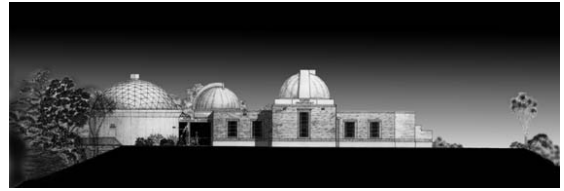


Memorandum



To: Wayne Maxwell
Director, Council Controlled Organisations, Wellington City Council

Cc: Sarah Polaschek
Wellington City Council

From: Richard Bentley
Chairman and Acting Chief Executive, Carter National Observatory

Date: 30th April 2007

Subject: March update on Carter Observatory Activities

Purpose

This memo provides the Wellington City Council an update on Carter Observatory's activities to the 31st March 2007

Financial Performance

On a year to date basis the loss is \$6,700 versus a budgeted profit of \$88,300. Grants and donations continue to remain at low levels; however this is currently being worked on. Distance Learning continues to run at a loss. The MORST capital funding of \$1.5m plus GST was received in March and the funds have been invested and managed to maximise the return on interest.

MoRST and MOE Contract Deliverables

Performance against both MORST and MOE has been slightly less than expected.

Redevelopment Progress

As agreed by directors we have appointed Aspec Construction as the preferred contractor for the building refurbishment.

Costs remain a major issue. As previously discussed the current approach with the building refurbishment is to get a consent for everything we might want and if we find we have to prune items then this can be done subsequently without hopefully prejudicing the consent. The cost of the displays is still under review and here again no decisions have been taken (for example on quality, models etc) awaiting an overview cost assessment that can now proceed following the finalization of the 'Content Framework'. A further factor that will be considered in the final recommendation for what is in and out is the initial reaction to the sponsorship proposals

In regard to the planetarium and the problems going out to 8 meters, our engineers have now stated that they think there are really significant risks around trying to reconfigure the planetarium starprojector to operate at 8 meters, not the 6 meters designed for, and the board have now accepted this advice. The recommended approach now is to package the planetarium as a discrete sponsorship opportunity which would include for a new projector.

Trust Deed and Maori Involvement in Governance

The WCC are assisting Carter through dialogue with Ngati Toa and the Tenth's.

Closure

Carter closes on May 2. This will enable the clean out to be undertaken prior to non consent work starting late May. During closure staff will be relocated in the Dominion Observatory and possibly at the Thomas King. We have obtained the agreement of DOC to use the significant storage space under the emplacement under the Dominion Observatory.

Appointing the CEO

The process as agreed is underway, with advertisements being drafted.

Marketing

Proposals to trusts continue to be prepared. First contacts are being made with corporates and meetings are being sought.

Volume Trends

Paying visitor No's	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
Budget	1,636	1,691	1,636	1,691	1,691	1,636	1,691	1,636	1,691	15,000
Actual	1,342	729	1082	970	1,390	1,162	2,173	1,626	1,542	10,474
% to Budget	82.0%	43.1%	66.1%	57.4%	82.2%	71.0%	129%	99%	91%	69.8%
Breakdown by type										
Local	14%	9%	12%	20%	1%	2%	2%	9%	10%	
NZ	45%	53%	60%	38%	7%	23%	36%	11%	6%	
International	41%	38%	28%	42%	92%	75%	62%	80%	84%	

The trend year to date has been lower than budget; however the budget allowed for a closure for 3 months April through to June which will not occur.

Education – school children

Volume 2006/07	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Budget	247	255	247	255	255	247	255	247	255	255	230	255	3,000
Actual	300	762	150	338	1089	169	0	193	169				3,170
% Achieved	121%	298%	60%	75%	427%	68%	0%	78%	66%				106%

We have achieved beyond our Education total for this financial year. As we will be closing at the end of term 1 there will be no school visits after the end of Term 1. Due to the closure we have had to turn down a number of bookings for Terms 2 & 3.

