible and value for money attraction for Wellington.

The Board remains concerned that the going forward amount of working capital for the Zoo remains inadequate. The core measure of any business is the ability to absorb shock in an economic downturn and this requires more growth in this area for the Trust for the Board to feel comfortable that the Trust is well buffered financially.

On the other hand, it is an opportunity for Wellington to market the Zoo and other Wellington visitor attractions to Wellingtonians and visitors to Wellington. The Trust is committed to helping Council achieve a variety of outcomes for our city and we would welcome any initiative which would support 'holidaying at home' which encourages visiting a variety of attractions in our city – such as joint marketing and ticketing, cross promotion or domestic tourist packages.

- Build lasting community support and participation

Wellington Zoo aims to be 'the best little zoo in the world' and to date has immense community support. As a community asset Wellington Zoo will implement a fundraising programme to capture this support from the community and the Zoo will also develop partnerships within the community. The initial community fundraising programme this year (in partnership with The Rotary Club of Wellington and

Kirkcaldie and Stains) was very successful and we will implement a community campaign in the 2009-2010 financial year as well. Wellington Zoo will focus on retaining current Zoo Crew members over the next year as well as increase the number of participants in the volunteer programme both individual and corporate which will be measured in FTE hours. These groups within the community become advocates for the Zoo and strong supporters.

- Show industry leadership

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

As a conservation agency, the Zoo is able to play a vital role in assisting the community to take positive action for the environment. The Environmental Management System has been successful in developing the Zoo as a sustainable business and environmental practices in the new construction and other initiatives will further enhance this result and make environmental action more visible to visitors

Ensure all staff add value and are valued

Wellington Zoo has been somewhat successful in attracting talented staff and the development of staff is a key strategic imperative. The management of the redevelopment programme and fundraising to support the Zoo Capital Programme (ZCP) will place added burdens on existing staff over the coming year. One of the key areas for improvement at the Zoo is to focus on our people, through training and development.

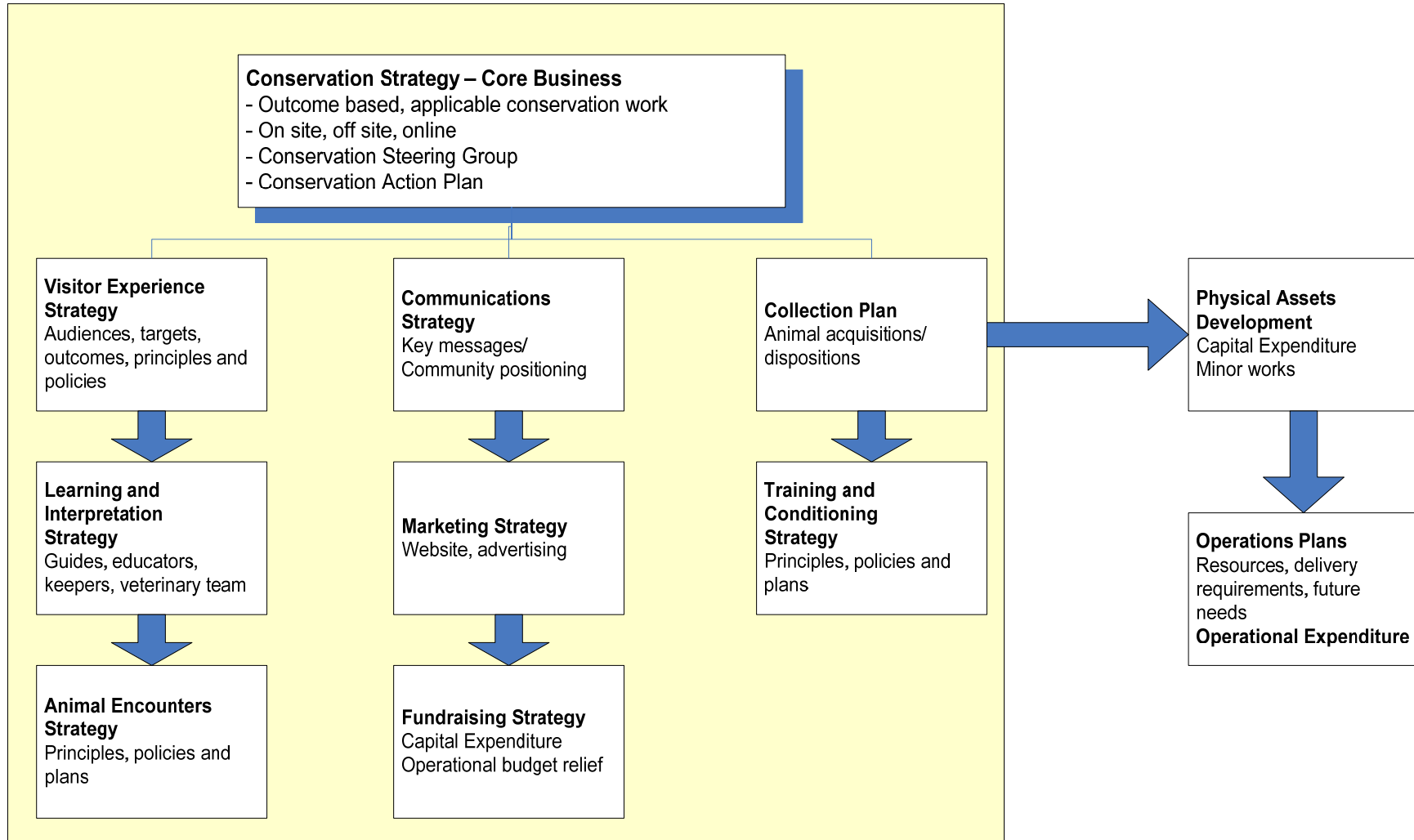
With the recruitment of the Human Resources (HR) Manager we have been able to implement an in house learning calendar as well as become much more strategic in regard to HR options. Zoo expertise is found in a small pool of people across the world and it is imperative to the success of Wellington Zoo to have skilled and motivated staff. Staff attraction, development and retention are key areas for the Trust as part of the six strategic elements. The Trust undertook a job sizing exercise in 2008 to ensure appropriate salary structures are in place for our staff and we will continue to ensure staff are given the highest priority during this period of financial uncertainty. The Trust recognises that investment in this strategic element is not to the ideal level required and this needs to be addressed as the Zoo grows and develops.

The Climate Survey conducted this year with staff show improvement in all key result areas, some by up to 30%. In 2009/2010 the Zoo will benchmark against other organisations by completing the Best Places to Work survey. This will give the Trust greater analysis of organisational culture and development.

The total personnel costs for the next three years show a increase as we address inconsistent salary relativities, provide for pay increases and invest in new positions for key areas of the business such as fundraising, commercial development, customer service and visitor experience.

To ensure these strategic imperatives are delivered, a series of supporting strategic documents have or will be prepared over the coming year. These are outlined in the table on the following page. Conservation outcomes sit at the heart of the Zoo and other strategies flow from the guiding principles of the Conservation Strategy.

Zoo Strategy Flow Chart



3 APPROACH TO GOVERNANCE

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

3.1 ROLE OF THE BOARD

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

The Board delegates the day to day operation of the Trust to the Chief Executive and her management team. The Chief Executive provides regular reports on financial and non-financial performance to the Board.

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

3.2 BOARD MEMBERSHIP

Name	Term Expires
Denise Church (<i>Chairperson</i>)	31 December 2009
Phillip Meyer (<i>Deputy Chairperson</i>)	31 December 2009
Celia Wade-Brown	October 2010
Lee Parkinson	30 June 2009
Frances Russell	31 December 2010
Ross Martin	31 December 2009

All Board members are non-executive.

3.3 BOARD OPERATIONS

The Board meets at least eight times a year. The Chief Executive attends all meetings accompanied by other members of her management team as needed.

3.4 BOARD COMMITTEES

The Board operates four Committees:

- Finance, Audit and Risk Committee
- Remuneration Committee
- Nomination Committee - The Committee undertakes the following functions, in all cases reporting back to the Board with recommendations for the Board's approval:

- Devise criteria for Board membership
- Identify specific skills sought in individuals for nomination
- Make recommendations to the Board for membership of committees
- Succession planning for Trustees

● Fundraising and Sponsorship Committee

3.5 BOARD DEVELOPMENT

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



TT and Solo, the Zoo's new Dingos who arrived Christmas Eve, 2008

4 NATURE AND SCOPE OF THE TRUST'S ACTIVITIES

4.1 CORE BUSINESS

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

- ④ Development and maintenance of animal exhibits which offer high quality experiences to visitors and high quality living environments to the resident animals
- ④ Provision of engaging learning experiences for visitors and community involvement with the Zoo as a community asset
- ④ Educational curriculum delivery
- ④ Management of collection animals to achieve excellent levels of health and emotional/psychological well-being
- ④ Strategic management of the animal collection
- ④ Contribution to conservation through advocacy, support for ex situ and in situ programmes, and sustainable management practices on site
- ④ Participation in collaborative inter-zoo management programmes for collection species and individuals
- ④ Contribution to conservation, scientific, learning and management research projects
- ④ Fundraising for the organisation's future sustainability, development and conservation projects



Preparing one of the male Lions for transport to Orana Park, Christchurch, December 2008

4.2 CONTRIBUTION TO COUNCIL'S VISION AND OUTCOMES

The Zoo will be a contributor to the Council's vision for the city, focusing on knowledge, ideas and innovation. It will also offer a leisure experience which contributes strongly to the lifestyle demanded by creative people in the place they choose to live.

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

- ④ A leader in the city, and a major partner of Wellington City Council in shaping the community's views on conservation and sustainable living
- ④ A valued and valuable member of the Newtown and Wellington communities
- ④ A substantial player in the drive to position Wellington as a centre for learning about and expertise in conservation and science
- ④ A key contributor to the "Creative Wellington – Innovative Capital" vision, helping the city become internationally competitive by attracting investment in education, research, tourism and employment and contributing to the provision of a vibrant city attracting a creative working population
- ④ An important part of Wellington's history as New Zealand's first Zoo and the most visited paid attraction in Wellington.

4.2.1 Creative Wellington – Innovation Capital

Specifically, the Trust will contribute to the achievement of the Councils' 13 outcomes for its *Creative Wellington – Innovation Capital* vision as follows:

<i>Economic Development</i>	... strengthen and further develop the city's status as a centre of creativity and innovation
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Partnerships with both Victoria University of Wellington and Massey University has enabled more facilitated post-graduate research across a range of zoo disciplines, but particularly in the animal science area. The Zoo's relationship with Pacific Radiology ensures best care of the animals in the collection. This memorandum of understanding with Pacific Radiology has been renewed until 2011. this means that The Nest will receive support from the team at Pacific Radiology for diagnosis and access to equipment the Zoo may not have on site.

