

Department of Conservation Annual Report

For the year ended 30 June 2003

Presented to the House of Representatives pursuant to Section 39
of the Public Finance Act 1989

Cover photo: Sea Kayaks, Abel Tasman National Park (Zaengl, C. J.)

Hon Chris Carter
MINISTER OF CONSERVATION

I present the Department of Conservation's annual report for the year ended 30 June 2003.

A handwritten signature in black ink that reads "Hugh Logan". The signature is written in a cursive style with a large initial 'H' and a long, sweeping tail on the 'n'.

Hugh Logan
DIRECTOR-GENERAL

CONTENTS

Directory	6
PART ONE: OVERVIEW	
Mission and Vision Statement	8
Report of the Director-General	9
PART TWO: THE YEAR IN REVIEW	
The 7 Key Steps	12
Conservancy Highlights	36
PART THREE: STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE	
Outcomes and Outputs in each Key Step	46
Key Step 1: D1: Management of Natural Heritage	47
Key Step 2: D7, D8, D9, D19: Vote Biosecurity	52
Key Step 3: D2: Management of Historic Heritage	54
Key Step 4: D3: Management of Recreational Opportunities	56
Key Step 5: D4: Conservation with the Community	64
Key Step 6: D4: Conservation with the Community	70
Activities Not Covered by Key Steps:	72
D5: Policy Advice, Servicing the Minister and Statutory Bodies, and Statutory Planning	
PART FOUR: FINANCIAL STATEMENTS	
Statement of Accounting Policies	76
Financial Statements for the Year Ended 30 June 2003	80
Statement of Responsibility	108
Report of the Auditor-General	109
PART FIVE: ADDITIONAL FINANCIAL INFORMATION	

PART SIX: OTHER INFORMATION

About the Department of Conservation	118
The Department's Structure	119
Joint Outcomes with Other Departments to which the Department of Conservation Contributes	128
Committees	130
Terms and Definitions	132
Glossary	133
Legislation Administered by the Department of Conservation	135
International Environmental Agreements	138
Publications	138

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Part One Overview

MISSION AND VISION

The department's challenge is to manage natural and historic heritage assets for the greatest benefit and enjoyment of all New Zealanders, by conserving, advocating and promoting natural and historic heritage so that its values are passed on undiminished to future generations.

The department's mission is:

To conserve New Zealand's natural and historic heritage for all to enjoy now and in the future.

He āta whakaute, manaaki, me te tiaki ia Papatuanuku ki Aotearoa kia ū tonu ai tōna whakawaiūtanga hei oranga ngakau mō te tini te mano ināianei, āke tonu ake.

The department's vision is:

New Zealand's natural and historic heritage is protected, people enjoy it and are involved with the department in its conservation.

Kei te mahi ngātahi te Papa Atawhai me ngā iwi whānui ki te whakaute, te manaaki me te tiaki i ngā taonga koiora me ngā taonga tuku iho o Aotearoa hei painga mō te katoa.

REPORT OF THE DIRECTOR-GENERAL

The past year has been one of challenges and achievements. Of the challenges that the department faces, one of the biggest is the matter of biodiversity. The threat of extinction to much of our native flora and fauna is constant. Preventing extinctions is one of the most important long-term outcomes the department has identified. This work is a major focus for us in the upcoming years, with the work in this area being supported by increased funding from the Government through the New Zealand Biodiversity Strategy.

We are about to embark on Year 4 of this long-term programme, which will see continuing progress on work that is currently underway in the terrestrial, freshwater, biosecurity and marine areas. Successes so far include: completion of the rat eradication project on sub-Antarctic Campbell Island, pest control and monitoring programmes at the five kiwi sanctuaries and protection of an additional 6000 ha of indigenous vegetation and associated wildlife on private land – through covenanting and purchase by QE II National Trust, Nature Heritage Fund and Ngā Whenua Rahui. Maintaining the continued progress for these and the other programmes that make up the department's contribution to the biodiversity strategy is a priority.

Alongside the challenges, the department has achieved many successes. The last 12 months has been one of significant conservation achievements. A small sample of these includes:

- opening of Otago's newest conservation park, Te Papanui.
- marine reserves created at the Auckland Islands and at Te Makutu Bay, Waiheke Island.
- the eradication of rats from Campbell Island.
- creation of new learning and teaching resources that support conservation education e.g. Manu Rongonui, a bilingual CD-Rom focusing on kiwi and native birds.
- supporting sister organisations in other countries through provision of staff to aid firefighting efforts.
- continuing relationships with the business community resulting in programmes such as the Bank of New Zealand Kiwi Recovery Trust.
- building community relations and support through programmes such as Saving Paradise, the Chinese Education Trust and the Wild Creations artists programme.
- restoration work in areas of historic conservation value.
- increased levels of attention and action with regard to freshwater areas, particularly with regard to freshwater pests. This is being achieved through continuity of the survey programmes.
- broader approaches to management of recreational facilities and biodiversity through the Visitor Asset Management System (VAMS) and the Natural Heritage Management System (NHMS).

