

Fiordland Conservation Trust

Annual report 2011

for the year ended 30 June



Executive Summary

The Fiordland Conservation Trust was established in 2007, and has now been in operation for four years. The Trust continues to see stable growth in the projects undertaken and a growth in the number of key partnerships.

The Trusts income for 2010/11 doubled last year's record income, with a \$207,100 received, and net assets at year-end of \$152,344. A majority of this funding is tagged for the Trusts ongoing projects and for the set-up of the Kids Restore the Kepler Project. The Trusts costs this year have also risen to \$22,776, but include two months of 2009/10 management cost due to an oversight. Effectively, all things being equal, the Trust are still sitting at their goal of 10% costs which is a tremendous effort.

The key activities undertaken by the Trust in the 2010/11 year include:



Sinbad Sanctuary: Ongoing work in the Sinbad Sanctuary in partnership with Southern Discoveries, following the set-up of the project last year. 8 checks were performed during the year with a total of 23 pests caught, including seven stoats and one weasel. The first confirmed who breeding has taken place, and 13 kiwi are known to be in the valley, including the 3 transferred there this year from the Cleddau area, the first transfer of birds back in to this valley. Studies are being undertaken in the Alpine Zone to understand the effects of mice or climate on the Sinbad Skink. Southern Discoveries commit \$35,000 pa to this project.



Kids Restore the Kepler: Launch of the Kids Restore the Kepler project in conjunction with Kids Restore NZ (a subsidiary of the Air NZ Environment Trust), Community Trust of Southland, Fiordland College and Te Anau Primary School. The Trust are now well in to the two year \$220,000 set up phase of this project in partnership with DOC who are managing the contract to set up stoat and rat trapping in the 3000ha Kids Restore the Kepler area, as part of the overall Kepler Backyard Birdsong project on the Kepler Peninsula. This exciting partnership will see all local students undertaking integrated learning about the Kepler as part of this project.



Indian Island: Following last year's pest eradication poisoning operation, key stakeholders this year undertook the first trap checks to identify the success to date of the operation. To date no rats have been found on Indian Island, which looks very hopeful. One rat was found on a small Island close to Indian, but intensive predator control methods are in place to stop them getting to Indian. One more year is required to determine if Indian Island is pest free.



Mohua Transfer: Planning is underway on behalf of Peregrine wines to undertake a Mohua transfer of up to 80 birds from the Landsborough in South Westland to Resolution Island in Fiordland. This Island was the birthplace of conservation in NZ, and this transfer is the first in over 100 years, so a very momentous occasion. The aim is to establish a genetically diverse breeding population on the Island.



Pateke: In conjunction with Otago Community Trust and Ultimate Hikes, 80 more Pateke – Brown Teal were released in to the Arthur Valley in March this year taking the total number of birds released in this ongoing project to 139. To date the transfers have been quite successful, but flooding and high pest numbers had an impact on the birds released in 2010. The birds released this year look to be pairing up which is a good sign.



Cleddau Delta: In conjunction with Eco tours & Cruize Milford, pest eradication of this 40ha site continued this year. 44 single traps were checked eight times during the year, capturing 32 rats or stoats. Bird monitoring to measure the result of three years of trapping showed an increase in bird numbers, particularly bellbirds, tomtits and tui. In April 24 robins were transferred in to the Delta as robins have been absent from this area and the Arthur catchment, so a significant milestone for this project.



Trust Activities: This year the Trust Manager was invited on a trip to the Sub Antarctic's as a guest of DOC, on board the HMNZS Wellington, as a familiarization of the Islands. A full report is available on the FCT website.

The Trust also undertook a trip to Dusky with key stakeholders to view projects undertaken and introduce new ones. The trips was a fantastic opportunity with over \$100,000 worth of projects currently being worked on as an outcome of the trip.

An Introduction from the Chairman

The Fiordland Conservation Trust has now completed its fourth year with a growing number of conservation projects either completed or underway.

This year began with a huge project in the Kepler area across from the Te Anau Township. The Trustees considered this project at length before committing to it. With funding from Kids Restore NZ, a subsidiary of the Air New Zealand Environment Trust and the Community Trust of Southland, along with involvement from the local schools the benefits to conservation and the knowledge obtained by the school pupils will be immense.

Regardless of the size or cost of any project everyone that the Trust supports helps to protect our diverse biodiversity. The projects are considered carefully and to do this involves the wide experience that the Trustees have and of course the advice from the Department of Conservation.

New Zealand is experiencing some difficult times and combined with the restructuring and funding cuts that the Department of Conservation has to consider, the Trustees are very aware of the possible difficulties that might face us in the future. The Fiordland Conservation Trust with its manager has I believe a very good relationship with its supporters and will work through any issues that may arise.

