



# Catchment Management Group Quarterly and Year End Review

30 June 2011

Wayne O'Donnell  
General Manager



## **General Manager's Report**

### **Department Summaries**

#### **Biosecurity Department (Davor Bejakovich)**

The objectives of the Regional Pest Management Strategy (RPMS) Operational Plan 2010/11 were achieved and work programmes delivered with a surplus of \$7,600. It was a challenging year requiring staff to come up with further efficiencies to enable completion of the programmes within the budget. The vector management service to the Animal Health Board, including regional share of bovine Tb vector control, has been delivered to the budget.

#### **Pest Animal Programme (Ray Clarey)**

The objectives of the RPMS Operational Plan for the 2010/11 year were achieved. The Pest Animals team delivered the programme with an overall operating deficit of \$35,900. The section's unfavourable position is largely due to the increases in personnel costs. The combined spend over the nine main performance objectives was 7% under budget as a range of programmes were reduced throughout the year to achieve savings. The Pest Animals section suffered considerable time loss through injuries this year, requiring an exceptional commitment from staff to complete the work schedule.

#### **Key Native Ecosystems (KNE) and TLA Reserve Programmes**

These programmes consisted of 34 KNE sites (11,453ha) and 58 TLA Reserves (7,898ha). The total programme was completed at 5% under the budgeted cost. External user charges amounted to \$176,000 for the year. Overall the programme ran smoothly with reduced servicing at some of the sites to achieve operational savings. There were a few extensions to the programme during the year fully funded by TLAs, or through volunteers taking responsibility for servicing of additional control work. This included Appleton Park predator control (28ha), possum and predator control in Tawa (through Friends of Tawa) and predator control along the Pencarrow coastal road from Burdan's Gate to the Pencarrow Lakes Block (serviced by MIRO).

#### **Rooks**

The rook control programme for the financial year was achieved under budget by 22% (\$8,700). During the year staff were actively involved in coordination of control activity with other regional councils including increased investment in rook control research. The programme was very successful with the number of active rookeries trending downward. The number of rookeries at the end of 2010/11 year was ten (21 in 2009/10).

#### **Rabbits**

The rabbit population throughout the region remains stable, with no properties above the enforcement level of 5 on the McLean Scale. The budget was overspent by \$14,300 (22%) as a result of cost-recovery control operations. The annual blood serum sampling to assess regional immunity levels for rabbit calicivirus disease was not undertaken as a cost-saving measure.

## **Possums**

The spend for possum control to minimise adverse impacts in areas outside of the KNE or TLA Reserves was \$162,700; under budget by 10%. This core activity involves control work for GW Parks or client response and assistance on a cost recovery basis.

## **Pest Plant Programme (Richard Grimmett)**

The pest plant objectives in the RPMS Operational Plan for 2010/11 were successfully achieved. The programme was delivered with a surplus of \$42,300. The surplus occurred through additional external and internal revenue of \$89,000 and final payment for the Community Max scheme. Contract expenditure was \$46,000 above budget due to an increased level of pest control fully funded by the TLAs.

## **Total Control species surveys**

The Total Control species delimiting survey programme was successfully completed, the first such programme in the country. The number of active sites for the majority of species is decreasing.

## **Biocontrol**

During the year, staff allocated significant time to biocontrol activities. Efforts were increased in relocating agents and monitoring a small selection of agents for establishment, spread and host plant species decline.

## **National Interest Pests**

MAF increased the Council's contract funding for Manchurian wild rice control in response to the successful eradication programme that was implemented by Biosecurity staff.

## **Regional Possum Predator Control Programme (RPPCP) (Graeme Butcher)**

The RPPCP approved budget for the 2010/11 year, the first year of the programme, was \$30,000 with an additional \$100,000 approved later in the year by Council to enable possum control operations to start in 2010/11 year. Pre-operation monitoring and two control services were completed by June 2011. Total expenditure for the year was \$101,900.

A total of 1,920 permanent bait stations have been installed and baited twice with high strength Pestoff (Brodifacoum). Approximately 60% of this bait was eaten and replaced during the second service.

