



Report to the Wellington City Council Monitoring Committee Against Business Plan Targets

Third quarter ended 31 December 2006

Visitors/memberships

- Total visitor numbers for the quarter at 13,424 were below budget of 17,000 but above previous year of 18,006. Year to-date visitor numbers at 24,419 were below budget of 27,000 and previous year of 27,698.
- The bad weather during this quarter (coldest and wettest October in ten years and coldest December in 70 years) has significantly affected visitor numbers. It is expected that we should be able to catch up some of this shortfall if the summer weather stays fine.
- Memberships as at the end of December stood at 5470 compared to a target of 5400.

Tourism

- To date our tours are brochured with 7 wholesalers, based from New Zealand, Australia or United Kingdom. Three of these wholesalers (2 based in Australia, 1 from UK) are considered 'heavy-weights' in the trade industry which should help pull in further business from other wholesalers. We also work on an ad hoc basis with a handful of others (inbounders) for the cruise ship and event market (e.g. Golden Oldies). Various other wholesalers (e.g. YHA and Magic Bus) also promote our tours for a discounted rate to their customers.
- A new newsletter for the "tourism trade" (inbound tour operators, offshore wholesalers and retailers) has been developed. This will increase the effectiveness of the communication to this channel. During the summer tourism season, visits to local channels are being intensified with regular visits to both information centres and key accommodation providers being made on a weekly basis.
- With TRENZ 07 just around the corner (May) we are hopeful of securing more business from the trade – especially now that we are extending our tour schedule to 7 days a week with transport for both the day and night tours



Qualmark

- We are delighted to have passed our Qualmark accreditation with flying colours – a 89% pass rate (pass rate is 60%). Benefits of being Qualmark endorsed mean that we receive extra promotion from Tourism New Zealand and that we can display the Qualmark logo on our communications so that tourists know we are a professional and trustworthy visitor attraction.

Visitor and Education Centre project (the Project)

- As a requirement of the Fund, the Trust has engaged Sinclair Robertson to undertake an independent feasibility study of the Project
- A Community Fundraising Campaign for the Project was kicked off during the quarter and we have raised (received and committed) around \$200,000 to-date.
- The application to the Significant Community Based Projects Fund (the Fund) was made on 1 December requesting \$6.6m (after allowing for the \$200k above).
- We have also submitted a bid to the Lottery Environmental & Cultural Committee for \$500,000 towards the Project. The decision will be known in March. If this is successful the Government bid will be reduced accordingly.
- An underwrite of \$100,000 towards the Project was also confirmed recently. This together with a positive decision from Lottery will reduce the Government back to \$6m.

Fauna transfer and monitoring

Transfer/Release

- The second Maud Island frog transfer was carried out on 3 October.
- Giant weta transfer is scheduled for February 11th.

Monitoring

- Our target species for monitoring this season are bellbird, tomtit, hihi and kaka. Tuatara and Maud Island frogs continued to be monitored by Victoria University master students. The latter is undertaken as part of Victoria's master degree in eco-restoration - the Sanctuary is a partner of the development and delivery of this degree. Research into the genetics of the brown teal population is also underway.
- 48 of the first clutch young **hihi** have now fledged. 6 females have 2nd clutches and another 5 are currently building nests. This compares well with last year despite the slower start due to the weather. While the slower start to the breeding season may result in fewer fledglings produced overall, there have been no deaths due to aspergillosis so this is a positive effect.
- Eight pairs of **kaka** have raised 23 chicks, 18 having fledged and 5 due to fledge before the end of February. This has been a slower and less productive season than last year, most probably due to the winter/spring storms, but the population continues to increase with gains far exceeding losses.



- **Robin, Saddleback & Whitehead** are widespread and fledglings continue to be seen in the Sanctuary.
- **Tuatara** are becoming much more mobile as the weather warms up and mating time gets closer. Overall animals have put on weight since their release a year ago.

Biosecurity

Plant pests

- The summer weed team has continued to target priority weeds (Cathedral Bells, Mistflower, Old Mans Beard, Holly, Selaginella, Climbing asparagus, buddleia and robinia).

Animal pests

- Exotic frogs have been caught in the lower lake. Their removal is a priority and work is ongoing. They will be analysed for chytrid fungus before the Maud Island frogs are released from the enclosure into the Sanctuary.

Lake Management & Algal Bloom

- Cawthron Institute and Waikato University specialists have been involved in our algal bloom monitoring and analysis as part of their research. Waikato will also be undertaking electric fishing in February aiming to reduce perch level to assess the effect of this on algal bloom. This is anticipated to take 2 to 3 days with a special electric fishing boat. Any nature fish affected will be recovered and returned.