Recently Margret Denny resigned from the position of Trust secretary and I wish to record the outstanding job that she did. The Trust has always been fortunate to have people like Margret offer their assistance to the conservation cause. Thanks Margret and welcome to Jo Wilson to the position of Secretary.

The Trust also welcomed Daphne Taylor as editor of the newly released "Jigsaw" Fiordland Conservation Trust newsletter. Daphne has a background running a highly acclaimed environmentally conscious kayaking business in Fiordland. She is already a great addition to our team.

Our appreciation goes once again to the Southland District Council for their accountancy support which enables the Trust to retain the highest level of transparency.

The wider experience of the Trustees with the ongoing technical support from the Department of Conservation plus the outstanding work of our manager has been an integral part in the success of the Trust to date.

Without the commitment and support of all those people and businesses that have made these projects possible, the ability to mend the broken jig saw of Conservation would not happen.

Thank you.

Roger McNaughton

Chairperson

Fiordland Conservation Trust.

Organisation

Patron – John Davies, Queenstown

A well known Queenstown based businessman involved in tourism and rural related businesses, John was a founding member of the Fiordland Conservation Trust Board.

Trustees

Roger McNaughton MNZM - Chairman

A farmer and agricultural contractor of Woodlands, with a long history of involvement in conservation

Frana Cardno QSO, JP

Long standing Mayor of the Southland District Council, with over 30 years of community service and business experience

Kim Hollows

Helicopter company & Fiordland Cinema owner, with a 20 year history of deer recovery and latterly conservation in Fiordland

Ron Peacock

Owner of Fiordland Lodge, Te Anau and involved in various conservation roles since the early 1970's

Nick Torr

Independent contractor/consultant specialising in threatened species management and island restoration with 30 years experience

Viv Shaw

Consultant of Te Anau, with a 15 year academic background in marketing and international business and an active involvement locally in conservation

Mark Sutton

Local QEII representative, Waiau Fisheries and Wildlife Habitat and Enhancement Trust Field Officer, Fish and Game representative with 30 years experience

Murray Willans

Farmer of Te Anau, recently retired Biodiversity Programme Manager from DOC with 20 years experience

Mark Pechers

A commercial fisherman in Fiordland for 28 years, and presently a director of the Fiordland Lobster Co, a Fiordland Marine Guardian and board member of CRA8.

Trust Secretary – Jo Wilson

A born and bred Fiordlander, Jo is involved in operating one day kayak tours in Doubtful Sound. With a genuine interest in the outdoors and conservation Jo is happy to be contributing by undertaking the role of secretary for the Trust.

Jigsaw Newsletter Editor – Daphne Taylor

Ex deputy Principal of our second largest school in NZ, and more recently owner of an eco-kayaking business in Fiordland, Daphne brings a wealth of knowledge and a passion for conservation to this role.

Trust Manager – Rachel Cockburn

Operational support is provided on a part time basis through the contracted services of Rachel Cockburn. Past roles included project management, policy development, marketing, and currently in a farming partnership in the Te Anau Basin.

Technical advice and assistance:

Southland District Council – Undertake all our accounting and banking services.

Department of Conservation – Ongoing technical advice on projects, and assistance in planning and undertaking projects as appropriate.

AWS Damien Pine – Supporting the Trust by giving regular free legal advice as required

KPMG Anne Edgar – Supporting the Trust by giving free specialist tax advice

Tim Mann Design – Our specialist technology and design consultant for the Trust

Vision Statement

To be an independent Trust inspiring the community to protect the special values in Fiordland and the wider Southland region.

Mission Statement

To enhance the protection of natural flora and fauna within Fiordland and the wider Southland region through:

1. Identification of worthwhile conservation projects that might otherwise lack funding
2. Provision of a professional and accountable service to clients, matching their desire to support conservation with appropriate project opportunities
3. Funding of general conservation, research and education projects
4. Encouragement of our young people to get involved in conservation
5. Promotion of conservation successes within the region.