## **Bovine Tb Vector Management (Graeme Butcher)**

The Bovine Tb team delivered their allocated programme for the 2010/11 year with a surplus of \$4,000. The team generated \$240,000 revenue for vector management service to the Animal Health Board (AHB). The regional share of AHB vector control programme in 2010/11 was \$520,000. The programme included 217,478 hectares of possum control, 327,500 hectares of pig surveys and 46,327 hectares of possum and ferret surveys. No bovine Tb was detected in any of the possum or ferret samples. Nine pigs (1.5%) of 615 that were submitted for autopsy during the year tested

positive for bovine Tb. The 2010/11 programme included completion of 50 performance monitors and 33 trend monitors.

The number of bovine Tb infected herds has reduced to three from the five present at the end of the 2008/09 and 2009/10 years. Two of these herds have had one clear test and the third herd is the experimental bovine Tb herd maintained by AgResearch. The AHB target for the 2010/11 year was eight infected herds.

<b>Biosecurity Financial Performance Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Rates & Levies	3,249	3,242	3,242	-
Government Grants & Subsidies	-	-	-	-
External Revenue	681	534	479	55
Investment Revenue	25	20	21	(1)
Internal Revenue	329	195	181	14
<b>TOTAL INCOME</b>	<b>4,284</b>	<b>3,991</b>	<b>3,923</b>	<b>68</b>
<i>less:</i>				
Personnel Costs	1,921	1,810	1,722	(88)
Materials,Supplies & Services	297	275	317	42
Travel & Transport Costs	102	113	101	(12)
Contractor & Consultants	487	463	398	(65)
Grants and Subsidies Expenditure	491	552	550	(2)
Internal Charges	357	430	377	(53)
<b>Total Direct Expenditure</b>	<b>3,655</b>	<b>3,643</b>	<b>3,465</b>	<b>(178)</b>
Financial Costs	-	-	-	-
Bad Debts	-	-	-	-
Corporate & Department Overheads	516	452	502	50
Depreciation	100	105	123	18
Loss(Gain) on Sale of Assets / Investments	(5)	(27)	(21)	6
<b>TOTAL EXPENDITURE</b>	<b>4,266</b>	<b>4,173</b>	<b>4,069</b>	<b>(104)</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>18</b>	<b>(182)</b>	<b>(146)</b>	<b>(36)</b>

<b>Biosecurity Funding Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Operating Surplus(Deficit)	18	(182)	(146)	(36)
Add Back Depreciation	100	105	123	(18)
Other Non Cash	(5)	(27)	(21)	(6)
<b>Cash Operating Surplus from Operations</b>	<b>113</b>	<b>(104)</b>	<b>(44)</b>	<b>(60)</b>
<i>less:</i>				
Net Asset Acquisitions	105	80	78	(2)
Net External Investment Movements	-	-	-	-
Net Asset & Investment expenditure	105	80	78	(2)
<b>NET OPERATING CASHFLOW BEFORE FUNDING REPAYMENTS</b>	<b>8</b>	<b>(184)</b>	<b>(122)</b>	<b>(62)</b>
Repaid Debt	-	-	-	-
Net Reserves (Increase) / decrease	51	192	121	71
<b>NET FUNDING BEFORE DEBT ADDITIONS</b>	<b>59</b>	<b>8</b>	<b>(1)</b>	<b>9</b>
Internal Debt Additions	-	-	-	-
External Debt Additions	-	-	-	-
Net Debt Increase / (decrease)	-	-	-	-
<b>NET FUNDING SURPLUS (DEFICIT)</b>	<b>59</b>	<b>8</b>	<b>(1)</b>	<b>9</b>

<b>Biosecurity Capital Expenditure Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
<b>Total Asset Acquisitions</b>	<b>110</b>	<b>107</b>	<b>99</b>	<b>(8)</b>
<b>Capital Project Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Asset Disposal Cash Proceeds	(5)	(27)	(21)	6
<b>Net Capital Expenditure</b>	<b>105</b>	<b>80</b>	<b>78</b>	<b>(2)</b>

## **Biodiversity (Tim Porteous)**

### **Biodiversity Strategy**

Since the Biodiversity Department was formally established on 20 September 2010 the focus for the department has been on completing a Biodiversity Strategy to guide Greater Wellington's biodiversity management activities for the 10 year period 2011–2021. The strategy was approved by Council on 29 June 2011. A Biodiversity Operational Plan will be prepared by April 2012 to guide the implementation of the Biodiversity Strategy.