The contract with Massey University will lay the foundation for the Zoo's new hospital to become a teaching centre for Massey's bio-medical science department, offering them greatly expanded opportunities to teach wildlife medicine. The veterinary residency programme commenced in 2008 to facilitate the education of wildlife veterinarians. The Zoo currently has four masterate students on rotation in the Zoo throughout the year.

The Zoo supports the Manager, Visitor Experience to complete a PhD in evaluation of learning outcomes in zoos; research which is sorely needed as zoos around the world need to assess the effectiveness of their conservation education efforts. Evaluation methods in this area will also benefit other organisations involved in environmental literacy development.

The Bush Builders project in partnership with Wellington City Council and the Nikau Foundation has driven significant environmental literacy outcomes for local schools. This programme will continue in 2009/2010 with a specially recruited educator to manage the programme..

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

The Trust works closely with Wellington City Council to develop realistic and effective Asset Management Plans each year to ensure the asset is well maintained to a 21st century standard.

4.2.2 Capital Projects – Innovative Community Assets

The new facilities being planned at the Zoo will contribute to Council's critical mass of community facilities for a 21st century city.

<i>Environment</i>	<ul style="list-style-type: none"> ... increase its promotion of energy efficiency, energy conservation, and the use of renewable energy sources ... increase its efforts to improve the protection of streams ... strengthen its partnerships with community groups to increase environmental awareness in the community
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Processes have been implemented to ensure control of Capital Expenditure (CAPEX) projects. Wellington Zoo Trust has applied the Wellington City Council project management documentation for all CAPEX projects and works closely with Council Controlled Organisation (CCO) Monitoring Unit officers to ensure all Council requirements are followed.

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

Sustainable building materials are considered in all capital developments and reducing the environmental impact of the Zoo is a key objective in planning and operations.

The Trust has successfully completed The African Unity project, a small refurbishment of the front entrance, the power project and the removal of two aviaries. Construction was also begun on The Nest, Wellington Zoo's Animal Hospital.

The Trust has also blended high capital cost projects with modest cost, high impact which utilise our in house skills of creativity and workmanship. We are fortunate to have staff with experience from the movie world with Wingnut Productions who can assist with in house design build projects.

The major capital project for 2009/10 is the completion The Nest. This project has four measurable outcomes: improved care for the Zoo's animals, care of injured native wildlife, research and teaching of veterinary medicine and excellent visitor experience. As the only facility of its kind in the lower North Island and upper South Island, the Nest will play an integral part in the care of not only the Zoo's collection but native wildlife as well.

The Trust will also plan for 'Meet the Locals' which will address the removal of the bottom bird aviaries which are a health and safety issue and a hazard for the animals.

The development of Contact Corner on the site of the two demolished aviaries in the centre of the Zoo will add visitor value as well as using space previously taken by dilapidated assets.

The construction of the African Village (through a grant received from the Colin Webster Watson Family Trust) will further enhance the African Savannah with parallel play for children and a place for families to learn together.

The refurbishment of the Living Room through a grant from the Stout Foundation will address the poor state of this formal learning and commercial hire space in the short term.

The Trust intends to bring behind the scenes out to visitors and tell authentic interesting stories of the Zoo world to our visitors.

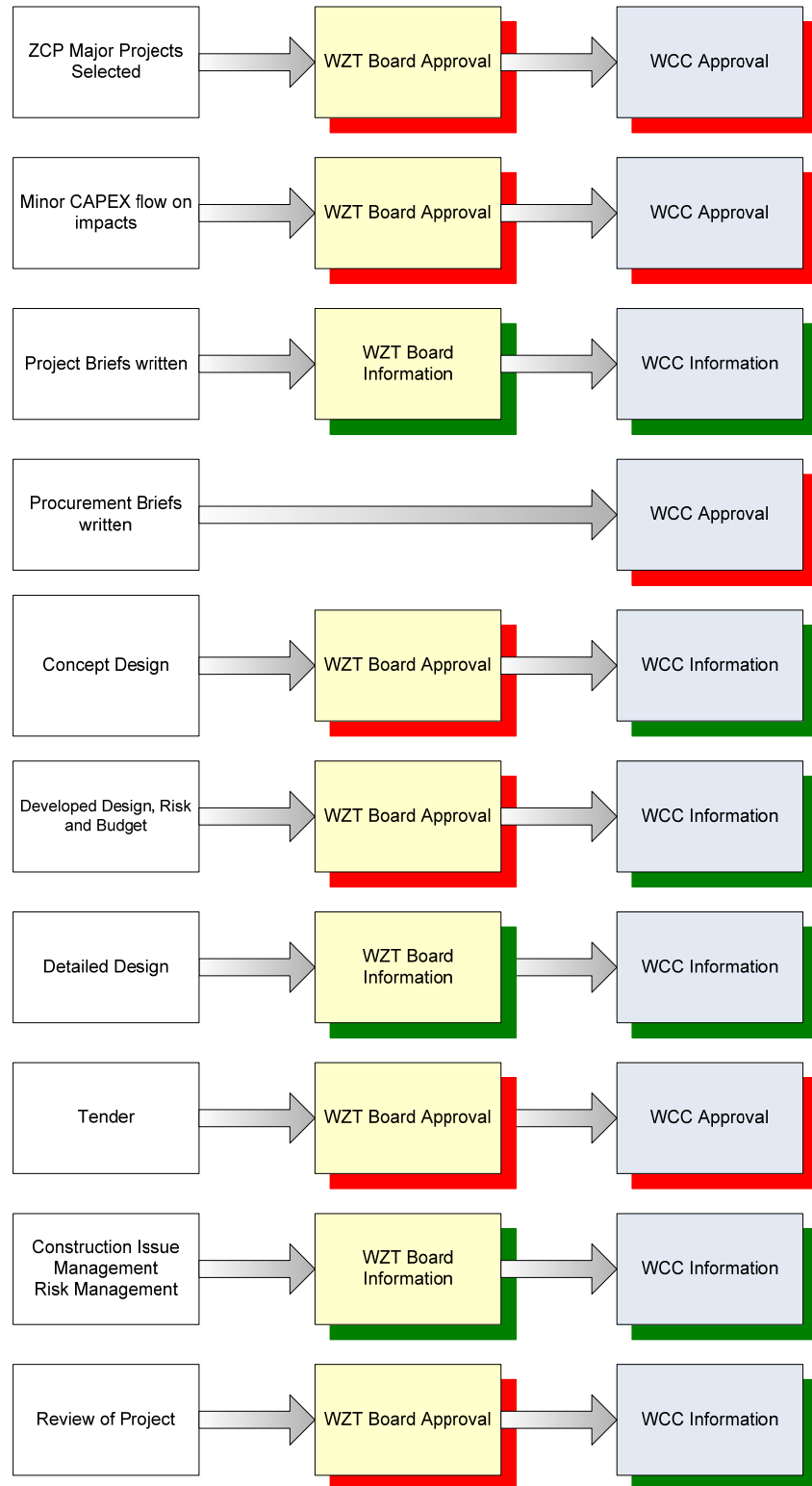


Construction progress on The Nest, May 2009

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

Capital Project Flow Chart and Wellington Zoo Trust Board Gateways

Approval
Information



Through the Visitor Experience Strategy and the Conservation Strategy, visitors will understand that the story is the Zoo's own **Environmental Management System**. Many of the initiatives implemented on site will be capable of implementation in visitors' own homes. The capital projects will also enhance this message in terms of their design and function by including features such as:

- ④ Solar hot water and photo cell use
- ④ Sustainable building materials e.g. Forest Stewardship Council (FSC) timber
- ④ Use of rain water for irrigation and grey water uses
- ④ Solid waste reduction
- ④ Composting
- ④ Energy-efficient initiatives
- ④ Recycling and reuse of materials

The fact that almost half of all Wellingtonians report visiting the Zoo yearly makes it the best opportunity the City and Regional Councils have for advocating for environmentally responsible living practices, and for encouraging Wellingtonians to participate in community projects to protect the environment. Several major sustainability projects will be led by the Zoo most notably the 'Meet the Locals' experience to be developed as part of the Zoo Capital Plan (ZCP). The Zoo was a regional finalist in the Get Sustainable Challenge through the Sustainable Business Network (SBN) last year and we will enter the awards again this year. We are the only NZ zoo to be a member of SBN and our sustainability outcomes continue to improve.

The Bush Builders Schools Project has provided a very solid platform for increasing Wellingtonians' understanding of how ecosystems work and how Wellingtonians can commit to improving the quality of the local environment.

4.2.3 Cultural Experience – Urban Nature

Wellington Zoo has been and continues to be a much-loved part of Wellingtonians' lives as children and as adults, as parents and as grandparents.

<i>Cultural Wellbeing</i>	... take a more proactive role in protecting local sense of place
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Wellingtonians have a proud history of caring about the natural world, as evidenced by the early setting aside of green spaces in the Town Belt and by Council's research in recent years which revealed that the accessibility of the natural environment was one of the three most attractive characteristics about the city for its inhabitants. For over 100 years, the Zoo has been one of the primary ways we have connected with the natural world beyond ourselves. It is a part of our identity as a city and the Trust intends to restore it to its place among the most stimulating facilities this city offers the smart, creative people who live here.

The Zoo Ambassadors programme assists in creating a sense of place for Wellingtonians in relation to the Zoo. Zoo Ambassadors are high profile people in the community who believe in the work of the Zoo and provide a credible public face to speak on behalf of the Zoo.

4.2.4 Building the Community – Across all Boundaries

The Zoo is an integral part of the Wellington community and offers a range of community experiences for the whole community.

<i>Social and Recreation</i>	<ul style="list-style-type: none"> ... work harder to increase the value of community facilities to their communities ... increase its efforts to promote youth participation in sport and recreation
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The Zoo is already a strong contributor to the recreational life of young Wellingtonians. Approximately 90,000 Wellingtonians under the age of 18 visited the Zoo in 2008/09. There is also a considerable cohort of 18 – 30 year olds who visit in couples and groups of friends.

The Trust's aims to create a Zoo of ideas which enters into dialogue with its community on a range of topical and stimulating subjects will lead it in new directions. The Wild Theatre has enabled the hosting of events such as the visit of Dr Jane Goodall in 2008.

The Zoo seriously considers its accessibility for all Wellingtonians. The annual free Wellington Neighbours BBQ and the reduced admission price during winter ensure that those less fortunate in Wellington have access to the Zoo. Disabled access is a consideration in all capital projects and Wellington Zoo Trust works with Wellington City Council City Communities through the Adviser for Disability Communities to ensure the Zoo is as accessible as possible. In this period of economic downturn, the Trust will continue to ensure accessibility for Wellingtonians through excellent value memberships and discount policy.

The Visitor Experience Strategy provides for innovation in experience and message delivery. The strategy employs best practice understanding of how people engage with information and addresses the learning theory which supports the visitor experience in the Zoo.