Strategic Goals

Conservation

- To promote the importance and value of conservation in Fiordland and the wider Southland region
- To identify conservation projects in Fiordland and the wider Southland region that require funding
- To match potential clients to appropriate conservation projects
- To promote research for conservation

Community Involvement

- To keep the community informed about the Trust, its vision, objectives and achievements
- To encourage and support the active involvement of young people in conservation projects
- Develop professional relationships with key stakeholders

Annual Goals

Conservation

- Identify potential conservation projects with full costing information

Community Involvement

- Keep community informed of Trust's activities and success stories
- Encourage members of the community to donate to the Trust
- Set up and promote a "young conservation leader" programme

Relationship Development

- Identify key potential corporate clients
- Develop professional relationships with key stakeholders
 - Local businesses
 - National businesses
 - International businesses
 - Department of Conservation
 - Service organisations
 - Local and national government
 - Universities and other research organisations
 - Media
- Develop a set of guidelines for how the Trust plans to manage relationships with clients
- Match key clients with a specific Trustee

Communication

- Develop relationships with key businesses in Southland
- Design and develop a web presence
- Develop relationships with key media organisations
- Prepare and disseminate media releases on successful projects
- Prepare material on the Trust, its vision, objectives and plans for presentation to key stakeholders
- Make presentations to key service organisations (e.g. Rotary, Lions, etc.)
- Design a newsletter to keep supporters up-to-date with the Trust's achievements
- Circulate Trust brochures throughout Southland

Fundraising

- Identify what funding the Trust requires
- Identify potential sources of funding
- Make applications to appropriate organisations for funding
- Secure key locations for donation boxes

Fiordland Conservation Trust Projects 2010-11

Sinbad Sanctuary – Milford Sound, Year Two



In August 2009, the Fiordland Conservation Trust announced a new partnership with Southern Discoveries (formally Red Boats) to undertake the Sinbad Sanctuary Project in Milford Sound. Southern Discoveries have generously committed to support this project to the tune of a \$35,000 donation per year for a minimum of five years.



This is a nationally significant project, based at the head of Milford Sound, covering approximately 1500 ha. The Sinbad Valley forms a natural barrier of steep terrain, combined with a cold, wet climate which has limited the invasion of mammalian predators. This has helped to provide a safer refuge for the rare lizard species such as the Mahogany and Sinbad skinks and Cascade gecko, and was the last known mainland refuge for the kakapo.

The objective of the project is to form a 'natural mainland island' that will allow bird, lizard and invertebrate species present to thrive, and for the potential reintroduction of other threatened species in the medium to long term.

The closeness of this valley to Mitre Peak/Milford Sound, a New Zealand icon and major tourist attraction, makes this valley potentially one of the most visible in Fiordland. The Sinbad valley has been recognised since the early 1970's as being an area of National significance and was in dire need of action in order to save the remaining species currently inhabiting the area.

In year one of the project, 7km of trap line was established. This year 8 checks were carried out involving volunteers from Southern Discoveries staff, which resulted in the capture of: 7 stoats; 1 weasel; 13 rats and 2 mice. The first confirmed whio breeding has also taken place in the valley since monitoring began in 2005, and several juvenile whio have been spotted in the Sinbad.



A Southern Discoveries ship leaves Freshwater Basin, Milford Sound, with Sinbad Gully in the background

Following the kiwi monitoring, 10 kiwi are known to be in the valley, and a further 3 were transferred in to the area from the Cleddau Delta area due to major earthworks occurring in this region. This transfer is the first to take place in the Sinbad Sanctuary, and was a milestone event for this project and Southern Discoveries staff involved in it.

Monitoring for rats and beech seed fall monitoring also took place during the year, the outcome of which showed that while rats were likely to increase, they would not reach plague numbers. At the time of writing this report (September) a further 10 rats have been caught.

Further studies are being carried out in the Alpine zone of the valley in an effort to understand the effects of mice or climate on the Sinbad Skink. Studies are showing that mice are persistent right throughout the year in the head basin of the Valley.

The value of this project has already been proven with a transfer of Kiwi achieved after only one year. This significant investment by Southern Discoveries is having a tremendous impact on this very iconic part of the world, and the Trust is very grateful for their commitment to conservation.

A full report on the Sinbad Sanctuary project is available on the Trust website.

Sponsor: Southern Discoveries – Project Cost \$35,000 pa

Kids Restore the Kepler

In November 2010, FCT were able to announce the incredibly exciting launch of the Kids Restore the Kepler Project funded by Kids Restore NZ a subsidiary of the Air New Zealand Environment Trust.

In conjunction with the Trust, Fiordland College and Te Anau Primary School, Kids Restore NZ has agreed to a naming rights sponsorship that assists with the overall set up of stage one of the Kepler Backyard Birdsong project. The initial two year set up stage is also supported by a large contribution from the Community Trust of Southland.

Essentially this project seeks to create a 'mainland island' of the Kepler Peninsula, an area of 12,000 hectares, adjacent to Lakes Manapouri and Te Anau and with the Waiau and Iris Burn Rivers also assisting in providing natural boundaries. The existing trapping undertaken by the Kepler Challenge committee and their volunteers will largely act as a 'ring fence' around the project, with most of the total trapping undertaken within this area. This project will build on the fantastic gains being made by this group.