### **Freshwater Ecosystems**

Structures that impede fish passage have been identified and a prioritised list of locations to reinstate fish passage, with a focus on barriers on GW owned or managed streams/ivers, has been developed. The first barrier to be addressed was the lower Korokoro Dam. The floodgate at Rangiuru on the Otaki River was also modified. The effectiveness of this measure in providing fish passage will be monitored.

### **Wetlands**

Implementation of the Wetland Action Plan to actively protect wetlands in the working landscape has continued. Fourteen new landowners joined the programme during 2010/11 bringing the total number of landowners in the programme to 171 spread over the Region.

### **Coastal and Marine**

Implementation continued with a focus on protection and restoration of the biodiversity values at dunes and estuaries. A variety of management measures were implemented including working fencing, targeted weed control, and specialist planting. A publication to guide dune restoration was drafted and is ready for publication, and support was provided for the back-dune restoration trials being undertaken by the Dune Restoration Trust of New Zealand.

### **Streams Alive Riparian Programme**

There are currently a total of 109 landowners in the Streams Alive programme. Planting took place on 66 different properties throughout the region.

### **QEII National Trust Covenant Assistance Programme**

This financial year commitments were made to ten covenant projects which, when completed, will protect 98.5 hectares of high value indigenous ecosystems in perpetuity. Included in this total are five wetland covenants protecting 26.15 hectares of this once common but now rare ecosystem type.

### **Pauatahanui Project**

Planting and fencing work has been undertaken with nine landowners. An additional 3500 plants will be established in riparian areas and 250m of fencing completed. Some additional maintenance input has been required this year on existing plantings, including repair of riparian fencing, particularly flood gates.

## **Porirua Harbour Project**

The Porirua City Council committed \$2.4 million in its ten-year plan to 2016 for the preparation and implementation of a Porirua Harbour and Catchment Strategy. The strategy is intended to address concerns about the long-term health of the harbour and covers both the Onepoto and Pauatahanui arms. Greater Wellington has continued to provide an input into the development of the Strategy. A first draft of the strategy was released to key stakeholders in May and was favourably received. The strategy will be publicly released for comment in August 2011.

## **Take Action**

The education programme *Take Action for Water* was delivered to 22 schools (65 classes) in the region. Positive feedback continues to be received about the quality of the programme from teachers, parents and students.

## **Take Care Community Environmental Projects**

Greater Wellington has assisted groups at 35 project sites during the year. Seventy five percent of these projects have arisen out of the contestable fund process and are coordinated by staff in the Environment Management Group. A further 25% are selected by GW staff in response to identified needs.

## **Parks Biodiversity Work**

All actions in the Parks Environmental Asset Management Plan for 2010/11 were achieved this year with the exception of the Wainuiomata/Orongorongo Water Collection Area 1080 possum control operation. This operation was postponed as possum numbers in the area were not at high enough levels to justify completing the work.

Activities undertaken included monitoring, pest control and restoration as well as actions for the Wainuiomata Mainland Island and Wairarapa Moana special projects.