Setting up for Beni the Chimpanzee's 1st birthday celebrations October 2008

4.3 PARTNERSHIPS

The Zoo has a large number of partners within the city, nationally and internationally.

4.3.1 Principal Funder

Wellington City Council is the principal funder of the Zoo. This is the cornerstone relationship for the success of the Wellington Zoo Trust. The Zoo's physical assets, including those for which the Trust raises funds, are vested in Council. The Trust recognises Council's capital investment as key to the success of the Zoo but the Trust is striving to reduce the trend in percentage reliance on Council operating grant as a total of OPEX. Aside from funding, the Trust also recognises and values the many other facets of the relationship and active partnership with the City Council such as accessibility initiatives, Green Capital sustainability initiatives, conservation programmes, joint communications, support from Council services such as Information Technology, Human Resources support and asset management.

4.3.2 Conservation and Business Partners

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

- ④ Australasian Regional Association of Zoological Parks and Aquaria (and individual member zoos) – operating within the ARAZPA framework gives Wellington Zoo its “licence to operate” in the zoo industry and enables us to access animal stock, collection management expertise and specialist advisory expertise across the zoo industry.
- ④ Karori Wildlife Sanctuary (Zealandia) through captive breeding of kaka for release, keeper time for monitoring birds and veterinary services. ‘The Nest’ will enhance our relationship with Zealandia and bird rehabilitators in this region.
- ④ Te Papa
- ④ Pacific Radiology
- ④ Rotary Club of Wellington
- ④ Nikau Foundation
- ④ Go Wellington
- ④ Ministry of Education through Learning Outside the Classroom programme
- ④ Victoria University
- ④ Massey University through the Wildlife and Zoo Medicine Masterate programme
- ④ Arataki Honey through support for Wellington Zoo sun bears and Free the Bears in Asia
- ④ Saatchi and Saatchi
- ④ Tip Top
- ④ Dominion Post
- ④ Classic Hits
- ④ Department of Conservation through species management, joint visitor experience initiatives, research programmes and endangered species conservation
- ④ Sustainable Business Network

A number of community funding bodies also have a major impact on the Zoo through their generous input of funds for Zoo operation and development.

4.3.3 Tangata Whenua

The Zoo is strengthening its partnership with the Wellington Tenth's Trust through collaboration on the narrative ideas for the ZCP and native species stories. Maori cultural history and stories will be part of the interpretive mix of the Zoo.

4.3.4 Regulatory Bodies

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

4.3.5 Other Partners

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

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

4.4 GROWING ZOO SUPPORT AND REVENUE

The Trust is committed to increasing the operational revenue required for the Zoo and reducing operational funding dependence on Council. The business case for ZCP clearly shows this intention while recognising the challenges inherent in this and the need to invest in 21st century zoo activities. The Trust actively seeks sources of funding external to Council through visitors, donors and other supporters. Since the Trust's inception in July 2003, it has generated significant extra revenue other than Council funding for general operations and capital projects and is endeavouring to increase funds raised for operational requirements. The Zoo is on track to being a major contributor to funding for CAPEX projects and OPEX requirements. However it must be stated for 2009/10 that the financial successes of the past two years may not be repeated in this economic climate. The Trust constantly monitors trends in visitation and seeks to be prepared for any indications of financial risk.

However the Trust is confident that with the a continuation of the Council funding grant at the level of \$2.709 million per annum for the next three years we will be able to continue to operate at existing levels of service. The Trust appreciates that confirmation of this level of support from council for the next three years will enable a more certain approach to financial planning and give the Trust a degree of confidence to grow the business.

Significant reviews of the commercial products have been undertaken to ensure the best return on investment and the Commercial Strategies outline the key drivers for revenue generation over the coming three years. The yearly Business Plan and Six Strategic Elements reflect financial sustainability as a critical success factor for the Zoo and measurable targets are set to ensure this outcome.

The Fundraising Strategy outlines the focus for Zoo fundraising for the next three years with particular attention to capital fundraising and community support. The establishment of the Zoo Ambassadors programme will provide credible community voices to support the Zoo in its fundraising task.

The Trust will drive membership support through Zoo Crew and Zoo Adoptions programmes and the Manager Fundraising position will focus on the Community Fundraising Programme over the coming year. This role will also seek to gain budget relieving funding for operational expenditure.

The Volunteer Coordinator role will drive community support for the Zoo through increasing volunteering effort across the Zoo's activities. In 2008/09 the Zoo saw an increase in corporate volunteer days and volunteers will play an increasingly important role in the visitor experience. Specifically recruited and trained volunteers will be crucial for the visitor experience delivery at The Nest.

The new catering contract has yielded greater return for the Zoo both in operational and capital development funding. Work has begun on planning a redeveloped catering hub in the centre of the Zoo close to the Wild Theatre to create a critical mass of visitor services in the heart of the Zoo. The contracted caterer will contribute CAPEX funding to this project.

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

Contribution to Operational Funding by the Trust

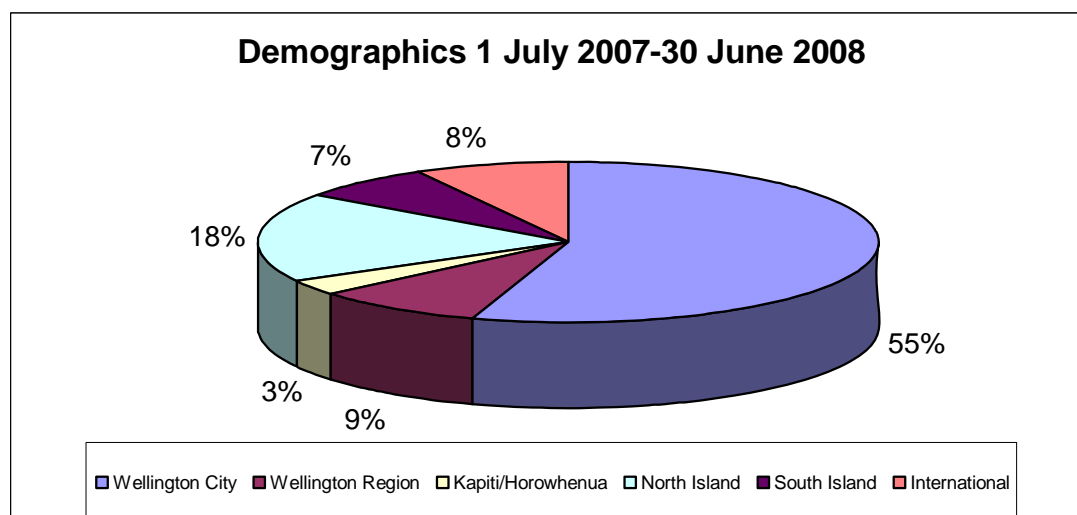
	2003/04	2004/05	2005/06	2006/07	2007/08	Forecast 2008/09
Operational Funds raised by Zoo Trust	\$1,193,997	\$1,444,928	\$1,779,061	\$1,979,504	\$2,210,737	\$2,329,555
Total Operational Expenditure	\$3,402,659	\$3,863,636	\$4,164,185	\$4,576,396	\$4,634,648	\$5,017,055
Zoo Trust Generated Funds as % Total Operational Expenditure	35%	37%	43%	43%	48%	46%

The Trust has set itself a target of raising \$5.2 million in capital funding over ten years from December 2006 as its contribution to the Zoo Capital Programme. At the end of April 2009 \$1,838,597.60 has been raised towards this target for specific ZCP projects.

Capital Funds Generated by Wellington Zoo Trust	2003/04	2004/05	2005/06	2006/07	2007/08
Capital Funds	\$389,000	\$138,369	\$687,606	\$274,254	\$840,389

4.5 REGIONAL FOCUS

The four major zoos in New Zealand are regional rather than purely local facilities. The geographic origin of Wellington Zoo's visitors clearly demonstrates this regional focus. The Trust targets its marketing and *in situ* conservation activities accordingly.



5 MEASURES

Measures are grouped under the six strategic element headings for reporting to Council.

Measure	Frequency of measure	Target 2009/10	Target 2008/09	Actual 2007/08
<i>Outstanding, intimate & unique visitor experiences</i>				
Projects to assess visitor learning and satisfaction	Annually	≥1	>2	2
Teachers rate learning programs as meeting objectives	Annually	>97% teachers agree learning was effective	>97% teachers agree learning was effective	100% teachers agree learning was effective
Number of students participating in an LEOTC Learning session (new measure) – 10,500 2007/08	Annual	>9,000	n/a	n/a
Contact animal hours out in the Zoo (new measure)	Annual	>200	n/a	n/a
<i>Industry Leadership</i>				
Staff position holders on industry committees	Annually	>5	>5	11
<i>Financial sustainability</i>				
Fundraising targets for ZCP reached or exceeded	Annually	≥\$919,200	\$569,150	\$840,389
Average Zoo shop retail spend per Zoo visitor (new measure)	Annually	≥\$1.36	n/a	n/a
Increase total admissions by 2% each year on base year 2005/06 (170,116 visitors) as per Business Plan	Annually	≥184,130	180,560	182,540
Average income per visitor (excluding WCC grant)	Quarterly	\$12.73	\$11.71	\$11.78
Ratio of Trust generated income as % of WCC grant	Quarterly	87%	79%	80%
Average WCC subsidy per visitor	Quarterly	\$14.71	\$14.88	\$14.72
<i>Valued and motivated staff</i>				
All staff have a Personal Development Plan (new measure)	Annually	100%	n/a	n/a
Staff Survey conducted	Annually	October 2009	October 2008	Completed
Staff turnover (not including casual and fixed term roles)	Annually	<15%	<15%	24%
<i>Lead or participate in conservation and research programmes</i>				
Collection in managed programmes (% of total Collection)	Annually	>38%	>38%	42%
Conservation partners with formal agreements (new measure)	Annually	≥4	n/a	n/a
<i>Lasting Community support and participation</i>				
Partnerships formed with written agreements	Annually	≥6	>6	New Measure
Volunteer hours (FTE)	Annually	≥5 FTE	>5 FTE	2.8 FTE
Wellingtonians visiting the zoo	Annually	>49%	>49%	49%
Retain Zoo Crew memberships from 2008/09	Annually	≥3000	3000	1896