The high standard of work delivered as part of these initiatives is the result of hard work by the department's staff. In addition to their efforts, support for the work has been invaluable provided by many community groups, without whom much of the work carried out could not take place. Greater involvement of the community in assisting the department to carry out conservation work is the long-term aim. The efforts made over the past year are just a small part of the building process. However it provides us with ample opportunity to expand our conservation efforts and ensure a solid foundation for conservation work in the future.

This annual report is the second to be produced using the Statement of Intent (SOI) as its basis. The Statement of Intent is the means by which the department sets out its immediate, medium and longer term strategic goals. The changes to our performance as a result of the Statement of Intent has resulted in a shift of thinking, which changes the traditional method of reporting our progress to include not only what operations were achieved on the ground, but also what effects the combined impact of these operations will have over much longer timeframes, on the outcomes the department is looking to achieve. Where an output is simply goods or services provided by a department for use by a third party, an outcome has a much broader impact, whereby the focus is on the results experienced by the community as a whole. Aiming to improve the benefit to the community provides a footing for the department to progress with over future years.

The year has also seen a number of changes in the people associated with the department. The Hon Chris Carter was appointed as our new Minister of Conservation, replacing the Hon Sandra Lee, who retired from Parliament at the last general election. As the new Minister, he has followed the example set by his predecessor and is a strong advocate for conservation and the work of the department.

On the subject of retirements, I want to record the retirement of Eru Manuera, the department's Tumuaki Kahui Kura Taiao at the end of April.

Also departing this year were Joris de Bres, the general manager of external relations, who left to become the Race Relations Conciliator, and Lou Sanson, who took over as chief executive of Antactica New Zealand. For them and the other staff who have left the department over the past year, we wish them well for their future endeavours.



Hugh Logan
DIRECTOR-GENERAL



Part Two
The Year in Review

KEY STEP 1: EXPAND BIODIVERSITY EFFORT

National Priority Outcomes

- 1.1 Maintain and restore the indigenous natural character of the full range of New Zealand's terrestrial, freshwater and marine environments represented in areas administered by the department.
- 1.2 No avoidable human-induced extinctions of indigenous terrestrial, freshwater and marine species have occurred and where practicable, representative populations of all indigenous species have long-term security in predominantly natural habitats within their natural range.
- 1.3 A more comprehensive range of terrestrial, freshwater and marine environments and habitats is legally protected.

Under this key step, the department aims to maximise long-term biodiversity gains by using additional New Zealand Biodiversity Strategy (NZBS) funding approved in the 2000 Budget.

Natural Heritage Management System (NHMS)

Finding the best interventions to sustain the indigenous biodiversity of New Zealand requires an increasingly sophisticated ability to collect and process information. Measuring the difference made by those interventions requires large volumes of accessible and reliable data. The NHMS is a unique new development that integrates priority outcomes, explicitly linking these to targeted interventions and measuring the results in a way that establishes progress towards national goals. The overall goal is to enable the department and the community to be as effective as possible in enhancing the future of indigenous biodiversity in New Zealand. Over the year good progress was made in developing components of the NHMS. In the coming year the first of the tools will be used to report on improvements in representativeness in terrestrial environments. A substantial investment is required over the next five years to have this new system fully integrated within the department.

New Zealand Biodiversity Strategy

The NZBS established a strategic framework for action to conserve and sustainably use and manage New Zealand's biodiversity.

RESTORING NATURAL CHARACTER – National Priority Outcome 1.1

Fire Control

The department maintained its capacity to fight wildfires throughout the year by maintaining suitable equipment in line with National Rural Fire Authority Code of Practice, training staff and ensuring current fire plans were in place in each of the 13 conservancies.

Animal Pest Control

A total of 955,158 ha received possum control during 2002/03. The achievement was in line with forecasts and included a successful major possum control operation on Mount Taranaki. Possum control was targeted to achieve particular objectives in particular places. In all areas canopy collapse in tall forest was prevented. In areas with threatened species, such as giant land snails, possums were controlled to lower densities.



Rod Morris

Goat control covered 2,238,865 ha, reducing densities to levels where forest regeneration can occur. Thar control covered 902,542 ha, reducing numbers within national parks and world heritage areas to below intervention densities as described in the thar control plan. Deer control covered 438,250 ha. The deer control work concentrated on removal of illegally liberated deer and escapees from deer farms in otherwise deer-free areas.

During the year the northern-most population of the pest fish koi carp was eradicated. Information was provided to the public on pest fish, to increase public knowledge and support of the efforts to control and remove pest fish from our waterways. Survey work in Canterbury during the year has further defined the location of pest fish. This data is being used to develop a control programme. Fortunately no populations of koi carp, catfish or gambusia were located in Canterbury.