Dam Safety and Maintenance

- Discussions were held with Capacity, City Council official and Sanctuary staff to discuss and agree on actions relating to Capacity's proposed work based on recommendations in "Comprehensive Safety Review report" December 2005. The objective of the discussions is to ensure safety is maintained while avoiding significant disturbance to Sanctuary operations.

Visitor experience and facilities development

- Discovery Area Stage 3 Tower and Viewing Platform - funded by Rotary was completed and an official opening was held on 2 December.
- Lake Road bridge was completed
- Pontoon walkway is scheduled to be completed around April
- Node 3 visitor hub development was delayed due to other priorities and that the work cannot be carried out until the winter months to avoid disturbance to visitors.



Education

Contact Energy renewed their sponsorship for our Education Programme in 2007.

The Education programme was affected by the weather with over 700 students cancelled their trips. The year to date figures to December was 2083 students, 183 teachers and 289 parents. This is down compared from 2725 for the same period in 2005.

Financials

For the quarter, revenue at \$428,448 and expenditure at \$434,543 were below budget giving a deficit before depreciation of \$6,095 as compared to a budget deficit of \$4,159. After depreciation, the actual deficit was \$50,299 as compared to a deficit of \$58,951. The deficit for December quarter is expected because of the timing of Council grants is in two tranche - July (September quarter) and January (March quarter).

The below budget quarter results were primarily due to the following.

- The below budget grants income. The grants income budget for the quarter includes \$165,000 income from Lottery Grants Board for the Pontoon Walkway project (a total of \$250,000 was approved by Lottery). Grant income is only recognised when Lottery pays the supplier. Because of the delay of the pontoon walkway project, we have not yet incurred the costs and therefore we have not recognised the revenue. This should be “corrected” as the project is implemented within the next few months.

The above was offset by:

- Higher than budget donations and other income. Other income includes miscellaneous sponsorships, facility rental, interest income and \$15,000 raised for the Visitor & Education Centre Project. The latter was not budgeted.
- Lower overall expenditure. The below budgeted expenditure was primarily due to timing of expenditure and in particular, the development of various brochures was budgeted in December quarter, but the actual expenditure will be in March quarter.

Year to-date surplus after depreciation at \$292,394 was above budget of \$189,102. Lower than budget admission (due to bad weather), lower subscription revenue (due to timing differences and a different mix of memberships types compared to what was budgeted – more couples than families) and lower grants income (due to timing of Lottery grant recognition) were more than offset by higher donations and other income. Overall expenditure was below budget.

Bank balances as at 31 December 2006 stood at \$986,933. Included in this was \$183,116 relating to funds raised and received for the Project. Out of this, \$178,550 had been kept in a separate bank account as these funds are contingent on the Project going ahead - a corresponding liability has been created under current liabilities to offset this asset until the Project is going ahead.

No adjustments have been made to opening balances for unearned income (relating to member subscriptions) and holiday pay accrued as these are considered immaterial.



Karori Wildlife Sanctuary
Statement of Financial Performance
For the quarter ended 31 December 2006.

| | Quarter Actual \$ | Quarter Budget \$ | Actual YTD \$ | Budget YTD \$ | Annual Budget \$ |
|--------------------------------------|-------------------------|-------------------------|---------------------|---------------------|------------------------|
| REVENUE | | | | | |
| Subscriptions | 68,157 | 69,144 | 134,227 | 142,221 | 249,000 |
| Donations & Appeals | 82,398 | 14,256 | 132,415 | 48,724 | 85,000 |
| Project Grants | 104,055 | 253,599 | 656,248 | 766,847 | 1,289,851 |
| Admissions | 72,943 | 77,854 | 119,047 | 131,915 | 290,200 |
| Retail Revenue | 64,459 | 58,450 | 95,136 | 83,896 | 162,000 |
| Other Income | 36,436 | 4,852 | 64,119 | 9,629 | 14,545 |
| TOTAL REVENUE | 428,448 | 478,155 | 1,201,191 | 1,183,232 | 2,090,596 |
| EXPENDITURE | | | | | |
| Conservation & Facility Manage | 31,627 | 44,283 | 54,559 | 70,572 | 150,280 |
| Visitor Facility Devpt & Mtce | 22,186 | 24,509 | 31,425 | 32,355 | 77,258 |
| Community & Visitor | 44,661 | 66,418 | 84,613 | 111,984 | 211,673 |
| Cost of Goods Sold | 43,075 | 32,943 | 61,940 | 63,223 | 114,000 |
| Education | 660 | 4,827 | 1,250 | 5,644 | 13,780 |
| Admin & Management | 29,317 | 37,817 | 39,158 | 62,931 | 101,000 |
| Personnel Costs | 226,522 | 234,960 | 455,224 | 466,307 | 967,088 |
| Rent & Rates | 7,091 | 7,674 | 15,840 | 15,348 | 30,700 |
| Interest on Loans | 29,404 | 28,883 | 58,485 | 58,259 | 116,515 |
| TOTAL EXPENDITURE | 434,543 | 482,314 | 802,494 | 886,623 | 1,782,294 |
| TRADING SURPLUS/DEFECIT | -6,095 | -4,159 | 398,697 | 296,609 | 308,302 |
| Depreciation | 53,204 | 54,792 | 106,303 | 107,507 | 212,313 |
| OPERATING SURPLUS/DEFECIT | -59,299 | -58,951 | 292,394 | 189,102 | 95,989 |