6 RISK MANAGEMENT

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

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



Jane Goodall signing her book for a visitor, Wild Theatre, October 2008


Risk Analysis & Mitigation Plan for Wellington Zoo Trust


Risk No	Areas of Risk	Risk Identification	Probability	Impact	Risk Value	Impact	\$ Value of Risk	Risk Treatment
1	Financial, H & S, Operational, Collection, Visitation	Natural Disasters causing destruction and infrastructure failure	-2	7	5			Continue developing contingency plan. Civil Defence kit kept on site and maintained.
2	Financial, H & S, Operational, Collection, Visitation	Loss of business due to weather	0	5	5			Improve infrastructure via ZCP and incorporate shelter from weather into new developments.
3	Financial, H & S, Operational, Visitation, Fundraising, ZCP	Attraction and Retention of Key Staff	-1	6	5			Succession planning, staff development, Recruitment and Induction Policies.
4	Financial, H & S, Visitation, ZCP	ZCP Fundraising Targets Not Reached	-1	6	5		\$569K:08/09 Financial Year	Projects on hold, relationship building
5	Financial, H & S, Operational, Visitation, Reputational Fund Raising, ZCP	Significant site accident	-2	7	5			Health & Safety Management System
6	Financial, H & S, Operational, Visitation, ZCP, Collection	Building Fire (Including animal night quarters)	-1	6	5			Health & Safety Management System, Fire Alarms, Building WOF's, Emergency Procedures Manual
7	Financial, Operational, Reputational Visitation, Fundraising, ZCP	Reputation Falters	-2	6	4			Code of Conduct and Risk Management Policy
8	Financial, H & S, Operational, Collection, Visitation	Major spread of contagious disease	-3	7	4			Avian influenza contingency plan, screening policy, MAF Guidelines, Erma policies
9	Financial, H & S, Operational, Visitation, Fundraising, ZCP	Project Design, Development and Delivery Risk (including not obtaining resource consent)	-2	6	4			Project Management Process
10	Financial, Visitation, Reputational Fundraising	Bad Press	-1	5	4			Risk Management Policy
11	Financial, H & S, Operational, Collection	Security Breach / Vandalism	-1	5	4			CCTV System, Security Alarms, Maintenance of Perimeter Fence
12	Financial, Reputational Visitation, Fundraising	Loss of Business Due to Competition / Economic Downturn	-1	4	3			Business Plan, Strategic Plan
13	Financial, Operational, Reputational Visitation, Fundraising, ZCP, Collection, H & S	Key Staff Fail to Deliver on Strategic Direction and Business Outcomes	-2	5	3			Performance Management Process
14	Financial, Operational, Visitation, Fundraising, ZCP, Collection, H & S	IT and Utilities Infrastructure Loss and Failure	-3	6	3			Emergency Procedures Manual, Zoo Manual


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


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

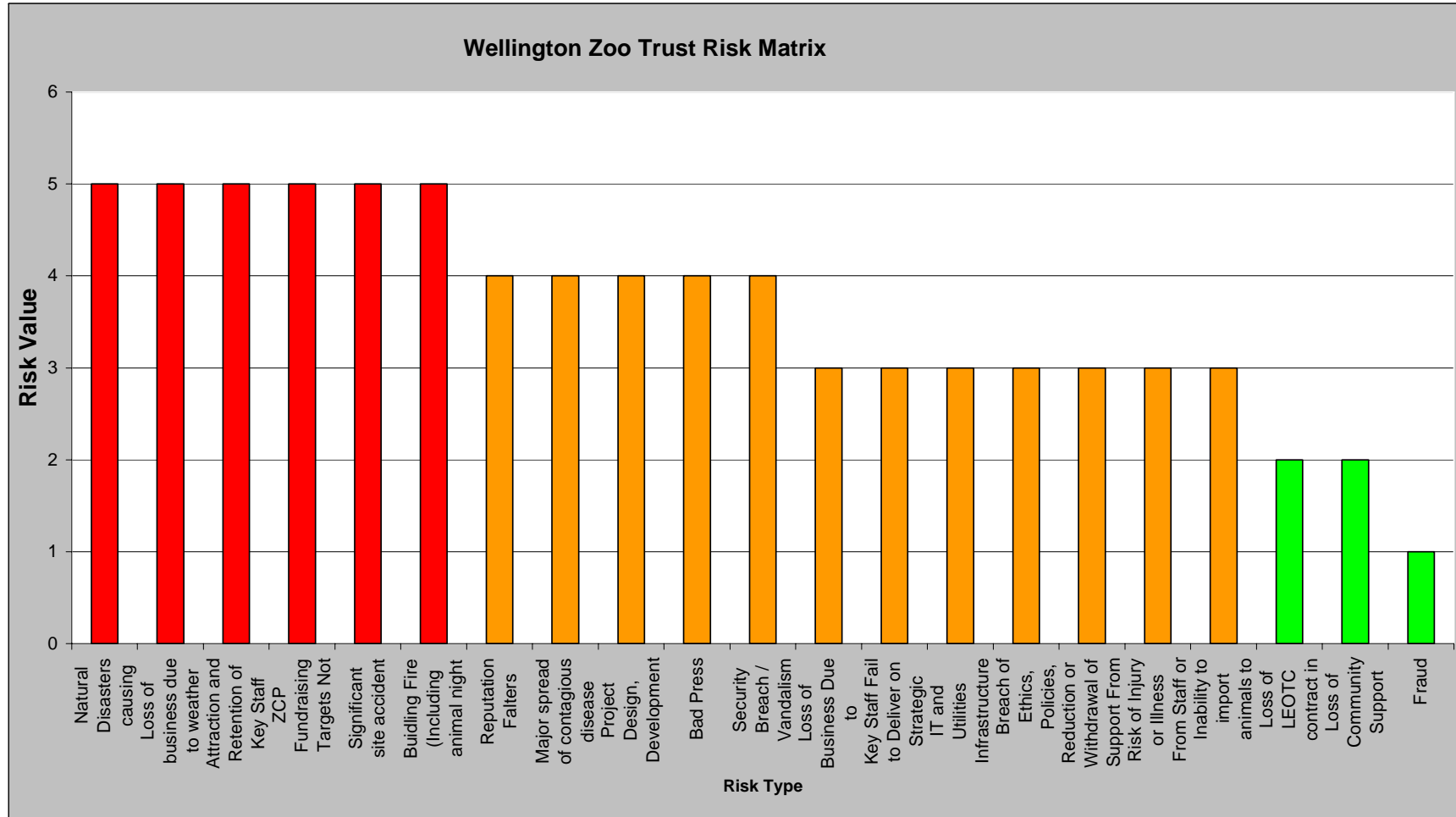
These two scores are added together to give a "Risk Value". This will be in the range zero to eight.

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

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

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

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



7 RELATIONSHIP WITH COUNCIL

The Trust will report quarterly to the Council through the Council Controlled Organisations Monitoring Sub-Committee on the Key Performance Indicators above and over all financial performance. The Council's proposed templates/formats will be used.

The Strategic Plan and Business Plan will be forwarded to Council for approval by the dates required in the Trust Deed and Purchase Contract.

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

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

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

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

- ⑤ A "no surprises" approach which is addressed in the Memorandum of Understanding with Wellington City Council Communications
- ⑤ Open communications which acknowledge each partner's objectives and constraints
- ⑤ Mutually respectful negotiation of resolution of differences
- ⑤ Reciprocal recognition of the requirements of each other's processes
- ⑤ Regular meetings between Mayor, Wellington City Council Chief Executive Wellington Zoo Trust Board Chair and Wellington Zoo Trust Chief Executive to discuss issues and direction

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

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

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

Branding Benefits

The Trust will:

- ⑤ use the Absolutely Positively Wellington logo to recognise the Council's contribution where practicable
- ⑤ recognise Wellington City Council in our regular Communication Channels
- ⑤ Newsletter editorial
- ⑤ Website editorial

- ④ The Zoo will use a boilerplate outlining Wellington City Council contribution on all media releases
- ④ provide a framed certificate of partnership for the Council foyer
- ④ send the Zoo's quarterly newsletter, "*Zoo Views - news from the best little zoo in the world*"
- ④ ensure prominent mention in the Trust's annual report
- ④ ensure that the Council's logo is on the Zoo's web site with a hotlink
- ④ provide mention of the Council's support at Keeper Talks for a month after any new exhibit opens
- ④ allow the Council to use the Zoo's logo
- ④ construct signage relevant to the Council's grant at new exhibits
- ④ maintain the Council's name on the partners' tree inside Zoo

Hospitality Benefits

We will:

- ④ invite Directors and Councillors to all standard Zoo events
- ④ give Wellington City Council access to the use of two venues at the Zoo per year, for example the Wild Theatre or Archibald Centre
- ④ provide the Council with 110 single passes to the Zoo per year:
 - 10 for each directorate, including the Chief Executive's office to be administered by the Director's Personal Assistant. It is up to each Directorate as to how these passes are given out.

Staff Benefits

We will:

- ④ Provide Council Staff discount on all Zoo products, such as encounters and sleepovers (20%). This does not include sales at the Zoo's catering outlets.
- ④ Hosting of a Council Picnic Day at Wellington Zoo, free of charge to all Council employees and their families:
 - To be held in the summer months annually
 - Held on two consecutive Saturdays to ensure all workers can attend
 - Council is welcome to utilise these events as the staff Christmas events or any other 'special day'

8 TRUST'S ACCOUNTING POLICIES

8.1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Wellington Zoo Trust (the Trust) is a charitable trust registered under the Charitable Trusts Act 1957 domiciled in New Zealand and is also a council-controlled organisation as defined under Section 6, Part 1 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees. The Trust was established on 1 July 2003 by the Wellington City Council.

The financial statements have been prepared in accordance with the requirements of the Charitable Trusts Act 1957 and section 69 of the Local Government Act 2002.

The Trust is reliant on the Wellington City Council (the Council) for the majority of its income and operates under a Contract for Services with the Council. The Contract for Services was for a period of 3 years and has been rolled over for a two years to 30 June 2009.

The primary objective of the Trust is to manage, administer, plan, develop, maintain, operate and promote the Wellington Zoo for the benefits of the inhabitants of Wellington and as an attraction to visitors to Wellington, not to make a financial return. Accordingly, the Trust has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards (NZIFRS).

Reporting Period

The reporting period for these financial statements is for the year ended 30 June 2008.

The financial statements were authorised for issue for the Board of Trustees on 15 August 2008.

Accounting Policies

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

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

Judgements and Estimations

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised when the revision affects only

that period. If the revision affects both current and future periods, it is reflected in the current and future periods.

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

Revenue

Grants received from the Wellington City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the trust deed. The Trust also receives other assistance for specific purposes, and these grants usually contain restrictions on their use.

Grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if the conditions of the grant are not met. If there is such an obligation the grants are initially recorded as grants received in advance, and recognised as revenue when the conditions of the grant are satisfied.

Donated, subsidised or vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue.

Interest

Interest is accrued using the effective interest rate method.

Expenses

Grants and subsidies

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

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

Donated Services Recognition

The Trust benefits from the service of dedicated volunteers in the delivery of its activities. Due to the difficulty in determining the value of these donated services with sufficient reliability, donated services are not recognised in these financial statements.

Taxation

The Trust is registered as a Charitable Trust and is exempt from income tax under the Income Tax Act 2004. The Trust is not exempt from indirect tax legislation such as Goods and Services Tax and accordingly is required to comply with these regulations.

Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

Financial Instruments

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

Non Derivative Financial Instruments

Financial Assets

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

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

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

Financial liabilities

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

Inventory

Inventories are recorded at the lower of cost (determined on a first-in first-out basis) or net realisable value. This valuation includes allowances for slow moving and obsolete stock. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Property, Plant and Equipment

Recognition

Property, plant and equipment consists primarily of operational assets. Expenditure is capitalised when it creates a new asset or increases the economic benefits over the total life of an existing asset. Costs that do not meet criteria for capitalisation are expensed.

The Trust also manages the construction and development of buildings, structures and enclosures on behalf of the Council. These assets are not recorded in the Trust's financial statements as ownership vests in the Council.

Measurement

Property, plant and equipment are valued at historical cost less accumulated depreciation and impairment losses.

The initial cost of property, plant and equipment includes the purchase consideration, and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential is capitalised.

Impairment

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported in the Statement of Financial Performance, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease.

Disposal

Realised gains and losses arising from the disposal of property, plant and equipment are recognised in the Statement of Financial Performance in the period in which the transaction occurs.

Depreciation

Depreciation is provided on all assets owned by the Trust excluding assets under construction (work in progress). Depreciation is calculated on a straight line basis, to allocate the cost or value of the asset (less any residual value) over its useful life. The estimated useful lives of the assets are as follows:

Audio Visual Equipment	3 years
CCTV	3 years
Projector	5 years
Incubators	10 years
Shade Sail	10 years
Hospital Equipment	10 years
Garden Furniture	12.5 years
Living Room Furniture	15 years
Composter	10 years

Work in Progress

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed and then depreciated. Borrowing costs are not capitalised.

Employee Benefits

A provision for employee benefits (holiday leave, long service leave, and retirement gratuities) is recognised as a liability when benefits are earned but not paid. The Trust recognises a liability and an expense for a one off payment where contractually obliged or where there is a past practice that has created a constructive obligation.

Holiday Leave

Holiday leave (annual leave, long service leave qualified for and time off in lieu) is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) & 16(4) of the Holidays Act 2003.

Long Service Leave and Retirement Gratuities

Long-service leave (not yet qualified for) and retirement gratuities have been calculated on an actuarial basis based on the likely future entitlements accruing to staff, after taking into account years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and other contractual entitlements information. The present value of the estimated future cash flows has been calculated using an inflation factor and a discount rate. The inflation rate used is the annual Consumer Price Index to 31 March prior to year end. The discount rate used represents the Zoo's average cost of borrowing.

Other Contractual Entitlements

Other contractual entitlements include termination benefits. Termination benefits are recognised in the Statement of Financial Performance only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

Other Liabilities and Provisions

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value

Contingent Assets and Liabilities

Contingent liabilities and contingent assets are disclosed in the notes to the financial statements. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Equity

Equity is the residual interest in the Trust and is measured as the difference between total assets and total liabilities. The components of equity are retained earnings and restricted funds (special funds, trusts and bequests).

Restricted funds are those reserves that are subject to specific conditions of use whether under statute or accepted as binding by the Trust because of the specific reason for which the funds were provided. Transfers from these reserves may be made only for specified purposes or when certain specified conditions are met.

Statement of Cash Flows

The statement of cash flows is prepared using the direct approach subject to the netting of certain cash flows. Operating activities include cash received from all income sources of the Trust and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to transactions that change the equity and debt capital structure of the Trust.

Related Parties

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include Wellington City Council, Group, key management personnel and the governing body (Trust Board).

Directors' remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a director during the reporting period. The disclosures for the Trust include the remuneration of the Trustee board as they occupy the position of a member of the governing body of the Trust.

Comparative figures

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

Changes in Accounting Policies

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

COMPENSATION SOUGHT FROM COUNCIL

To deliver the services described in this Statement of Intent, the Trust is seeking an **operational funding grant of \$2,709,000** for the 2009/10 year.

Although the Trust does not own the Zoo's assets, it is charged with planning and developing them under its founding documents. Accordingly, the Trust has requested that the Council approve **\$2,636,424 for CX340** and **\$234,374 for CX125**, a total of **\$2,870,798** funding for capital improvements in 2008/09.

9 OBLIGATIONS/LIABILITIES

The Trust has no significant obligations or contingent liabilities.

10 DISTRIBUTION TO SETTLOR

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



Denise Church
Chairperson

APPENDIX ONE – FINANCIAL INFORMATION

CCO: Wellington Zoo Trust
Business Plan 2009/10

\$NZ000's

Estimate 30-Jun-09	EARNINGS STATEMENT	Qtr to 30-Sep-09	Qtr to 31-Dec-09	Qtr to 31-Mar-10	Qtr to 30-Jun-10	Total YE 30-Jun-10	Total YE 30-Jun-11	Total YE 30-Jun-12
	Revenue							
1905	Trading Income	450	570	605	430	2,055	2150	2250
2688	WCC Grants	677	677	677	678	2,709	2,709	2709
76	Other Grants	21	21	20	20	82	82	82
108	Operational Sponsorships and Donations	25	25	25	25	100	100	100
403	Capital Sponsorships and Donations				919	919	406	692
92	Investment Income	8	3	8	3	22	22	22
78	Other Income	21	21	21	22	85	85	85
5,350	Total Revenue	1,202	1,317	1,356	2,097	5,972	5,554	5,940
	Expenditure							
3,270	Employee Costs	832	834	835	835	3,336	3,409	3,495
1,543	Other Operating Expenses	421	421	421	422	1,685	1,709	1,726
19	Depreciation	8	8	8	8	32	20	17
0	Interest					0	0	0
200	Vested Assets			1,085	919	2,004	406	692
5,032	Total Expenditure	1,261	1,263	2,349	2,184	7,057	5,544	5,929
318	Net Surplus/(Deficit) before Taxation	(59)	54	(993)	(87)	(1,085)	10	11
	<i>Operating Surplus/(Deficit) before Taxation</i>	(59)	54	92	(87)	0	10	11
0	Taxation Expense					0	0	0
318	Net Surplus/(Deficit)	(59)	54	(993)	(87)	(1,085)	10	11
5.9%	Operating Margin	-4.9%	4.1%	-73.2%	-4.1%	-18.2%	0.2%	0.2%
Estimate 30-Jun-09	STATEMENT OF FINANCIAL POSITION	As at 30-Sep-09	As at 31-Dec-09	As at 31-Mar-10	As at 30-Jun-10		As at 30-Jun-11	As at 30-Jun-12
	Shareholder/Trust Funds							
0	Share Capital/Settled Funds	0	0	0	0		0	0
0	Revaluation Reserves	0	0	0	0		0	0
1085	Restricted Funds	1,085	1,085	0	0		0	0
386	Retained Earnings	327	381	473	386		396	406
1,471	Total Shareholder/Trust Funds	1,412	1,466	473	386		396	406
	Current Assets							
1,756	Cash and Bank	2,383	1,768	1,460	703		651	618
125	Accounts Receivable	85	85	85	110		70	70
52	Other Current Assets	55	55	55	55		50	50
1,933	Total Current Assets	2,523	1,908	1,600	868		771	738
	Investments							
0	Deposits on Call	0	0	0	0		0	0
0	Other Investments	0	0	0	0		0	0
0	Total Investments	0	0	0	0		0	0
	Non-Current Assets							
111	Fixed Assets	103	95	87	79		59	42
0	Other Non-current Assets	0	0	0	0		0	0
111	Total Non-current Assets	103	95	87	79		59	42
2,044	Total Assets	2,626	2,003	1,687	947		830	780
	Current Liabilities							
284	Accounts Payable and Accruals	925	248	825	272		223	217
	Provisions						0	0
250	Other Current Liabilities	250	250	350	250		172	118
534	Total Current Liabilities	1,175	498	1,175	522		395	335
	Non-Current Liabilities							
0	Loans - WCC	0	0	0	0		0	0
0	Loans - Other	0	0	0	0		0	0
39	Other Non-Current Liabilities	39	39	39	39		39	39
39	Total Non-Current Liabilities	39	39	39	39		39	39
1,471	Net Assets	1,412	1,466	473	386		396	406
3.6	Current Ratio	2.1	3.8	1	1.7		2	2.2
72.0%	Equity Ratio	53.8%	73.2%	28.0%	40.8%		47.7%	52.1%

Estimate 30-Jun-09	STATEMENT OF CASH FLOWS	Qtr to Sep-09	Qtr to Dec-09	Qtr to Mar-10	Qtr to Jun-10	Total YE Jun-10	Total YE Jun-11	Total YE Jun-12
	<i>Cash provided from:</i>							
1,905	Trading Receipts	450	570	605	430	2,055	2,150	2,250
2,688	WCC Grants	1355	0	1354	0	2,709	2,709	2,709
76	Other Grants	21	21	20	20	82		
511	Sponsorships and Donations	25	25	25	944	1,019	506	792
92	Investment Income	8	3	8	3	22	22	22
78	Other Income	21	21	21	22	85	85	85
5,350		1,880	640	2,033	1,419	5,972	5,472	5,858
	<i>Cash applied to:</i>							
3,270	Payments to Employees	832	834	835	835	3,336	3,409	3,495
1,543	Payments to Suppliers	421	421	421	422	1,685	1,709	1,704
	Net GST Cashflow					0	0	0
200	Other Operating Costs (VESTING)			1,085	919	2,004	406	692
	Interest Paid	0				0	0	0
5,013		1,253	1,255	2,341	2,176	7,025	5,524	5,891
337	Total Operating Cash Flow	627	(615)	(308)	(757)	(1,053)	(52)	(33)
	Investing Cash Flow							
	<i>Cash provided from:</i>							
	Sale of Fixed Assets					0	0	0
	Other					0	0	0
0		0	0	0	0	0	0	0
	<i>Cash applied to:</i>							
0	Purchase of Fixed Assets					0	0	0
	Other -vesting Cash for Capital Projects	0				0	0	0
0		0	0	0	0	0	0	0
0	Total Investing Cash Flow	0	0	0	0	0	0	0
Estimate 30-Jun-09	STATEMENT OF CASH FLOWS (CONT)	Qtr to 30-Sep-09	Qtr to 31-Dec-09	Qtr to 31-Mar-10	Qtr to 30-Jun-10	Total YE 30-Jun-10	Total YE 30-Jun-11	Total YE 30-Jun-12
	Financing Cash Flow							
	<i>Cash provided from:</i>							
	Drawdown of Loans					0	0	0
	Other					0	0	0
0		0	0	0	0	0	0	0
	<i>Cash applied to:</i>							
	Repayment of Loans					0	0	0
	Other					0	0	0
0		0	0	0	0	0	0	0
0	Total Financing Cash Flow	0	0	0	0	0	0	0
337	Net Increase/(Decrease) in Cash Held	627	(615)	(308)	(757)	(1,053)	(52)	(33)
1,419	Opening Cash Equivalents	1,756	2,383	1,768	1,460	1,756	703	651
1,756	Closing Cash Equivalents	2,383	1,768	1,460	703	703	651	618