Invasive Weed Control

A total of 292,920 ha of weed control was carried out. This slightly higher level of control than originally planned was partly the result of extra wilding pine control using tenure review funding.

Marine Reserve Management

NZBS funding enabled biological monitoring programmes to be undertaken at 12 marine reserves and marine protected areas. A number of the marine reserves showed a trend to increased densities of populations of some species of plants and animals, compared with similar areas without legal protection. This represents recovery towards a more natural character.

THREATENED SPECIES – National Priority Outcome 1.2

The department is aiming to avoid any human-induced extinction of indigenous terrestrial, freshwater and marine species. To achieve this goal attention is focused on the 2,300 taxa known to be under the greatest threat, rather than trying to monitor the full range of taxa.

Threat Classification System

Threatened species are classified using the new threat classification system. Species and subspecies are classified according to the level of threat of extinction that they face. Threatened categories in the new system are grouped into three major divisions: “*Acutely Threatened*”, “*Chronically Threatened*” and “*At Risk*”.

Acutely Threatened includes a total of 603 species. They are identified as “Nationally Critical”, “Nationally Endangered” and “Nationally Vulnerable”. Taxa in these three categories are facing a very high risk of extinction.

Chronically Threatened includes a total of 242 species. They are identified as being in a state of “Serious Decline” and “Gradual Decline”. Taxa listed in this group also face extinction but are buffered slightly by larger population sizes.

At Risk includes a total of 1,528 species. Taxa that do not meet the criteria for Acutely or Chronically Threatened, but have either restricted ranges or small scattered sub-populations are listed in one of two categories, “Range Restricted” or “Sparse”.

There are a total of 2,373 species and subspecies in these three divisions (as published at December 2002).

Species Conservation Programmes

This year recovery work on high-priority threatened species under baseline expenditure included a number of programmes to protect species under varying threats of extinction.

The department forecasts to materially reduce the threat to 90% of acutely threatened species. In the 2002/03 year this occurred for 89% of these species for at least one population. The major disappointment for the year was failure to achieve successful breeding of Okarito kiwi as a result of large stoat numbers.

The year’s highlights included:

- recovery work on fairy tern using a mix of on-site intensive predator trapping and nest protection which resulted in 30% of chicks fledging during the year
- the successful release of brown teal to the mainland at Port Charles, Coromandel Peninsula. This was the first release of this species on the mainland since the late 1980s and was backed up by an intensive monitoring and predator control programme
- a bumper season for the critically endangered plant *Atriplex hollowayi*, with about 400 seedlings planted to bolster wild plant numbers. These seedlings were then protected to ensure they became successfully established
- taiko, the world’s rarest seabird species, had a successful breeding season, with ten chicks fledged
- successful work on the captive rearing of black stilts with total numbers of this species at their highest level in 15 years

- successful plantings of a range of species endemic to the Chatham Islands, along with the development of a publication and forum to gain greater input and support from Chatham Islanders
- fisheries surveys in Northland uncovered new populations of mudfish in dune lakes
- the discovery of a new native fish species, the big nose galaxis, in Canterbury.

Mainland Islands

The department manages six mainland islands where intensive predator control work aims to enhance the survival or recovery of species and ecosystems. A report on restoration work at each of the mainland islands was produced.

- Populations of rare plants increased in Wanganui conservancy's Paengaroa Mainland Island. Monitoring showed all populations of threatened plant species were steady or increasing. Willow control work was largely completed.
- Mistletoe and kaka populations increased in the Rotoiti Mainland Island project. This was evident in areas where there was wasp, rat, possum and mustelid control. Predator trapping in adjoining areas was expanded.
- More blue duck and kokako chicks were fledged in the Northern Urewera Mainland Island than in any previous year of the operation.
- Robin and kiwi were successfully transferred into the Boundary Stream Mainland Island.

Island Management and Restoration

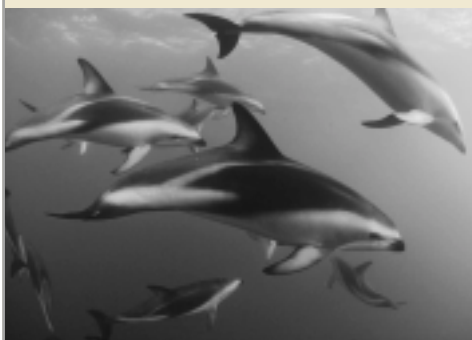
Pest-free island refuges are the last hope for many endangered native species threatened on the mainland by introduced predators. During the year the department's target of keeping 62 islands rodent free was exceeded, with a total of 72 islands now free of these pests.

Cat and rat eradication operations on Raoul Island and Macauley Island were completed. Ongoing monitoring confirmed rats had been eradicated while follow-up work is required to complete removal of cats.