The natural boundaries substantially reduce the risk of pests re-invading the area, making the project ideally suited and cost effective as a restoration site, and one of the largest of its kind in the country.

Due to the size of the area, the initial Backyard Birdsong project has been split in to three areas, with stage one, Kids Restore the Kepler, covering the area east of the Forest Burn. This area is 3000 ha making it a considerable undertaking on its own. The pests targeted will be stoats, rats, possums and cats. The rat control, due to its intensiveness and cost, will be limited to the most crucial and relevant area.



Fiordland College student talks to an audience at the launch of the Kids Restore the Kepler

November 2010 saw Fiordland College undertake a full immersion of their junior school for a week in to this project to understand the wide ranging issues we face when undertaking such a project. This week enabled unstructured and completely hands on learning opportunities for the students, who were tasked with identifying outcomes for their particular subject, whether it be technology of trapping or media and marketing. At the end of the week, the nine groups presented their findings and outcomes to a packed public hall during the launch of Kids Restore the Kepler. Special guests at the launch included Ruud 'the Bugman' Kleinpaste, and Jenny Harper, both of Kids Restore NZ.

Since the launch all educational facilities in Fiordland have indicated a wish to be involved, and are now working together to integrate the project in to their various curriculum and activities, beginning at pre-school age.

The contract to undertake the establishment of stoat and rat trapping on the Kepler is being undertaken and managed by DOC on behalf of the Trust. To date, work is progressing well with significant savings made initially due to the ease of the terrain. Bat monitoring has been undertaken following the discovery of both long and short tailed bats in the area. Further monitoring to establish roost areas is due to be undertaken in summer 2011.

A group of College students were involved in redesigning traps to avoid catching Kea. This group subsequently won a contract to construct 410 of the tunnels, with a further 220 to be constructed by a local company. The contract to mark the trap lines and



The Kepler Delta surrounded by the Kepler Track



Fiordland College student gets up close and personal with Rudee (and a few bugs)

cutting of the tracks was awarded in August. DOC staff have also spent a considerable time with Fiordland College assisting them with the various projects and ideas they have been addressing.

In March 2011, a group of 12 students were given the opportunity to fly to Auckland courtesy of Kids Restore NZ to visit the Hub of Air NZ, and have the opportunity to learn from some of the country's best. They climbed Rangitoto Island with Ruud Kleinpaste as a tour guide; visited Air NZ Technical Operations day where they were guided around behind the scenes at the airport, including viewing a range of their planes; went up the sky tower; but also spent a whole day at Head Office. This gave them an opportunity to meet the chairman of Air NZ Environment Trust; present their reports on their achievements to date to KRNZ committee members; and attend presentations by the Air NZ Social Media guru and their Environment advisor which provided some incredible food for thought.

The contribution from Kids Restore NZ to this project is potentially an ongoing partnership, which is an amazing boost to the local community, in particular for our local students. The Trust and the education providers are working hard to establish this project in to the schools ongoing curriculum in a manner which will ensure that each Fiordland student will leave here with a broad understanding of the importance of conservation and sustainability issues.

The Trust are now working on ensuring funding is in place for the ongoing maintenance of this project. To date several approaches have been made to be involved which we hope to finalise over the coming months. There will be ongoing opportunities for groups or individuals to 'adopt' parts of the project through funding or volunteering.

The Trust on behalf of Fiordland College and Te Anau Primary School wish to thank Kids Restore NZ and the Community Trust of Southland for their phenomenal contributions to this project. KRNZ in particular need to be acknowledged for their vision and foresight in helping us to make this significant project possible.

A full report on the Kids Restore the Kepler project is available on the Trust website.

Sponsor: Set up cost: \$220,000 – Ongoing cost: \$90,000 pa

Indian Island – Rodent Eradication Update

The Indian Island rat and mice eradication was undertaken in winter 2010, following the very successful adoption of the project by Lance & Ruth Shaw from Fiordland Ecology Holidays.

The Fiordland Conservation Trust and Lance & Ruth raised \$70,000 to undertake an aerial poison operation that would help see the end of rodents on Indian Island. With the fabulous support of Ruth & Lance's extensive network, Ian & Jenny Willans, Ultimate Hikes, Quatre Vents Foundation, Lucy Bellerby, Tom & Currie Barron and others, the funding target was reached early in 2010, enabling the Trust to contract DOC to undertake the operation.

Indian Island is a low lying forested island 168 ha in size and is one of Dusky Sounds special sites cloaked in Maori history. In 1773 Captain Cook first sighted the indigenous people of Fiordland on Indian Island, hence the name. Evidence of Maori settlement on the island is still visible today.