Estimate 30-Jun-09	CASH FLOW RECONCILIATION	Qtr to 30-Sep-09	Qtr to 31-Dec-09	Qtr to 31-Mar-10	Qtr to 30-Jun-10	Total YE 30-Jun-10	Total YE 30-Jun-11	Total YE 30-Jun-12
318	Operating Surplus/(Deficit) for the Year	(59)	54	(993)	(87)	(1,085)	10	11
	Add Non Cash Items							
19	Depreciation	8	8	8	8	32	20	17
	Other (Gifted Hospital Assets)		0		0	0	0	
337		(51)	62	(985)	(79)	(1,053)	30	27
	Movements in Working Capital							
	(Increase)/Decrease in Receivables	40	0	0	(25)	15	40	0
	(Increase)/Decrease in Other Current Assets	(3)	0	0	0	(3)	5	0
	Increase/(Decrease) in Accounts Payable	641	(677)	577	(553)	(12)	(49)	(6)
	Increase/(Decrease) in Other Current Liabilities		0	100	(100)	0	(78)	(54)
0		678	(677)	677	(678)	0	(82)	(60)
	Net Gain/(Loss) on Sale:							
	Fixed Assets	0				0		
	Investments	0				0		
0		0	0	0	0	0	0	0
337	Net Cash Flow from Operations	627	(615)	(308)	(757)	(1,053)	(52)	(33)

Wellington Zoo Trust

Business Plan

2009-2010



Beni the Chimpanzee relaxing after his 1st birthday celebrations

Introduction

The Business Plan for 2009-2010 will assist Wellington Zoo Trust to clarify, focus action and research the key developments and prospects for Wellington Zoo this financial year. It provides a logical framework within which to develop the business and pursue the six strategic elements set for the next two years. It also provides measures for actual performance against agreed outcomes.

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

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

The business case forecasts presented to Wellington City Council in 2006 are consistent with our expectations of the business in the coming year. Even within a challenging economic climate, the Trust is confident that the prudent and successful business decisions made since the inception of the Trust in 2003 will provide a sound foundation for the organisation. However, we expect financial results that are less favourable than the past two years. We expect some negative impact, especially on the higher end commercial product, but we are constantly reviewing the economic trends as they affect the zoo and will adjust our business approach accordingly.

Fundraising is a key outcome for Wellington Zoo Trust so work has been undertaken to measure community understanding of the charitable trust status of the Zoo and to grow awareness of this in the community. We still have some way to go on this understanding in the larger community despite being well supported by Trusts and Foundations grants. The community campaign was successful this year as a foundation and the Trust will implement a similar campaign this year.

The Trust is conscious of the operational gap which will continue to grow even as the facilities and product offering to the community improve. We are stepping up to our responsibility to provide for a growing proportion of the Zoo's operational requirements over time. This is challenging however as the operational expenditure required is growing as we improve the asset and the offering to our growing visitor base and as well as provide better care for our animals, enhance our contribution to conservation efforts and provide an improved workplace for our staff. The Trust understands the ramifications of the operational grant projections from Wellington City Council. We will address the long term shortfall by employing a more commercial approach to the operation of the Zoo while also maintaining affordable access.

The Business Plan for 2009-10 addresses these issues and links strategy and operation to produce sound business outcomes by building a strong foundation of business revenues and careful resource allocation.

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1. Our Vision, Dream, Purpose, Commitments

VISION

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

DREAM

To be the best little zoo in the world

PURPOSE

Wellington Zoo exists to bring animals in their environments and people who visit, on site and online, together. Individuals, families and other groups experience shared learning about the wonder and beauty of the natural world beyond themselves. Special moments of connection are built on by the Zoo to inspire visitors to respect the natural world and to understand their part in securing a sustainable future for it and for us within it.

COMMITMENTS

The Zoo is committed to:

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

2. Strategic Goals and Elements

Wellington Zoo aims to fulfil the following strategic goals:

OUR ANIMALS' WELL BEING

The Zoo is known throughout Australasia for the high quality of the animals' environment and for our husbandry and welfare practices.

CONSERVATION

The Zoo is a community leader shaping visitors' views on the need for conservation.

LEARNING

Visitors have memorable learning experiences based on exploration, discovery and fun.



Vanessa Heaford, Keeper and Tuatara at Customs Day, Civic Square, February 2009

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

○ **CREATE OUTSTANDING, INTIMATE AND UNIQUE VISITOR LEARNING EXPERIENCES**

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

The construction of a new 21st century zoo will be challenging in regard to the impact on the visitor experience and visitor flow. The Zoo is planning to mitigate this issue during construction by creating other value added experiences for visitors. The pace of the ZCP roll out will also affect visitor value as older parts of the Zoo remain undeveloped. In this financial year, however, The Nest (the Zoo's new Animal Hospital) will be completed and also the birds in bird valley will be moved to Conservation Corner. These two projects will highlight the approach to creating a 21st century zoo. We believe that the development of a critical mass of improved visitor experience (both large and small projects) will enhance visitation and community support.

As almost half the population of Wellington visit the Zoo each year (according to the Wellington City Council Resident Satisfaction Survey), as well as over 30,000 domestic and international tourists, the Zoo recognises its potential to deliver conservation and sustainability messages to our visitors. The ZCP will enable 'stage sets' and contexts to be developed to engage visitors with conservation messages that are relevant and personal. The Nest will particularly add to this dimension for the Zoo. This large audience will contribute to the Council's goals of Wellington as a Green Capital and the Zoo will work with Council to ensure synergy between the two organisations in this area.

○ MAKE A LEADING CONTRIBUTION TO CONSERVATION AND RESEARCH

Wellington Zoo is committed to conservation being the underpinning reason for existence and will be a key stakeholder in collaborative conservation programmes within the zoo industry and with the conservation agencies of New Zealand. The ARAZPA (Australasian Regional Association of Zoological Parks and Aquaria) New Zealand Species Management position jointly funded by Auckland Zoo, Hamilton Zoo and Wellington Zoo continues to build relationships with government conservation agencies in Wellington. Managed species programmes in this region ensure the sustainability of zoo collections and have emphasis on CITES 1 (Convention on International Trade in Endangered Species) animals and endangered species.

Wellington Zoo has implemented a new Conservation Strategy to focus conservation effort on strategic projects. The recently completed Conservation Action Plan will ensure the operational delivery of the Strategy. Wellington Zoo is able to take a leadership role in delivering the conservation message to the community by virtue of our visitation numbers and can provide a portal to the community for other agencies. Conservation messages have been established for all keeper talks in the Zoo and the effectiveness of these will be measured during 2009/10.

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

The possum fertility project is a major research project for Wellington Zoo Trust in partnership with Victoria University of Wellington. Wellington Zoo holds the research possums for the university and this research will be interpreted for visitors to highlight the need for protection of New Zealand's fragile environment. This collaborative project is a first for zoos in this region and could produce ground breaking results. The project to date is showing promising results and this work will be interpreted for visitors when Conservation Corner is complete.

The Manager Conservation and Veterinary Science continues to work in collaboration with agencies such as the Department of Conservation and Landcare Research for conservation outcomes for New Zealand. The Nest will allow further work in this area and provide a facility for conservation outcomes on many levels.

The Zoo has made significant advances to reduce its environmental footprint. This work will be clearly targeted in the Zoo's Conservation Strategy and the Zoo will work towards contributing to Wellington's carbon neutrality. The Zoo will enter the Sustainable Business Challenge again this year and we hope to improve on our 2008 finalist position.

○ ENSURE FINANCIAL SUSTAINABILITY

It is within a difficult environment that the Zoo will be operating over the coming financial year. The business case indicates an increase in visitation of 2% per year as a realistic projection of this situation. However, the recent economic downturn is top of mind for the Zoo and we will ensure that we are aware of economic trends and communicate any effects on the Zoo to Council as soon as possible. We endeavour to be prudent and prepared for any trend changes and impacts on the Zoo.

The Zoo will continue to review all commercial products and build a more commercial culture to ensure a sustainable business model. Wellington Zoo has been successful in obtaining grants and the ZCP should ensure this success continues. Wellington Zoo Trust's intent to facilitate appropriate timing of fundraising grants and other financial support for the ZCP is agreed in principle with Wellington City Council Officers. However if indications are received that fundraising through Trusts and Foundations grants is slowing then the Trust recognises that this may impact on the roll out of the ZCP if targets are not met. The Trust seeks to ensure Council that resources will be applied to garner the maximum result in the fundraising area.

The Trust has ongoing financial support from some corporate organisations and while approaches to corporate organisations with strategic fit with the Zoo will be made in 2009-10 it is not anticipated that this will result in any great degree of support due to the economic climate.

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

The Trust does not take its responsibility of financial sustainability lightly and success over the life of the Trust indicates that the Trust will make every effort to ensure this outcome. We seek to mitigate financial risk while still providing an accessible and value for money attraction for Wellington.

The Board remains concerned that the going forward amount of working capital for the Zoo remains inadequate. The core measure of any business is the ability to absorb shock in an economic downturn and this requires more growth in this area for the Trust for the Board to feel comfortable that the Trust is well buffered financially.

On the other hand, it is an opportunity for Wellington to market the Zoo and other Wellington visitor attractions to Wellingtonians. The Trust is committed to working with Council to achieve a variety of outcomes for our city and we would welcome any initiative which would support 'holidaying at home' which encourages visiting a variety of attractions in our city – such as joint marketing and ticketing, cross promotion or domestic tourist packages.

The Trust is managing to grow revenues that slowly allow us to reduce our percentage reliance on Council funding. By reallocation the Trust has put more resources in the areas that drive real benefits from the capital investments. However, there is still a gap between current Operational Expenditure (OPEX), and the OPEX that would support the scale and level of activities/ resources/ people appropriate to a credible, modern facility.

These include:

- ④ providing sufficient training for a young and inexperienced keeping team so that we manage risks to people and animals
- ④ enough investment in conservation and research work so that we can meet modern zoo expectations enough investment in collection management that we can assure the zoo's long term future
- ④ enough investment in fundraising and marketing that we can tap the opportunities to secure external funding into the future
- ④ sufficient funds to deliver the best visitor experience for the community in areas of the Zoo especially in parts if the asset not targeted for redevelopment

The Trust does not take its responsibility of financial sustainability lightly and success over the life of the Trust indicates that the Trust will make every effort to ensure this outcome. We seek to mitigate financial risk while still providing an accessible and value for money attraction for Wellington.