The rat eradication programme on Little Barrier (Hauturu) Island was delayed. The resource consent application was appealed and the Environment Court supported issuing the required consent. The department is currently seeking changes to some of the consent conditions. The operation is programmed to be completed in 2004.

Follow-up monitoring on Campbell Island confirmed that the rat eradication operation carried out in the previous year has been successful. This has greatly increased the security of a range of threatened species on this sub-Antarctic island, which is now within a world heritage area.

Marine Mammals



The department worked closely with the commercial fishing industry and stakeholders, and developed a good working relationship with the Ministry of Fisheries (MFish) on marine mammal management.

Of particular concern is the impact of commercial and recreational set netting on the Maui dolphin. The department worked with the Ministry of Fisheries and key stakeholders to determine the most appropriate mechanism for protecting these dolphins. Regulations to improve their protection are expected to be introduced in the new financial year.

Over the past year, the department confirmed the critical plight of southern right whales on the New Zealand coastline and the potential for marine farm development to block out important breeding and feeding areas. The department continued to gather information to identify where problems exist and to understand the potential threat this industry may pose to the species.

The department and tangata whenua continued to work together on marine mammal issues. Good relationships have been forged, such as that with Ngāti Wai, on the recovery of cultural materials from carcasses of stranded whales.

LEGAL PROTECTION – National Priority Outcome 1.3

Marine Protected Areas

The department has a target of creating 15 new marine reserves over the term of the NZBS. Achieving this goal will go a long way towards the strategy's aim of achieving a network of representative marine protected areas throughout New Zealand.

Two new marine reserves were established during the year at Te Matuku Bay (Waiheke Island) and the Auckland Islands. The Taputeranga – Wellington south coast marine reserve application was approved by the Minister but is subject to judicial review. Seven other marine reserve proposals from throughout the country were progressed.

Tenure review

The department contributes to the Land Information New Zealand (LINZ) tenure review programme by providing technical assistance and advice on conservation and recreation values. The tenure review programme has been running for over a decade. The advent of the Crown Pastoral Land Act in 1998 has seen the programme gain momentum in Canterbury and Otago. Last summer specialist staff inspected and reported on some 70 properties. The department has now inspected many of the existing (305) pastoral leases. A number of these properties have been publicly advertised in the last year and it is anticipated that a number will be concluded to gazettal stage over the 2003/04 year. This will result in additional public conservation land being transferred to the department, as well as new recreation opportunities.



John Greenwood

Ngā Whenua Rahui

Ngā Whenua Rahui received \$3.575 million in 2002/03, including a \$1 million allocation from NZBS funding. Twenty nine protection mechanisms/kawenata (or covenants) were signed during the year involving just over 11,300 ha.

Significant achievements for the year include the protection of:

- the Taumatotara block, an outstanding 1,600 ha block of rare lowland podocarp forest that includes merchantable timber located in Te Kuiti district
- the Kaimanawa block, near Desert Road, involving 6,795 ha adjoining Kaimanawa Forest Park
- the Ottawa Kaiate block of 250 ha of regenerating bush that is situated close to Tauranga and Mount Maunganui. The area also has a considerable amount of merchantable timber
- six separate wetland areas totalling 366 ha, from Matata in Eastern Bay of Plenty to Cape Runaway in the East Coast and across to Turangi in the central North Island.
- Rangiwaea, an 807 ha block at Ohakune involving a mosaic of stone-fields, tussock grassland, sub-alpine scrubland and sub-alpine forest.

The NZBS allocation of \$1 million was used for the national pest programme on five formally protected areas that were identified as high priority for management of both possums and goats. The pest programmes included an intensive pest eradication programme on a 1,370 ha core area (ecosystem restoration project) at Omaio, Eastern Bay of Plenty. Possum eradication through ground control was undertaken on a further 10,245 ha, involving five separate blocks.

Nature Heritage Fund

The Nature Heritage Fund (NHF) is an independent contestable fund for voluntary protection of nature on private land. The fund's \$9.729 million budget included a \$3.5 million allocation from the NZBS package. The fund is administered by an independent committee supported by the department. Of the 1,158 applications received since 1990, 663 have been approved protecting 188,650 ha of indigenous ecosystems throughout New Zealand, either through direct purchase or covenanting, at a cost of \$55.2 million.

A total of 7,342 ha was newly protected last year. In addition, three separate settlements were negotiated protecting 498 ha of SILNA lands in Southland.

BIODIVERSITY ACHIEVEMENTS

National Priority Outcome 1.1

Restoring Natural Character

Every year the department undertakes numerous operations aimed at pest animals and plants. These operations are often huge and logistically complex tasks requiring much planning, consultation and support from the community.

Two years of planning and preparation came to fruition with the successful completion of a possum control operation covering all of Egmont National Park. The operation was notable for the public support it received and the lack of objections.