The existing predator control, established in 2000 was a perimeter of stoat traps checked and re-baited every six months to keep stoats from re-establishing on the Island. This regime has proven successful. Indian Island is 550m from the mainland, however there are two small stepping stone rocks between Long Island and Indian Island. These small rocks are now providing an excellent ongoing opportunity to intercept re-invading rodents as they have bait stations and traps maintained on them for this purpose.



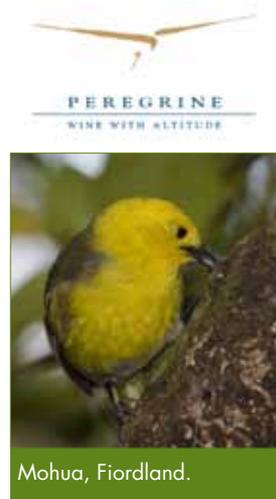
Indian Island, Dusky Sound.

In May 2011, during a trip to Dusky by some of the stakeholders involved in the project, time was spent undertaking the first full trap check a year on from the eradication project. All traps on the Island were free of rats, so an incredibly exciting result for all involved. Work continued during the trip adding a trap line over the centre of the Island, and securing more traps on small Islands nearby. The only rat caught was on the two sisters, which are situated back before the two stepping stone rocks. So the requirement for extra trapping on these Islands and the stepping stones was abundantly clear.

It will take one more year of clear traps before the Island can be declared pest free. Several of the project partners have reconfirmed their commitment to ensuring the Island stays this way, and are keen to see endangered birds re-established on the Island

Supported by: Fiordland Ecology Holidays

Peregrine Wines – Mohua Transfer



Mohua, Fiordland.

As part of an ongoing relationship with the Fiordland Conservation Trust, Peregrine Wines are currently working towards a transfer of Mohua from the Landsborough in South Westland to Resolution Island, Fiordland.

This project, spread over two years, aims to establish a genetically diverse self-sustaining population of Mohua on Resolution. It will be the first time species have been transferred back to Resolution following the intensive pest eradication project DOC started in 2008.

The history of Resolution is impressive. In 1891 Resolution Island became New Zealand's first Nature Reserve and the birthplace for New Zealand Conservation. Richard Henry was appointed as caretaker, and during the next 12 years he transferred over 500 native birds (mostly kiwi and kakapo) to the safety of the island – away from the rats and stoats that were devastating the mainland's wildlife. Unfortunately by 1900 stoats had invaded Resolution Island destroying Richard Henry's conservation dreams.

Resolution Island (20,860 ha) is the largest island in Fiordland and has the potential to support significant populations of threatened species, including a substantial population of mohua, helping to safeguard this species from extinction.

With a breeding population of stoats now no longer present, Resolution Island is deemed safe enough to return endangered species such as Mohua to Fordland's largest sanctuary.

The transfer of Mohua is likely to occur in October 2011, subject to good weather. Peregrine Wines staff and media are to be involved in the transfer of up to 80 birds.

Sponsor: Peregrine Wines – Project Cost: \$20,000

Pateke Transfer – Arthur River



The Pateke Conservation project was adopted by the Fiordland Conservation Trust and is managed by the Pateke Recovery Group and the Department of Conservation. It utilises proven methodology and provides excellent protection for the pateke/Brown Teal, which is endemic to New Zealand and our most endangered species of

waterfowl. At the beginning of the project in March 2009 twenty sub-adult pateke were released into the Arthur Valley (Fiordland National Park) to trial whether our predator control programme was sufficient to ensure their survival. This was the first large release of pateke in the South Island. To date this has been one of the most successful releases of pateke anywhere in the country.

In early March 2010 a further thirty nine pateke were released into the Arthur Valley. The results of this release was less successful due to a peak in pest numbers and very severe flooding, but has still been a success overall.

In March 2011 a further 80 birds were released in to the Arthur Valley after a flight from Christchurch to Queenstown and a drive right round to Milford Sound. This stage of the project was supported by the Community Trust of Otago and Ultimate Hikes.

The plan is to build a self-sustaining population by 2014.

Project Sponsor: Community Trust of Otago & Ultimate Hikes – Cost: \$10,300



Pateke or Brown Teal, Arthur Valley.



Cleddau Delta looking towards the Bowen Falls

Cleddau Delta Restoration Project



Cleddau Delta trap trail

Beginning in 2007, this project is to control introduced animal pests in an area of 40 ha of coastal forest covering the old Cleddau River delta at Milford Sound. The project has continued to be funded by Eco Tours Ltd and Cruize Milford, a tourism operator running guided bus

journeys between Queenstown, Te Anau and Milford Sound, along with boat cruises on the Sound.