New entrance way to the Cheetah viewing area and the African Savannah

○ BUILD LASTING COMMUNITY SUPPORT AND PARTICIPATION

Wellington Zoo aims to be 'the best little zoo in the world' and to date has immense community support. As a community asset, Wellington Zoo will implement a fundraising programme to capture this support from the community and the Zoo will also develop partnerships within the community. The initial community fundraising programme this year (in partnership with The Rotary Club of Wellington and Kirkcaldie and Stains) was very successful and we will implement a community campaign in the 2009-10 financial year as well. Wellington Zoo will focus on retaining current Zoo Crew members over the next year as well as the number of participants in the volunteer programme both individual and corporate. These groups within the community become advocates for the Zoo and strong supporters. The Trust initiatives such as Neighbours Night ensure that the Zoo continues to provide affordable access for all sectors of our community. The Zoo provides a high value proposition for visitors at an affordable price.



Vanessa Heaford and Jake meeting a visitor on Neighbours Night, February 2009

○ SHOW INDUSTRY LEADERSHIP

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

As a conservation agency, the Zoo is able to play a vital role in assisting the community to take positive action for the environment. The Environmental Management System has been successful in reducing the environmental footprint of the Zoo and environmental practices in the new construction and other initiatives will further enhance this result and make environmental action more visible to visitors.



Jessie, the Chimpanzee, and her Christmas present, December 2008

○ ENSURE ALL STAFF ADD VALUE AND ARE VALUED

Wellington Zoo has been somewhat successful in attracting talented staff and the development of staff is a key strategic imperative. The management of the redevelopment programme and fundraising to support the ZCP will place added burdens on existing staff over the coming year. One of the key areas for improvement at the Zoo is to focus on our people, through training and development.

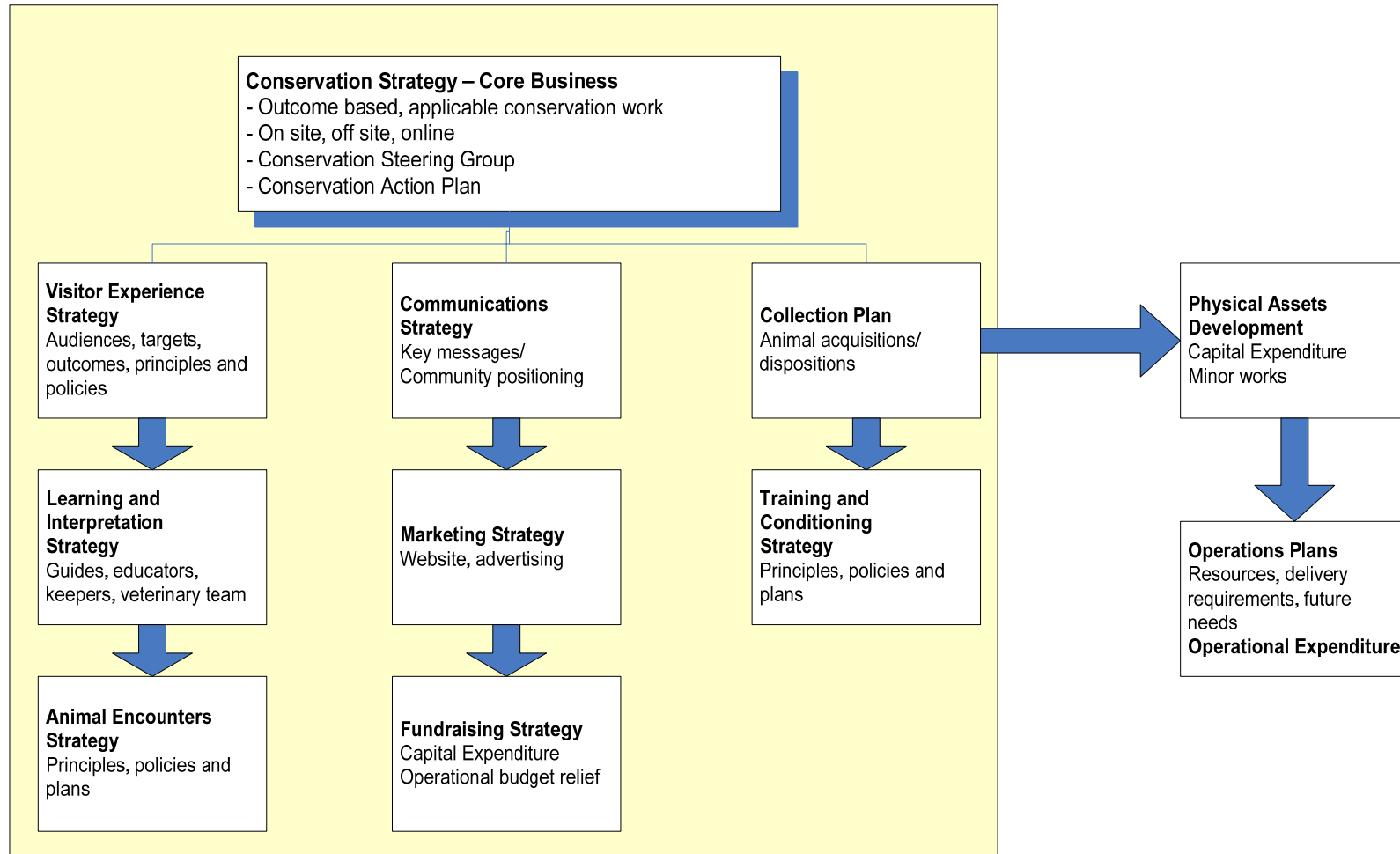
With the recruitment of the Human Resources (HR) Manager we have been able to implement an in house learning calendar as well as become much more strategic in regard to HR options. Zoo expertise is found in a small pool of people across the world and it is imperative to the success of Wellington Zoo to have skilled and motivated staff. Staff attraction, development and retention are key areas for the Trust as part of the six strategic elements. The Trust undertook a job sizing exercise in 2008 to ensure appropriate salary structures are in place for our staff and we will continue to ensure staff are given the highest priority during this period of financial uncertainty. The Trust recognises that investment in this strategic element is not to the ideal level required and this needs to be addressed as the Zoo grows and develops.

To ensure these strategic imperatives are delivered a series of supporting strategic documents have or will be prepared over the coming year. These are outlined in the table below. Conservation outcomes sit at the heart of the Zoo and other strategies flow from the guiding principles of the Conservation Strategy.



Keeper, Kelly Green, getting a lick from TT, the dingo

Zoo Strategy Flow Chart



3. Delivering the Strategic Elements

Wellington Zoo Strategy Framework 2009-2010

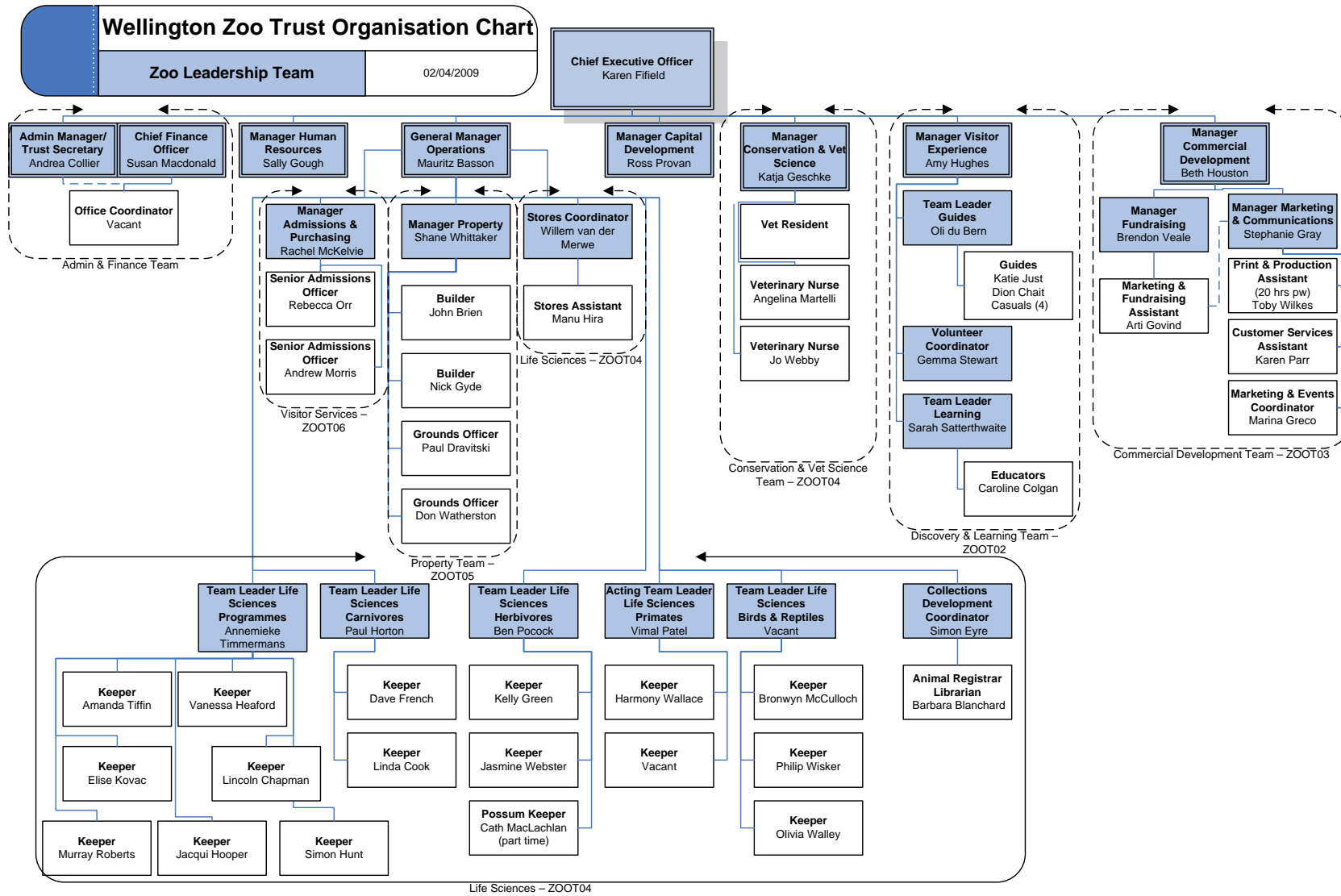
Measure	Frequency of measure	Target 2009/10	Target 2008/09	Actual 2007/08
<i>Outstanding, intimate & unique visitor experiences</i>				
Projects to assess visitor learning and satisfaction	Annually	≥1	>2	2
Teachers rate learning programs as meeting objectives	Annually	>97% teachers agree learning was effective	>97% teachers agree learning was effective	100% teachers agree learning was effective
Number of students participating in an LEOTC Learning session (new measure) – 10,500 2007/08	Annual	>9,000	n/a	n/a
Contact animal hours out in the Zoo (new measure)	Annual	>200	n/a	n/a
<i>Industry Leadership</i>				
Staff position holders on industry committees	Annually	>5	>5	11
<i>Financial sustainability</i>				
Fundraising targets for ZCP reached or exceeded	Annually	≥\$919,200	\$569,150	\$840,389
Average Zoo shop retail spend per Zoo visitor (new measure)	Annually	≥\$1.36	n/a	n/a
Increase total admissions by 2% each year on base year 2005/06 (170,116 visitors) as per Business Plan	Annually	≥184,130	180,560	182,540
Average income per visitor (excluding WCC grant)	Quarterly	\$12.73	\$11.71	\$11.78
Ratio of Trust generated income as % of WCC grant	Quarterly	87%	79%	80%
Average WCC subsidy per visitor	Quarterly	\$14.71	\$14.88	\$14.72
<i>Valued and motivated staff</i>				
All staff have a Personal Development Plan (new measure)	Annually	100%	n/a	n/a
Staff Survey conducted	Annually	October 2009	October 2008	Completed
Staff turnover (not including casual and fixed term roles)	Annually	<15%	<15%	24%
<i>Lead or participate in conservation and research programmes</i>				
Collection in managed programmes (% of total Collection)	Annually	>38%	>38%	42%
Conservation partners with formal agreements (new measure)	Annually	≥4	n/a	n/a
<i>Lasting Community support and participation</i>				
Partnerships formed with written agreements	Annually	≥6	>6	New Measure
Volunteer hours (FTE)	Annually	≥5 FTE	>5 FTE	2.8 FTE
Wellingtonians visiting the zoo	Annually	>49%	>49%	49%
Increase zoo crew memberships by 10% each year on base year 2007/08 (1,896 members - new measure)	Annually	2086	n/a	1896