Funded by the New Zealand Biodiversity Strategy (NZBS), 34,898 ha was successfully treated with 1080 baits spread from the air. Monitoring after the operation revealed residual trapcatch rates of 0.84% above 650 m, and 1.17% below 650 m.

Foliage monitoring in the 2003/04 summer is expected to reveal significant improvements in the condition of totara, kamahi, northern rata, pauhatea and heketara.

At Whirinaki Forest Park, the NZBS funded an intensive programme of possum control to protect the significant podocarp forests and the kereru, kiwi and kaka that live there. Heather was also targeted. The programme was supported by core departmental funding, received to control the effects of a suite of other weeds that threaten the area.

This work is part of a package of work designed to protect a slice of the Whirinaki Valley. This slice encompasses a spectrum of ecosystems and associated species ranging from the frost flats on the Kaingaroa Plateau, the magnificent dense podocarp forests on the valley floor and the rata-kamahi and beech forest on the greywacke hill slopes on the eastern side of the valley.

In the South Island's Catlins Rainforest Park, a high-tech approach to goat control and monitoring in the Wisp Range has brought outstanding results. This NZBS-funded project was carried out by external contractors working under department management. Radio tagged "monitor goats" were tracked every two months using "telonics" equipment to supply GPS data to the Central Otago area office. This information was then downloaded into the office's GIS database and mapping system.

On the Wisp Range, contract hunters with hand-operated GPS units had their track movements automatically recorded every 15 minutes, while waypoints for kills were entered manually. This information was also loaded into the GIS, allowing staff to accurately monitor the movement of herds within the operational area and assess the effectiveness and efficiency of hunters.

The results to date have been outstanding, with the only goats now remaining within the operational area being our monitor animals. Additionally, "sentinel" goats were placed adjacent to the operational area to act as "catchers" for any animals displaced by operations. They were also monitored regularly by helicopter. The sentinels moved regularly along the boundary until they all eventually located each other, providing staff with an assurance that animals were not escaping the main operational area.



Rod Morris



National Priority Outcome 1.2

Threatened species

Field inspections of 12 Otago pastoral lease properties over the last summer turned up several exciting new species discoveries and extended our knowledge of the distribution of many others.

At least 43 species of threatened plants were recorded, including some ranked in the division of “Acutely Threatened”. Of particular note were new populations of *Hebe cupressoides* and *Olearia fimbriata* in the Lake Hawea district, *Carex inopinata* in the upper Clutha Valley, and *Olearia hectorii* with an understorey of scrambling broom *Carmichaelia kirkii* near Wanaka.

Two new species of spider were discovered near Lake Hawea and a major range extension recorded for a third species. New populations of eight species of spiders were discovered in the Richardson Mountains along with new southern limits for two native bees, a spider and a beetle.

Populations of kea were discovered in the Cardrona Valley and in the Richardson Mountains. A new distribution limit for rifleman was found near Lawrence.

Native fish also feature with several finds of non-migratory galaxiids. Two new locations for Dusky galaxias were discovered in the headwaters of the Waipori River. An undescribed species of galaxias (*Galaxias* sp.) was recorded

at two new locations south-east of Alexandra and also near Tarras.



Rosalind Cole

National Priority Outcome 1.3

Legal protection

The establishment of a conservation park in the South Island high country and a marine reserve off Waiheke Island were highlights of efforts to ensure the protection of New Zealand’s indigenous ecosystems.



Te Papanui Conservation Park, Otago’s first tussock grassland park, was opened in 2003. More than half of the 20,000 ha park was derived from tenure review, with the balance being purchased or already protected. The Dunedin City Council made a financial contribution to the tenure review, in order to help protect the city’s water supply catchments.

The park covers the montane-low alpine environment of the Lammerlaw and Lammermoor Ranges. The summit crest includes some of New Zealand’s most intact tussock grasslands, mixed with scattered shrubland and cushionfields. The

herbfields and cushionfields have a high diversity of species and on the Lammermoor Range alone there are 547 insect species from 13 orders.

The park is considered to have outstanding landscape qualities and a strong sense of remoteness, naturalness and spaciousness. The special landscape attributes includes broad expanses of tussock grasslands relieved only intermittently by tarns and bogs.

Te Matuku Bay Marine Reserve

In March 2003, Te Matuku Bay on Waiheke Island became New Zealand’s newest marine reserve and the fourth in the Hauraki Gulf. The reserve is expected to be formally gazetted later this year. Covering 700 ha, from the bay out to Passage Rock islet in Tamaki Strait, Te Matuku marine reserve includes Waiheke’s least-modified estuary and is home to many wading birds including the threatened New Zealand dotterel.

Its establishment completes land-to-sea protection for a significant part of the bay and brings to fruition a process that began in the late 1980s, when the Royal Forest and Bird Protection Society began investigating the potential for marine protection in this area.