**Karori Wildlife Sanctuary
Statement of Financial Position
As at 31 December 2006**

| | 31/12/06 | Budget 31/12/06 | Annual Budget |
|---|------------------|----------------------------|--------------------------|
| | \$ | \$ | \$ |
| <u>EQUITY</u> | | | |
| Accumulated Funds | 1,732,557 | 1,629,264 | 1,536,150 |
| <u>CURRENT ASSETS</u> | | | |
| Cash and Bank | 629,833 | 332,333 | 227,021 |
| capital fundraising a/c | 178,550 | | |
| Accounts Receivable | | 5,024 | 5,024 |
| Stock on Hand | 31,539 | 31,539 | 31,539 |
| TOTAL CURRENT ASSETS | 839,922 | 368,896 | 263,584 |
| <u>NON CURRENT ASSETS</u> | | | |
| Fixed Assets | 2,703,014 | 2,847,601 | 2,827,794 |
| TOTAL NON CURRENT ASSETS | 2,703,014 | 2,847,601 | 2,827,794 |
| TOTAL ASSETS | 3,542,936 | 3,216,497 | 3,091,378 |
| <u>CURRENT LIABILITIES</u> | | | |
| Creditors | 77,870 | 58,571 | 58,571 |
| Grants Received in Advance | 9,402 | 5 | 15,000 |
| Holiday Pay Accrued | 68,581 | 68,581 | 68,581 |
| GST to pay | 5,964 | -9,936 | -9,936 |
| Community Trust Loan – current portion | 108,333 | 108,333 | 108,333 |
| Capital fundraising | 178,550 | | |
| Unearned Income | 111,679 | 111,679 | 114,679 |
| TOTAL CURRENT LIABILITIES | 560,379 | 337,233 | 355,228 |
| <u>TERM LIABILITIES</u> | | | |
| Community Trust Loan | 1,250,000 | 1,250,000 | 1,200,000 |
| Bridging Finance | 0 | | 0 |
| TOTAL TERM LIABILITIES | 1,250,000 | 1,250,000 | 1,200,000 |
| TOTAL LIABILITIES | 1,810,379 | 1,587,233 | 1,555,228 |
| <u>NET ASSETS</u> | 1,732,557 | 1,629,264 | 1,536,150 |



| Karori Wildlife Sanctuary Trust Statement of Cash Flow | | | | | |
|---|---------------------------|----------------------------|-------------------------------|-----------------------|--------------------------|
| | Actual Dec Qtr | December Budget | Actual Dec YTD | YTD Budget | Annual Budget |
| | \$ | \$ | \$ | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Cash was provided from: | | | | | |
| Subs/visitors/grants | 426,604 | 473,156 | 1,190,766 | 1,158,386 | 2,083,746 |
| Capital fundraising | 158,050 | | 178,550 | | |
| Net GST received | 7098 | | 15900 | | |
| Cash was applied to: | | | | | |
| Payments to suppliers and employees | -413,443 | -482,314 | -906,954 | -1,010,382 | 1,906,053 |
| Net GST Paid | | | | | |
| NET CASH FLOW OPERATING | 178,309 | -9,158 | 478,262 | 148,004 | 177,693 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | | |
| Cash was applied to: | | | | | |
| Purchase of plant and equipment | -76,622 | -176,244 | -117,453 | -263,244 | -348,243 |
| NET CASH FLOW FROM INVESTING ACTIVITIES | -76,622 | -176,244 | -117,453 | -263,244 | -348,243 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | | | |
| Cash was provided from: | | | | | |
| Bridging loan | | | | | |
| Cash was applied to: | | | | | |
| Repayment of loan | -25,000 | -25,000 | -50,000 | -50,000 | -100,000 |
| NET CASH FLOW FROM FINANCING ACTIVITIES | -25,000 | -25,000 | -50,000 | -50,000 | -100,000 |
| Net Increase/(Decrease) In Cash | 76,687 | -210,402 | 310,809 | -165,240 | -270,550 |
| Opening cash | 731,695 | 666,494 | 497,573 | 497,573 | 497,573 |
| Closing cash | 808,382 | 456,092 | 808,382 | 332,333 | 227,023 |
| CASH AND CASH EQUIVALENTS COMPRISE | | | | | |
| Cash and bank balances | 808,382 | 456,092 | 808,382 | 332,333 | 227,023 |