<b>Biodiversity Financial Performance Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Rates & Levies	-	-	-	-
Government Grants & Subsidies	-	-	-	-
External Revenue	-	-	-	-
Investment Revenue	-	-	-	-
Internal Revenue	-	-	-	-
<b>TOTAL INCOME</b>	-	-	-	-
<i>less:</i>				
Personnel Costs	-	143	-	(143)
Materials,Supplies & Services	-	-	-	-
Travel & Transport Costs	-	1	-	(1)
Contractor & Consultants	-	29	-	(29)
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	-	-	-	-
<b>Total Direct Expenditure</b>	-	<b>173</b>	-	<b>(173)</b>
Financial Costs	-	-	-	-
Bad Debts	-	-	-	-
Corporate & Department Overheads	-	-	-	-
Depreciation	-	-	-	-
Loss(Gain) on Sale of Assets / Investments	-	-	-	-
<b>TOTAL EXPENDITURE</b>	-	<b>173</b>	-	<b>(173)</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	-	<b>(173)</b>	-	<b>(173)</b>

<b>Biodiversity Funding Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Operating Surplus(Deficit)	-	(173)	-	(173)
Add Back Depreciation	-	-	-	-
Other Non Cash	-	-	-	-
<b>Cash Operating Surplus from Operations</b>	-	<b>(173)</b>	-	<b>(173)</b>
<i>less:</i>				
Net Asset Acquisitions	-	-	-	-
Net External Investment Movements	-	-	-	-
Net Asset & Investment expenditure	-	-	-	-
<b>NET OPERATING CASHFLOW BEFORE FUNDING REPAYMENTS</b>	-	<b>(173)</b>	-	<b>(173)</b>
Repaid Debt	-	-	-	-
Net Reserves (Increase) / decrease	-	-	-	-
<b>NET FUNDING BEFORE DEBT ADDITIONS</b>	-	<b>(173)</b>	-	<b>(173)</b>
Internal Debt Additions	-	-	-	-
External Debt Additions	-	-	-	-
Net Debt Increase / (decrease)	-	-	-	-
<b>NET FUNDING SURPLUS (DEFICIT)</b>	-	<b>(173)</b>	-	<b>(173)</b>

<b>Biodiversity Capital Expenditure Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
<b>Total Asset Acquisitions</b>	-	-	-	-
<b>Capital Project Expenditure</b>	-	-	-	-
Asset Disposal Cash Proceeds	-	-	-	-
<b>Net Capital Expenditure</b>	-	-	-	-

The variances related to 2.5 new staff and RCC level 6 fit out costs

## **Land Management (Dave Cameron)**

Key points of the budget result are as follows:

- Total operating expenditure is \$2,594,000 or 94.5% of budget, operating revenue is \$2,628,900 or 95.4% of budget. This resulted in an operating surplus of \$34,000 (c.f. budget operating surplus of \$11,100). The result for the year is a net funding surplus of \$13,600 (c.f. budget of zero)
- Sustainability Plans and Conservation Plans which make up the total Farm Plan work programme expended \$415,100 from a budget of \$565,000. These savings allowed another \$44,400 to be allocated to the WRECI planting programme
- Considerable savings were made in the WRECI programme. An operating surplus of \$63,100 was achieved, largely by bringing the planning work inhouse, rather than using consultants

The Akura Conservation Centre returned a net operating surplus of \$54,800. This is a great result compared with the budgeted operating surplus of \$19,900. Comments relating to this result are as follows:

- Operating expenditure is 88.5% of budget, operating revenue is 93.0% of budget
- There has been a focus on managing expenditure throughout the year, as well as a specific focus on catalogue pricing

### **Akura Nursery Development**

The new irrigation system has been a huge boost to growth over the last summer. The new growth has been such that the estimates for additional land have been revised from 18 hectares down to 12 hectares.

Demand for poplar and willow poles is still high. Last year in excess of 25,000 poles were planted through the various hill country programmes. All these were grown from GW nurseries for the first time in five years. Demand for poles through the WRECI programme is very well aligned with the model.

### **Afforestation Grant Scheme**

The Afforestation Grant Scheme has been operative for four years. Projects in the Wellington Region have accounted for \$1.91M (19.5% of the national allocation). This has resulted in planting of 840 hectares on erosion prone farmland.

Funds have been fully allocated for 2012/13 which signals the last year of the Scheme. The Scheme is being reviewed by MAF at present and results of that review are expected at the end of August 2011.