The aim of the project is to protect native birds to encourage them to breed, leading to a general increase in birdlife around Milford Sound, and to create a potential site where threatened birds may be reintroduced in the future.

This year the 44 single traps were checked and rebaited eight times with a total of 26 rats and six stoats caught. A bird count monitor was also undertaken this year to measure the effect of three years of trapping. The counts showed a general increase in birds, particularly bellbirds, tomtits and tui.

In April 2011, 24 robins were transferred in to the Cleddau Delta from the Eglinton Valley. This project involved students from the College who are involved in the Kids Restore the Kepler Project, along with staff from Cruize Milford. Robins had been absent from both the Cleddau and Arthur catchments, so this is a significant milestone for this area.

Sponsor: Eco Tours & Cruize Milford – Project Cost \$4,000

Trust Activities

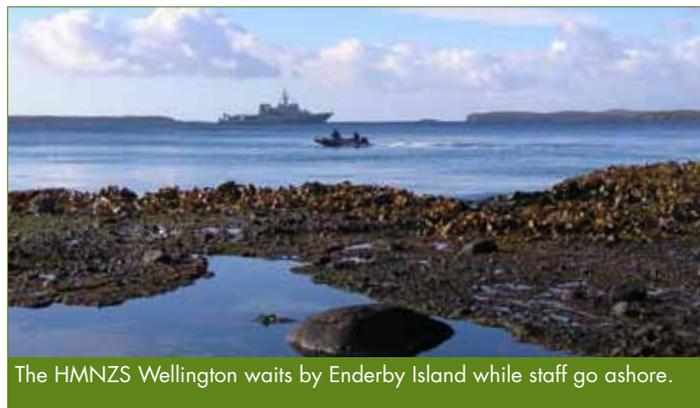
Sub Antarctic Visit

In February 2011 the Trust Manager was invited to take part in Operation Endurance – a trip to the Sub Antarctic Islands as a guest of DOC, on board HMNZS Wellington. The Fiordland Conservation Trust includes the Sub Antarctic's in their area of operation, so we were offered this chance to familiarise with the area.

The trip was 5 days long and included visiting Auckland Island, Enderby Island and Campbell Island. It was a trip of a lifetime being able to experience these places with the knowledge of the DOC staff, along with the experience of being a guest of the NZ Navy who run an incredible operation. Some of the highlights include a walk over Enderby Island, spending time with the team leader running the sea lion monitoring, and the day spent on Campbell Island amongst the mega herbs.

Identifying projects for potential support through the Trust is hard due to the difficulty getting there. Travelling with the Navy may become more difficult and it is costly to charter trips. But there are a variety of projects that may be feasible with further investigation.

A full report or journal on this trip is available on the Trusts website.



The HMNZS Wellington waits by Enderby Island while staff go ashore.

Communications

2011 saw the launch of the FCT 'Jigsaw' newsletter written by the new editor Daphne Taylor. This newsletter was distributed through as wide a channel as possible, including a 'friends of' the Trust list. It is available on the FCT website. Three newsletters will be produced per year, with the next one due out in November 2011. We encourage anyone to subscribe to this newsletter by visiting our website for details.

The Fiordland Conservation Trust has a facebook page that will keep being updated with our latest 'hot off the press' information as it comes to hand. It is hoped that we extend this network through our work with the schools, our key partners and a national and international network of interested people.

See www.fiordlandconservationtrust.org.nz for further information and detailed reports on projects.

'LIKE' the Fiordland Conservation Trust facebook page for the latest up to date goings on with the Trust.

Dusky Sound Trip



Trust members and DOC staff await collection from Indian Island.

In May 2011 the Trust were able to undertake a trip to Dusky Sound with a range of guests including some of the Trusts existing partners, and several interested parties. The trip was a four night trip, with two different parties back to back.

Starting in Deep Cove on the Southern Winds we travelled to Dusky, spending two nights there. Our first day largely involved the initial trap check on Indian Island which took considerable time, but was a huge success. Four of the party transported new trap boxes across the middle of the Island to lay out the final trap line. The following day was spent looking at historical sites, a walk over Anchor Island and updating on projects.

A helicopter transfer bought in the second group and the trip was repeated back to Doubtful Sound over two days. On the second trip time was spent looking at the potential of a new project on Long Island. This is under development.

The outcome of the trip to Dusky Sound was a potential to gain in the vicinity of \$100-140,000 worth of funding towards a variety of projects the Trust are involved with. These trips are incredibly worthwhile to achieve good outcomes, and enable the Trust to introduce new interested parties to the work being undertaken by FCT and DOC.

The Trust is grateful to DOC for the support we receive on these trips, and the use of the Southern Winds, particularly Pete Young the skipper who provides fantastic experiences and stories.