Outreach

Volume 2006/07	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	TOTAL
Primary Schools				7	7	4	0	4	7	29
Secondary School				4	4	3	0	0	3	14
Lectures – Public activities				1	1	5	5	2	1	15
Total Budget				12	12	12	5	6	11	58
Primary Schools				2	4	2	0	1	1	10
Secondary School				0	0	0	0	0	0	0
Lectures – Public activities				1	0	0	0	0	0	1
Total Actual				3	4	2	0	1	1	11
% Achieved				25%	33%	17%	0%	17%	9%	19%

A delay in the arrival of the Portable Planetarium impacted negatively on year to date volumes. There are 21 future bookings between 26th April and 7th November this year and there are potential bookings to be arranged with Schools and Science teaching groups. The allocation and availability of staff required for other activities has affected the amount of capacity allocated to the Outreach Programme this quarter.

Financials

CARTER OBSERVATORY - March 2007

Statement of Financial Performance	
Ministry Contracts and Grants	YTD Activity
Ministry Contracts and Grants	331,838
Wellington City Council Funding	150,000
Admissions	117,501
Product sales	42,463
Courses, etc additional	17,786
TOTAL OPERATING INCOME	659,588
Cost of Sales	
Cost of Sales	(37,171)
Personnel and Board Costs	(410,870)
Sundry Direct Production/Consumable costs	(944)
Total Direct Costs	(448,985)
Building & Equipment Costs	
Building & Equipment Costs	(73,217)
Advertising, Promotion & Outreach	(60,481)
Administration Support Costs	(36,514)
Depreciation & Loss sales assets	(47,115)
Total Fixed Costs	(217,327)
TOTAL OPERATING EXPENDITURE	(666,311)
SURPLUS INCOME / (DEFICIT)	(6,723)

Statement of Financial Position			
31 March 2007			
	Opening Balance	YTD activity	Closing Balance
EQUITY			
Accumulated Funds	667,742	-	667,742
Retained Earning last financial year	39,036	-	39,036
MORST Capital Funding	-	1,687,500	1,687,500
NET Y.T.D. Surplus / (deficit)	-	(6,723)	(6,723)
Total Equity	706,778	1,680,777	2,387,555
CURRENT ASSETS			
Cash on Hand	96,417	(97,061)	(644)
Term Deposits	-	1,687,500	1,687,500
Refurbishment costs	-	150,349	150,349
Trade Debtors(A/R) & Prepayments	17,592	31,781	49,373
Stock on Hand	10,321	(3,367)	6,954
Total CURRENT ASSETS	124,330	1,769,201	1,893,531
FIXED ASSETS			
Cost Assets	1,629,912	61,057	1,690,969
-Less Accumulated Depreciation	(955,123)	(51,600)	(1,006,723)
Total FIXED ASSETS	674,789	9,456	684,245
TOTAL ASSETS	799,119	1,778,657	2,577,776
CURRENT LIABILITIES			
Sundry Creditors & Accruals	85,563	114,192	199,755
Cash Register Casio/Samsung	1,818	(1,487)	331
G.S.T. Payable	4,960	(14,824)	(9,864)
Total Current LIABILITIES	92,341	97,881	190,222
Non CURRENT LIABILITIES			
Cash Register Casio/Samsung	-	0	-
Total Non LIABILITIES	-	-	-
TOTAL LIABILITIES	92,341	97,881	190,222
NET ASSETS	706,778	1,680,777	2,387,555

Statement of Cashflow	
31 March 2007	
Cash Flow From Operationing Activities	
Contract and Grants Revenue	481,838
Volume related revenue	177,750
Expense Payments	(619,196)
Total Cash Disbursements	40,392
Investing and Financing Activity	
Capital Expenditure / Sales Assets	(61,057)
Movement in debtors and stock	(28,413)
Refurbishment costs	(150,349)
Movement in Liabilities	112,705
GST Payments	(10,339)
Net Movement investing and financing activity	(137,453)
Movement in cash flows	(97,061)
Opening Balance	96,417
Closing Cash Position	(644)

Richard Bentley
2 May 2007