Each team will develop actions which support the Six Strategic Elements within their area of the business. Each action will align with the higher level business outcomes outlined in this document.

4. Structure

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

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



5. Risk Management

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


Risk Analysis & Mitigation Plan for Wellington Zoo Trust


Risk No	Areas of Risk	Risk Identification	Probability	Impact	Risk Value	Impact	\$ Value of Risk	Risk Treatment
1	Financial, H & S, Operational, Collection, Visitation	Natural Disasters causing destruction and infrastructure failure	-2	7	5			Continue developing contingency plan. Civil Defence kit kept on site and maintained.
2	Financial, H & S, Operational, Collection, Visitation	Loss of business due to weather	0	5	5			Improve infrastructure via ZCP and incorporate shelter from weather into new developments.
3	Financial, H & S, Operational, Visitation, Fundraising, ZCP	Attraction and Retention of Key Staff	-1	6	5			Succession planning, staff development, Recruitment and Induction Policies.
4	Financial, H & S, Visitation, ZCP	ZCP Fundraising Targets Not Reached	-1	6	5		\$569K:08/09 Financial Year	Projects on hold, relationship building
5	Financial, H & S, Operational, Visitation, Reputational Fund Raising, ZCP	Significant site accident	-2	7	5			Health & Safety Management System
6	Financial, H & S, Operational, Visitation, ZCP, Collection	Building Fire (Including animal night quarters)	-1	6	5			Health & Safety Management System, Fire Alarms, Building WOF's, Emergency Procedures Manual
7	Financial, Operational, Reputational Visitation, Fundraising, ZCP	Reputation Falters	-2	6	4			Code of Conduct and Risk Management Policy
8	Financial, H & S, Operational, Collection, Visitation	Major spread of contagious disease	-3	7	4			Avian influenza contingency plan, screening policy, MAF Guidelines, Erma policies
9	Financial, H & S, Operational, Visitation, Fundraising, ZCP	Project Design, Development and Delivery Risk (including not obtaining resource consent)	-2	6	4			Project Management Process
10	Financial, Visitation, Reputational Fundraising	Bad Press	-1	5	4			Risk Management Policy
11	Financial, H & S, Operational, Collection	Security Breach / Vandalism	-1	5	4			CCTV System, Security Alarms, Maintenance of Perimeter Fence
12	Financial, Reputational Visitation, Fundraising	Loss of Business Due to Competition / Economic Downturn	-1	4	3			Business Plan, Strategic Plan
13	Financial, Operational, Reputational Visitation, Fundraising, ZCP, Collection, H & S	Key Staff Fail to Deliver on Strategic Direction and Business Outcomes	-2	5	3			Performance Management Process
14	Financial, Operational, Visitation, Fundraising, ZCP, Collection, H & S	IT and Utilities Infrastructure Loss and Failure	-3	6	3			Emergency Procedures Manual, Zoo Manual


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


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

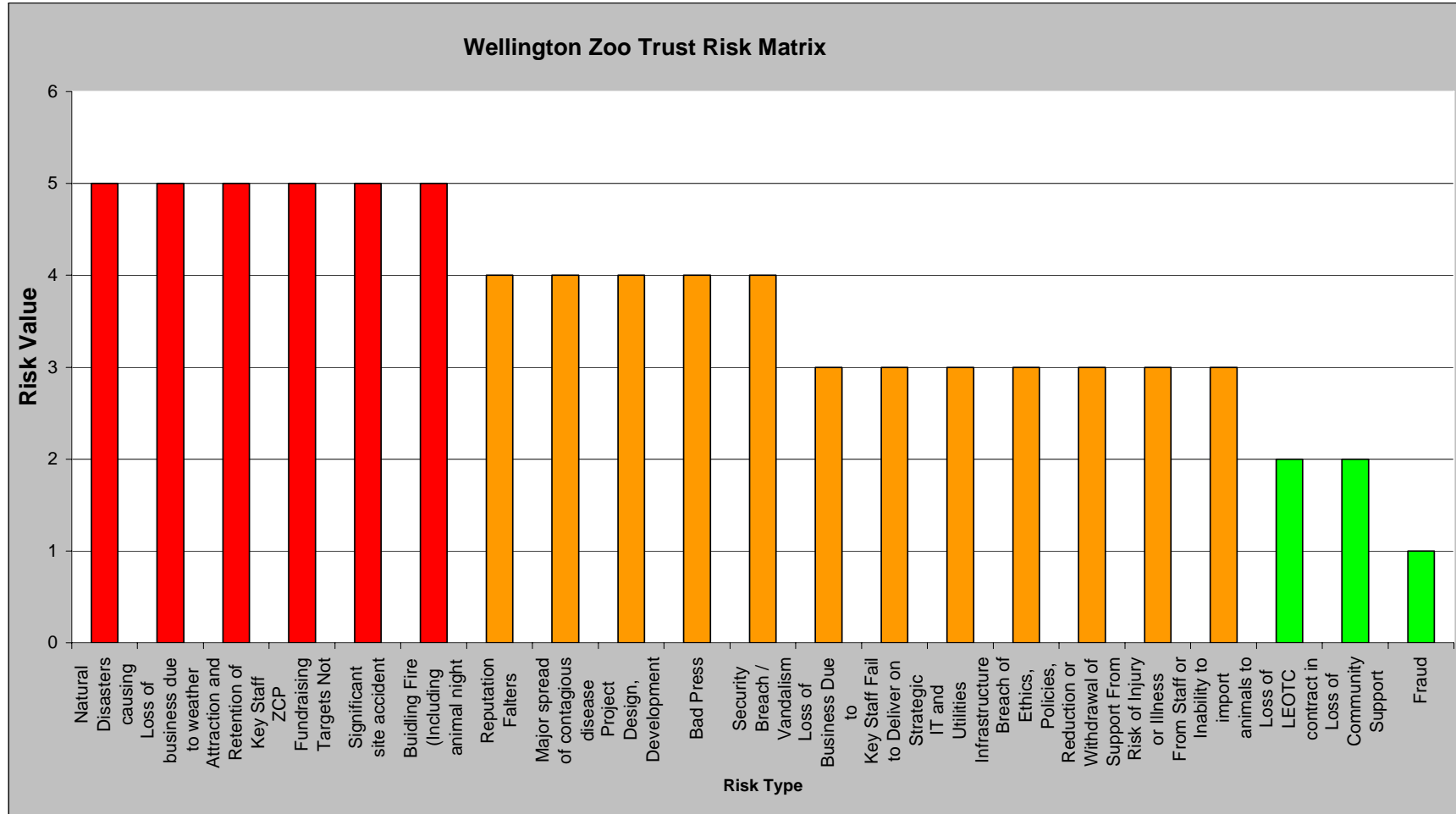
These two scores are added together to give a "Risk Value". This will be in the range zero to eight.

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

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

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

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



6. Financial Requirements

The Trust's operating and capital budgets for 2009/10 to deliver this Plan are detailed below.

DRAFT BUDGET 09/10	Budget 08/09		Forecast 08/09		Draft Budget 09/10	
	\$'s	%	\$'s	%	\$'s	%
INCOME						
<i>Visitor Revenue</i>	1,842,066	36.8%	1,941,605	38.8%	2,054,281	40.7%
<i>Interest</i>	28,000	0.6%	111,537	2.2%	22,000	0.4%
<i>Café Income</i>	100,000	2.0%	80,662	1.6%	85,000	1.7%
<i>MOE LEOTC Contract</i>	75,555	1.5%	75,556	1.5%	82,190	1.6%
<i>WCC Operating Grant</i>	2,687,500	53.8%	2,687,500	53.8%	2,709,000	53.6%
<i>Other Grant and Subsidy Income</i>	68,924	1.4%	102,104	2.0%	100,000	2.0%
Total Operating Income	4,802,045	96%	4,998,964	100%	5,052,471	100%
Staffing Expenses	3,119,295	65.0%	3,178,399	65.4%	3,335,721	66.0%
Other Operating Expenses	1,682,750	35%	1,684,068	35%	1,716,750	34.0%
TOTAL EXPENDITURE	4,802,045	100%	4,862,467	100%	5,052,471	100%
TOTAL OPERATING SURPLUS/(DEFICIT)	0		136,497		0	

Wellington Zoo Trust capital budget for 2009/10

CX340 New Capital Projects

\$2,636,424

The majority of the CX340 capital spend will be on the completion of the construction of 'The Nest,' Wellington Zoo's Animal Hospital, and construction of Conservation Corner.

CX125 Existing Asset Renewals Budget

Work in 2009/10 includes the following types of renewals:

Category	2009/2010
AV Equipment	\$9,500
Climbing Fences	\$3,000
Fencing	\$18,000
Hospital Equipment	\$5,000
Learning Equipment/Signs	\$10,000
Office Equipment & Chattels	\$24,000
Security	\$5,000
Service Area Refurbishments (H & S)	\$5,000
Water Reticulation & Storage Tanks	\$16,874
Workshop Equipment	\$6,000
Property Asset Renewals	\$100,000
Pushchairs and Wheelchairs	\$2,000
Vehicles/Golf Carts	\$30,000
Total	\$234,374