## **Wellington Regional Erosion Control Initiative**

The Wellington Regional Erosion Control Initiative (WRECI) has a focus on five priority catchments in the Wairarapa and has resulted in the preparation of 15 new Sustainability Plans over the last two years.

The works programme is proceeding well, and some of the budget savings have been redirected from planning activities into the works programme. This has meant that we have exceeded our planting targets for the first two years by 30%.

### **Catchment Schemes**

Planting work and major construction work has been completed across the six Catchment Schemes incurring expenditure of \$95,300 against a total works budget of \$99,900 (95% spent). This saving in the expenditure has been further added to by an increase in external revenue of \$5,100.

Scheme Advisory Committees have taken a less conservative approach for 2011/12, wanting to advance work rather than put money into reserves. The storm damage reserves in all six Schemes are currently in a very healthy state.

### **Farm Plans**

This activity is well under budget. The major reason for this is the shift of some of the planting into the WRECI budget. While this was anticipated, there is a reluctance to make any budget adjustments until MAF have completed the review of their Forestry Schemes, which includes the Hill Country Erosion Fund that supports WRECI. The review recommendations are due to be announced at the end of August 2011.

WRECI will gradually increase its operational expenditure up to 2016/17. This will cause further reductions in general Farm Plan expenditure. When there is more certainty around MAF funding a review of the assistance programme for Farm Plans will be initiated. The future use of Land Environmental Plans (LEP's) in intensively farmed lowland catchments provides a further opportunity to align programmes and levels of financial incentives.

### **Looking Ahead – Major Issues**

- Seek to finalise agreements with the Papawai Kaikokirikiri Trust on the lease of 12 hectares of nursery land adjacent to Akura. These negotiations depend on the outcome of the Crown Afforestation Schemes review, expected in late August
- Complete the land management and biodiversity winter planting programmes
- Implement WRECI plans in the Upper Taueru and Flat Point catchments

<b>LM Consolidated Financial Performance Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Rates & Levies	1,630	1,651	1,651	-
Government Grants & Subsidies	10	138	161	(23)
External Revenue	1,500	696	865	(169)
Investment Revenue	6	8	8	-
Internal Revenue	86	136	70	66
<b>TOTAL INCOME</b>	<b>3,232</b>	<b>2,629</b>	<b>2,755</b>	<b>(126)</b>
<i>less:</i>				
Personnel Costs	769	866	799	(67)
Materials,Supplies & Services	131	93	102	9
Travel & Transport Costs	42	51	51	-
Contractor & Consultants	1,288	569	717	148
Grants and Subsidies Expenditure	-	25	25	-
Internal Charges	590	617	663	46
<b>Total Direct Expenditure</b>	<b>2,820</b>	<b>2,221</b>	<b>2,357</b>	<b>136</b>
Financial Costs	-	-	-	-
Bad Debts	-	-	-	-
Corporate & Department Overheads	316	329	329	-
Depreciation	57	59	79	20
Loss(Gain) on Sale of Assets / Investments	(15)	(14)	(20)	(6)
<b>TOTAL EXPENDITURE</b>	<b>3,178</b>	<b>2,595</b>	<b>2,745</b>	<b>150</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>54</b>	<b>34</b>	<b>10</b>	<b>24</b>

<b>LM Consolidated Funding Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Operating Surplus(Deficit)	54	34	10	24
Add Back Depreciation	57	59	79	(20)
Other Non Cash	(15)	(14)	(20)	6
<b>Cash Operating Surplus from Operations</b>	<b>96</b>	<b>79</b>	<b>69</b>	<b>10</b>
<i>less:</i>				
Net Asset Acquisitions	76	37	44	7
Net External Investment Movements	-	-	-	-
Net Asset & Investment expenditure	76	37	44	7
<b>NET OPERATING CASHFLOW BEFORE FUNDING REPAYMENTS</b>	<b>20</b>	<b>42</b>	<b>25</b>	<b>17</b>
Repaid Debt	-	-	-	-
Net Reserves (Increase) / decrease	(20)	(29)	(26)	(3)
<b>NET FUNDING BEFORE DEBT ADDITIONS</b>	<b>-</b>	<b>13</b>	<b>(1)</b>	<b>14</b>
Internal Debt Additions	-	-	-	-
External Debt Additions	-	-	-	-
Net Debt Increase / (decrease)	-	-	-	-
<b>NET FUNDING SURPLUS (DEFICIT)</b>	<b>-</b>	<b>13</b>	<b>(1)</b>	<b>14</b>