Audited financial report

Financial

A majority of the funding (\$180,000) received by the Fiordland Conservation Trust are targeted funds and come directly from key partners for a specific project. In 2010/11 the Trust once again received a record amount, this year totalling \$207,100 in income, doubling last year's income. The total running costs of the Trust including all legal, financial audits, insurance, website development and Trust Manager's wages was \$22,776, (Due to an oversight this includes an additional 2 months of the trust managers wages which related to the 2009/10 financial year). Without this oversight the costs remain at 10% which is right on target for the Trust. The outgoings for the year totalled \$139,553, with a majority of the remaining funds targeted to specific ongoing projects.

Funding for the Conservation Trust that does not include targeted donations comes from a variety of sources including fundraising, donation boxes, applications for funding, and general donations via our website or brochure.

Our major fundraiser in 2011 was hosting the RNZ Ballet, which the Trust does once every two years. This year the Trust raised \$10,000, which will go towards supporting the Kids Restore the Kepler project. Many thanks to Jenny Labruyère, Joan Cockburn, Susan Moore, Kathy Gilligan, Margo Shaw and Jess Hamilton for their assistance with hosting this function.

Donation Boxes have raised \$1,926, slightly down on last year. A majority of these donations come from the DOC visitors centre and the Kepler car park.

The Trust continues to receive various donations from local, national and international supporters through direct contact, the donation boxes, website and brochures.

Directory

Date of Settlement: 23 August 07

Settlor: Frana Grace Cardno

Trustees: Kim Edward Hollows, Frana Grace Cardno,
Ronald John Peacock, Roger Munro McNaughton,
Nicholas Torr, Viv Shaw

Status: Charitable Trust

Trust Capital: 10 dollars

Statement of Comprehensive income

For the year ended 30th June 2011

	30 June 2011	30 June 2010
	\$	\$
Income		
Ballet & Programme Sales	13,794	-
Donation Boxes	1,926	-
Donations	3,102	2,843
DVD Sales	-	-
Movie Night	-	-
Murray Cardno	1,748	-
Sponsorship	1,575	-
Trap Sales	-	168
Newsletter Funding	2,270	-
Interest Received	2,016	2,258
Project Income		
Bauza Island	-	6,160
Breaksea	209	-
Chalky	4,507	7,623
Cleddau	4,000	6,000
Indian Island	-	47,799
Kepler	112,964	2,750
Sinbad	50,618	25,000
Pateke	8,371	4,543
	207,100	105,143

Statement of Comprehensive income (continued)

For the year ended 30th June 2011

Expenditure

Advertising	-	-
Audit Fees	1,100	450
Ballet Expenses	3,730	-
Bank Fees	318	218
Insurance	1,625	1,575
Project Development	609	-
Professional Services	-	-
Office Expenses	81	142
Meeting Expenses	358	326
Subscriptions	42	41
Trap Replacements	-	-
Management Fees	18,163	10,273
Website & Design	480	1,636

Project Expenditure

Bauza	-	5,600
Chalky	-	6,966
Cleddau	3,300	5,356
Indian Island	29,045	35,556
Kepler	10,637	338
Pateke	10,150	200
Sinbad	59,916	302
	139,553	68,977

Net Surplus/(Deficit)

67,547	36,167
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Other Comprehensive Income

-	-
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Total Comprehensive Income

67,547	36,167
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Statement of Changes in Equity

For the year ended 30th June 2011

	30 June 2011	30 June 2010
	\$	\$
Equity at the beginning of the year	84,797	48,630
Total Comprehensive Income	67,547	36,167
Equity at the end of the year	<u>152,344</u>	<u>84,797</u>

Statement of Financial position

As at 30th June 2011

	Note	30 June 2011	30 June 2010
		\$	\$
Equity			
Accumulated Funds		152,334	84,787
Trust Capital		10	10
		<u>152,344</u>	<u>84,797</u>
Represented by:			
Current Assets			
Cash & Cash Equivalents	5	200,884	134,777
GST Receivable		-	6,631
Accrued Revenue		26	-
Accounts Receivable		1,839	10
Total Assets		<u>202,749</u>	<u>141,418</u>
Current Liabilities			
GST Payable		5,873	-
Accrued Expenses		1,140	500
Accounts Payable		43,392	56,121
Total Liabilities		<u>50,405</u>	<u>56,621</u>
Net Assets		<u>152,344</u>	<u>84,797</u>

Trustee

msjwills

R. W. ...

Date

3 October 2011

Statement of Accounting Policies

For the Year ended 30 June 2011

Reporting Entity

The Trust has been established under the Charities Act 2005. The Trust is domiciled in New Zealand.