KEY STEP 2: MINIMISE BIOSECURITY RISKS

National Priority Outcomes

2.1 Prevent the entry and establishment of new exotic unwanted organisms.

2.2 Eradicate or contain unwanted organisms that are newly established or are already established but not yet widespread.

During 2002/03 no new species, pathogen or genetic stock posing a significant risk to indigenous flora or fauna entered New Zealand and became established in the wild. It should be noted that limited surveillance for new organisms is conducted on public conservation land, or within native habitats.

PREVENTING THE ENTRY OF EXOTIC UNWANTED ORGANISMS – National Priority Outcome 2.1

The department actively contributed to the development of New Zealand's Biosecurity Strategy. Representatives participated in working groups to support its development and planning for implementation (supporting Cabinet Papers) of the strategy.

The department continued to work closely with the indigenous flora and fauna group established within the Ministry of Agriculture and Forestry (MAF). This group works to improve MAF systems and procedures to ensure risks to indigenous biodiversity are appropriately accounted for.

The department was actively involved in reviews of the biosecurity system, including:

- MAF Border Management Sea Container review
- MAF Review of Development of Import Health Standards
- MAF Surveillance Review
- Environmental Risk Management Authority (ERMA) review.

The department contributed to the development of MAF's Import Health Standards. These standards are designed to minimise the risk of unintentional introductions of new organisms into New Zealand. Departmental input identified areas where risks to indigenous flora and fauna had not been adequately considered. This has resulted in a change in general process to ensure they are considered in future standards.

Similarly, the department fulfilled its statutory obligation to provide input to ERMA on relevant new organism and genetically modified organism determinations and applications. No applications for release of new organisms or genetically modified organisms were received during the year.

The department initiated research and development in a number of biosecurity areas, including: a draft policy to guide consideration of exemptions under the Biosecurity Act 1993; methods to measure non-market impacts on indigenous biodiversity (cost-benefit analysis methodology); research on the risk that ornamental fish pose to indigenous fauna and flora and ongoing research in aquatic weed risk assessment methodologies.

The department provided technical advice to support responses to new exotic organism incursions, including *Tapinoma melanocephalum* (ghost ant), *Monomorium sydneyense*, *Paratrachina longicornis* (crazy ant), *Solenopsis geminata* (tropical fire ant), *Anoplopesis gracilipes* (yellow crazy ant), *Hyphantria cunea* (fall webworm), *Lymantria dispar* (gypsy moth – asian strain), *Pogonatherum* (bamboo grass), *Bryozoan* and psittacine poxvirus.

The department also provided ongoing technical advice and support for the *Teia anartoides* (painted apple moth) and *Aedes camptorhynchus* (southern salt marsh mosquito) eradication programmes.

The department actively supported and assisted the Ministry of Fisheries to plan response options for management of *Undaria pinnatifida* (undaria).

Crown contribution to Regional Pest Management Strategies

The department used Vote Biosecurity funds to control weeds and pests to facilitate the Crown’s commitment to being a ‘good neighbour’. Ongoing discussions with regional councils have taken place to determine the level of input to regional pest problems and this process. Control work is helping build positive relationships with regional councils and local landowners. The work is delivered by departmental staff, contractors and to a limited extent by the councils themselves.

Indigenous forest biosecurity protection

The department provided funding for ongoing monitoring of both exotic forests and first night campsites to reduce the risk of new organisms remaining undetected in these areas.

ERADICATING OR CONTAINING UNWANTED ORGANISMS – National Priority Outcome 2.2

Scoliid wasp

Higher priorities led to a decision to discontinue the department’s scoliid wasp eradication programme in 2002/03. Further delimiting surveys and research have been undertaken. However, the technical advisory group advised that eradication and containment options were no longer feasible. The department is establishing a programme to manage scoliid wasp as an established pest in order to protect threatened invertebrates.



Undaria

The department continued to successfully manage undaria in Southland, controlling undaria to low or zero densities in Stewart Island. It is working closely with local aquaculture farmers to minimise risks associated with equipment and spat transfer and to control undaria on mussel lines. The department is endeavouring to minimise the impact of undaria on identified high value areas (e.g. Fiordland, Stewart Island, sub-Antarctic islands) through prevention/vector management, surveillance, incursion response, eradication, containment and/or control of current infestations.

Psittacine Poxvirus

The Ministry of Agriculture and Forestry (MAF) completed a response to the incursion of psittacine poxvirus in New Zealand, but was unable to confirm absence of this virus in wild psittacine populations (e.g. kaka, kea, kakapo and kakariki). The department has established a taskforce to review the appropriateness of existing hygiene measures and to develop contingency measures (if possible) to minimise the risk this disease poses to indigenous psittacines.

Gambusia and koi carp

During 2002/03, the department undertook two eradication programmes for gambusia and koi carp from South Island sites identified in surveys undertaken in 2001/02. A number of sites were identified and control activities undertaken in Nelson and Marlborough. Gambusia was eradicated from a number of sites, and four sites required further treatment. Several North Island sites outside of the containment zone were also treated. Follow-up monitoring will continue at these sites.