<b>LM Consolidated Capital Expenditure Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
<b>Total Asset Acquisitions</b>	<b>91</b>	<b>51</b>	<b>64</b>	<b>13</b>
<b>Capital Project Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Asset Disposal Cash Proceeds	(15)	(14)	(20)	(6)
<b>Net Capital Expenditure</b>	<b>76</b>	<b>37</b>	<b>44</b>	<b>7</b>

<b>Akura Conservation Centre Financial Performance Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Rates & Levies	-	-	-	-
Government Grants & Subsidies	-	-	-	-
External Revenue	197	239	242	(3)
Investment Revenue	(2)	-	-	-
Internal Revenue	478	522	577	(55)
<b>TOTAL INCOME</b>	<b>673</b>	<b>761</b>	<b>819</b>	<b>(58)</b>
<i>less:</i>				
Personnel Costs	53	62	70	8
Materials,Supplies & Services	462	477	532	55
Travel & Transport Costs	10	9	10	1
Contractor & Consultants	76	102	125	23
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	9	5	-	(5)
<b>Total Direct Expenditure</b>	<b>610</b>	<b>655</b>	<b>737</b>	<b>82</b>
Financial Costs	1	8	7	(1)
Bad Debts	-	1	-	(1)
Corporate & Department Overheads	30	30	30	-
Depreciation	12	13	25	12
Loss(Gain) on Sale of Assets / Investments	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>653</b>	<b>707</b>	<b>799</b>	<b>92</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>20</b>	<b>54</b>	<b>20</b>	<b>34</b>

<b>Akura Conservation Centre Funding Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Operating Surplus(Deficit)	20	54	20	34
Add Back Depreciation	12	13	25	(12)
Other Non Cash	-	-	-	-
<b>Cash Operating Surplus from Operations</b>	<b>32</b>	<b>67</b>	<b>45</b>	<b>22</b>
<i>less:</i>				
Net Asset Acquisitions	127	-	100	100
Net External Investment Movements	-	-	-	-
Net Asset & Investment expenditure	127	-	100	100
<b>NET OPERATING CASHFLOW BEFORE FUNDING REPAYMENTS</b>	<b>(95)</b>	<b>67</b>	<b>(55)</b>	<b>122</b>
Repaid Debt	-	13	10	3
Net Reserves (Increase) / decrease	(27)	-	-	-
<b>NET FUNDING BEFORE DEBT ADDITIONS</b>	<b>(122)</b>	<b>54</b>	<b>(65)</b>	<b>119</b>
Internal Debt Additions	124	(55)	66	(121)
External Debt Additions	-	-	-	-
Net Debt Increase / (decrease)	124	(55)	66	(121)
<b>NET FUNDING SURPLUS (DEFICIT)</b>	<b>2</b>	<b>(1)</b>	<b>1</b>	<b>(2)</b>

<b>Akura Conservation Centre Capital Expenditure Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Total Asset Acquisitions	127	-	-	-
Capital Project Expenditure	-	-	100	100
Asset Disposal Cash Proceeds	-	-	-	-
<b>Net Capital Expenditure</b>	<b>127</b>	<b>-</b>	<b>100</b>	<b>100</b>

## **BioWorks (Richard Grimmett)**

The total area worked was 208,047 hectares and BioWorks completed 46 of the 52 control and survey contracts for the year. The six uncompleted contracts will be completed early in the 2011/12 financial year. Two operations (2,573ha) failed to pass the performance monitor and there were four contracts uncompleted at year end. This included one aerial awaiting MOH approval and favourable weather, one ground operation of 1,114ha to commence and two ground operations with 16% (689ha) to complete.