The primary objective of the Trust is to share information and raise awareness within the community on conservation work and in particular with respect to young people and youth involvement in the work of the Trust.

The registered office of the Fiordland Conservation Trust is 33 Don Street, Invercargill.

The financial statements are for the Fiordland Conservation Trust for the year ended 30 June 2011.

Measurement Basis

The Financial Statements have been prepared in accordance with NZ Generally Accepted Accounting Practice (GAAP).

The general accounting principles as appropriate for the measurement and reporting of results and financial position under the historical cost method have been followed in the preparation of these financial statements.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements were authorised by the Trustees on 3 October 2011.

Differential Reporting

The Trust is a qualifying entity as defined by the Institute of Chartered Accountants of New Zealand Differential Reporting Framework.

The criteria establishing the Trust as qualifying for differential reporting exemptions are:

- The entity does not have public accountability: and
- The entity is not large in terms of the Framework.

The Trust has elected to take advantage of the differential reporting exemptions except for the exemption in relation to GST as the Trust have prepared these financial statements exclusive of GST.

Debtors and Other Receivables

Debtors and other receivables are recorded at net realisable value.

Cash and Cash Equivalents

These include cash on hand, cheque account funds, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

Revenue Recognition

Grants and donations that are subject to restrictions, but which are not required to be returned to the donor are recognised as income when they are received.

Grants and donations that are subject to conditions (that is, that are subject to bidding terms imposed by an external party, such as funding for a particular project) are recognised as income when it is likely that the Trust will comply with the terms of the grant or donation. If the Trust is unable to comply with the terms of the grant or donation, the grant or donation is recognised as a short-term liability until it is returned to the donor or the conditions are fulfilled.

Interest income is recognised on an accrual basis.

Creditors and Other Payables

Creditors and other payables are recorded at net realisable value.

Taxation

Goods and Services Tax

All items in the financial statements are stated exclusive of GST, except for debtors and other receivables and creditors and other payables, which are presented on a GST inclusive basis.

Income Tax

The Fund is exempt from income tax as it is a Charitable Organisation registered under the Charities Commission.

Changes in Accounting Policy

There have been no changes in the accounting policies. All policies have been applied on bases consistent with those used in the prior year.

Notes To The Financial Statements

1. Post Balance Date Events

There have been no significant subsequent events between the balance sheet date and the signing of the Financial Statements.

2. Contingent Assets and Liabilities

Should the Trust not comply with conditions attached to a grant there may be a requirement to return a portion of the grant. It is not practicable to quantify whether such a contingent liability exists at balance date due to the varying stages at which each project is at, but should any contingent liability exist it is not considered to be significant.

3. Commitments

The trust is committed to spending the following funds on the stated projects (2010 \$80,273).

Commitments	
Breaksea	\$209
Chalky	\$4,468
Cleddau	\$479
Indian Island	\$6,373
Kepler	\$104,642
Pateke	\$11,564
Sinbad	\$9,678
Total	\$137,413

4. Financial Instrument Risks

The Trust has policies to manage the risks associated with financial instruments. The Trust is risk adverse and seeks to minimize exposure from its treasury activities. These policies do not allow any transactions that are speculative in nature to be entered into.

Market Risk

Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Trust's exposure to fair value rate risk is limited to its short term bank deposits.

Sensitivity Analysis

The table below illustrates the potential profit and loss and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on the Trust's financial exposures at the balance date.

Sensitivity Analysis				
2011				
	-100 bps		+100 bps	
	Profit	Other equity	Profit	Other equity
Interest rate risk Cash and cash equivalents	(1,648)	-	1,648	-
2010				
	-100 bps		+100 bps	
	Profit	Other equity	Profit	Other equity
Interest rate risk Cash and cash equivalents	(639)	-	639	-

Explanation of Sensitivity Analysis

Cash and cash equivalents include deposits at call totalling \$164,815 (2010 \$63,939) which are at floating rates. A movement in interest rates of plus or minus 1.0% has an effect on interest income of \$1,648 (2010 \$639).

Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Trust, causing the Trust to incur a loss.

The Trust has no significant concentrations of credit risk, as it essentially operates a cash business and only invests funds with registered banks.

Liquidity Risk

Liquidity risk is the risk that the Trust will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, the Trust maintains its investments in cash and cash equivalents and highly liquid investments.

5. Cash and Cash Equivalents

	2011	2010
	\$	\$
Cash - BNZ 00 Account	36,069	70,836
Short term deposits - BNZ 25 Account	164,815	63,939
Cash and Cash Equivalents	200,884	134,777

The carrying amount of cash and cash equivalents and term deposits with maturities less than three months approximate their fair value.