Ferrets

The recent amendment to the Biosecurity Act 1993 has meant that the department can now actively enforce pest management measures for this unwanted organism. The department declared ferrets to be unwanted organisms in 2002. This has effectively prevented the commercial sale and breeding of these animals as pets which has helped local government and the department to manage these animals. It is no longer legal to spread ferrets into natural areas through pet escapes or the dumping of unwanted pets.

Mike Stuart

Hornwort

The department carried out trials to eradicate hornwort at eight sites at Motueka. 'Reglone' (the herbicide, diquat) was used to reduce the biomass of the infestations and to minimise the risk of the weed being transferred on fishing nets etc. To date hornwort has been successfully eradicated at four of the eight sites, while the biomass at the remaining four sites has been substantially reduced. It is hoped that ongoing treatment with 'Reglone' will eradicate hornwort at these remaining sites. The department will continue to monitor the area for further infestations.

Argentine ant

The department is continuing with ongoing management and endeavouring to eradicate Argentine ants from both Tiritiri Matangi Island and Bream Head (Northland). The department is also assisting Environment Canterbury in its Argentine ant control activities. The department's primary role in this operation is surveillance and public awareness.

KEY STEP 3: INCREASED EMPHASIS ON HISTORIC AND CULTURAL VALUES

National Priority Outcomes

3.1 Historic heritage in areas administered by the department is identified and preserved and where appropriate, conserved and interpreted.

3.2 A comprehensive range of historic heritage is protected by various methods in areas not administered by the department.

The department is the manager of historic heritage on public conservation land. Programme guidance is provided by strategies and policy advice. The work focuses on 545 actively managed sites, which involves research, conservation plans, one-off restoration work and ongoing maintenance work, as well as preparation of interpretative material for visitors. These sites include 142 of New Zealand's 213 historic reserves and 140 historic places registered by the New Zealand Historic Places Trust. These include Māori habitation and garden sites, pa complexes, rock art and wāhi tapu, through to musterers' huts, Chinese miners' rock shelters and the opulent Governor Grey's Mansion on Kawau Island.

Baseline inspections have been completed at most of these actively managed sites, providing a foundation for asset management. These inspections provide a heritage valuation, examine site condition, set management standards for sustainable management relative to the value and condition, and define the work required to meet those standards.

HISTORIC HERITAGE PROTECTION – National Priority Outcome 3.1

Historic assets were transferred to the new Historic Asset Management System and staff were trained in its use. Significant restoration work and/or site interpretation was carried out at the following historic sites:

- Stony Batter Historic Reserve, Waiheke (military site) (1941) – site opened to visitors.
- Fort Takapuna Historic Reserve, Auckland (1889) – site interpretation.
- Karangahake Mines, Hauraki (1893) – site opened to visitors.
- Pa Hill, Coromandel – major weed eradication and site opened to visitors.
- Opito Pa, Coromandel – visitor access upgraded.
- Opepe Redoubt, Taupo (1872) – pilot interpretation project with iwi.
- Cook Landing Site monument, Gisborne (1908) – stabilisation.
- Rahiri Cottage, Mt Egmont (1924) – fully refurbished.
- Sheridan Creek, Tararua Range (timber site) (1929) – stabilisation.
- Dominion Observatory, Wellington (1912) – phase one refurbishment.
- Quail Flat Cob House, Kaikoura (1860s) – phase one stabilisation.
- Quail Flat Head Shepherds Hut, Kaikoura (1900) – stabilisation.
- Whariwharangi Hut, Abel Tasman National Park (1896) – stabilisation of chimneys.
- Britannia gold mine site, Westport (1904) – stabilisation.
- Godley Head, Christchurch (1940) – restoration of miniature range building.
- Red Hut, Canterbury – restoration.
- Nenthorn Hotel, Otago (1886) – phase one stabilisation.
- Bendigo Historic Reserve, Otago, (1868) – stabilisation.
- St Bathans Hall, Otago (1886) – phase one stabilisation.
- Alexandra Courthouse, Otago, (1892) – fully refurbished.



WORKING IN PARTNERSHIP – National Priority Outcome 3.2

Long-term conservation of key sites involves taking actions which are benign, sustainable and cost-effective. This work is particularly challenging for the department which conserves heritage in outdoor environments rather than in a controlled museum environment. The department undertakes research on best practice conservation techniques and technology around the world and makes the results widely available. In the past year, two guidelines were published as working drafts: *Stop the Rot: Wood Stabilisation* and *Rust Never Sleeps: Ferrous Metal Stabilisation*. Another draft guideline – *Caring for Archaeological Sites* – was revised after a round of public consultation.