Two input contracts were completed for the Biosecurity Department. The Mt Bruce-Pukaha Buffer service rounds were completed in accordance with the planned maintenance schedule. Bait station service rounds were completed within budget for 19,100ha of the Regional Possum Predator Control Programme.

The BioWorks team worked solidly throughout the year to complete a large work programme. The team started the year with just over 60% of staff capacity contracted. The focus was to work all allocated contracts with 112.5% capacity by retaining two Fixed Term Employees with the expectation that more contracts would be awarded in successive tenders. BioWorks was successful in securing contracts to a level of 137% of capacity. The team worked extremely well to achieve 97% of contract area completed at year end without increasing employee numbers.

<b>BioWorks Financial Performance Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Rates & Levies	-	-	-	-
Government Grants & Subsidies	-	-	-	-
External Revenue	1,633	1,887	1,697	190
Investment Revenue	12	20	10	10
Internal Revenue	29	81	22	59
<b>TOTAL INCOME</b>	<b>1,674</b>	<b>1,988</b>	<b>1,729</b>	<b>259</b>
<i>less:</i>				
Personnel Costs	907	981	968	(13)
Materials,Supplies & Services	152	206	234	28
Travel & Transport Costs	24	79	81	2
Contractor & Consultants	53	191	98	(93)
Grants and Subsidies Expenditure	-	-	-	-
Internal Charges	214	194	198	4
<b>Total Direct Expenditure</b>	<b>1,350</b>	<b>1,651</b>	<b>1,579</b>	<b>(72)</b>
Financial Costs	-	-	-	-
Bad Debts	-	-	-	-
Corporate & Department Overheads	50	100	50	(50)
Depreciation	48	67	82	15
Loss(Gain) on Sale of Assets / Investments	(10)	(55)	(18)	37
<b>TOTAL EXPENDITURE</b>	<b>1,438</b>	<b>1,763</b>	<b>1,693</b>	<b>(70)</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>236</b>	<b>225</b>	<b>36</b>	<b>189</b>

<b>BioWorks Funding Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
Operating Surplus(Deficit)	236	225	36	189
Add Back Depreciation	48	67	82	(15)
Other Non Cash	(10)	(55)	(18)	(37)
<b>Cash Operating Surplus from Operations</b>	<b>274</b>	<b>237</b>	<b>100</b>	<b>137</b>
<i>less:</i>				
Net Asset Acquisitions	137	61	90	29
Net External Investment Movements	-	-	-	-
Net Asset & Investment expenditure	137	61	90	29
<b>NET OPERATING CASHFLOW BEFORE FUNDING REPAYMENTS</b>	<b>137</b>	<b>176</b>	<b>10</b>	<b>166</b>
Repaid Debt	-	-	-	-
Net Reserves (Increase) / decrease	(138)	(174)	(10)	(164)
<b>NET FUNDING BEFORE DEBT ADDITIONS</b>	<b>(1)</b>	<b>2</b>	<b>-</b>	<b>2</b>
Internal Debt Additions	-	-	-	-
External Debt Additions	-	-	-	-
Net Debt Increase / (decrease)	-	-	-	-
<b>NET FUNDING SURPLUS (DEFICIT)</b>	<b>(1)</b>	<b>2</b>	<b>-</b>	<b>2</b>

<b>BioWorks Capital Expenditure Statement Year Ended ended 30 June 2011</b>	<b>Last Year FY Actual \$000</b>	<b>Full Year Actual \$000</b>	<b>Full Year Budget \$000</b>	<b>Full Year Variance \$000</b>
<b>Total Asset Acquisitions</b>	<b>151</b>	<b>116</b>	<b>108</b>	<b>(8)</b>
<b>Capital Project Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Asset Disposal Cash Proceeds	(14)	(55)	(18)	37
<b>Net Capital Expenditure</b>	<b>137</b>	<b>61</b>	<b>90</b>	<b>29</b>