Historic Asset Management

There are more than 12,000 historic heritage and cultural sites on land managed by the department, of which 545 key sites of high heritage and visitor value are actively managed. This means we intend to sustainably manage them for the enjoyment of visitors today and also as taonga to hand on to future generations.

Enhancing Interpretation

Progress continued on a project to improve the quality and quantity of historic heritage interpretation at sites managed by the department. At Fort Takapuna, Auckland, a comprehensive set of site interpretation panels was installed. A significant interpretation project planned jointly with iwi at Opepe near Taupo was nearly completed, with the site panels to be installed next year. Other joint projects with iwi that are in progress are at Ruapekapeka Pa, Northland, and at Ship Cove, Marlborough.

Key Heritage Identified

The department uses a range of methods to contribute to the protection of a more comprehensive range of historic heritage that is representative of our past. One method is to research and publish “National Heritage Identification Studies” that are on themes of relevance to both the department and the wider community. These studies look at the full range of historic places within a theme and identify those that are key heritage, often a representative group.



John Mazey

In recent years the topics covered nationally have been sealing sites (18th–19th century), shore whaling sites (19th–20th century), and coastal defences (1880–1964). Sealing and whaling were the earliest organised European activities in New Zealand and had a significant Māori participation. These activities are regarded by historians as significant elements of the ‘contact period’ prior to the Treaty. As a result last year the most important sealing site warranting protection, located on the East Coast, was finally protected by covenant.



This year draft National Heritage Identification Studies were completed on back country huts and lighthouses. The huts project looked at a group of nearly 700 huts, all on land managed by the department, that were built for wild animal control from 1948–70. These huts represent a significant and colourful era in the history of the environmental protection of the back country, an era epitomised by the legendary Barry Crump book *A Good Keen Man*. This first round of analysis and consultation has produced a shortlist of 48 huts. From this, further analysis will produce a smaller representative group.

The coastal defence study looked at around 200 forts and defence sites of a range of designs, sizes and eras around the whole country. A top military historian outlined the significance of these forts to New Zealand history. Fifteen representative sites were finally identified. These were recommended to the Historic Places Trust for increased protection by registration and this is in progress. Since that time several key forts managed by the department have had restoration work undertaken.

KEY STEP 4: PROMOTE APPROPRIATE RECREATION AND INCREASED PUBLIC ENJOYMENT OF PROTECTED AREAS

National Priority Outcomes

- 4.1 More New Zealanders enjoy protected areas and receive in full measure the inspiration, enjoyment, recreation and other benefits that may be derived from them consistent with the protection of their conservation values.
- 4.2 Visitor impacts on natural and historic heritage are minimal.
- 4.3 A range of recreational opportunities, consistent with conservation values, are provided to meet visitor needs. These are supported by facilities and services that meet required standards.

The department currently manages approximately 3,878 visitor sites that provide a range of recreational opportunities from natural settings adjacent to urban areas, to the very remote areas of national parks and conservation areas.

RECREATIONAL ENJOYMENT – National Priority Outcome 4.1

The overall recreational use of the protected area network is increasing, particularly at the most popular sites where growth in 2002/03 averaged approximately 10%. Monitoring shows that numbers of New Zealanders and international visitors has grown at some popular sites; at others, numbers of New Zealanders are static. The significance of these results cannot be determined without long-term monitoring of trends. The department has developed monitoring tools that will, over time, measure visitor numbers and visitor satisfaction at a number of sites.

Visitor Asset Management System

In 1997 the department set about establishing and implementing a Visitor Asset Management System (VAMS) with the goal of ensuring that, over time, all recreational facilities meet required service standards and comply with legal requirements.

The department has continued its facilities' maintenance programmes and continued to develop and implement its visitor asset management programme for structures, huts, signs and tracks.



Long Term Sustainable Management of Recreational Facilities

In May 2002, the Government announced its decision to allocate \$349 million additional funding for recreational facilities over a 10-year period. This funding, which commenced in 2002/03, will increase the department's annual budget for recreational facilities (including maintenance) in stages until it reaches \$82 million a year in 2012. It will enable the department to retain all existing recreational opportunities, but not necessarily all existing facilities.

MINIMISING VISITOR IMPACTS – National Priority Outcome 4.2

Visitor Impacts

The department is currently developing a range of techniques for monitoring visitor impacts on natural and historic features. A number of sites have been identified where visitors are believed to be having a significant adverse effect on the natural or historic values of the site. Where impacts are obvious, the department has undertaken mitigation work (e.g. upgrading toilets on the Abel Tasman Coast track).

Public Consultation

The department will consult with key stakeholders to maintain the range and standards of front country and back country opportunities provided for visitors. In preparation for this the department has developed a process for assessing the recreational values of each visitor site and suggestions about which facilities and sites should be maintained.

Daryl Eason

Huts



The department has completed a baseline inspection of all back country huts and knows how many of its huts meet required standards. This was the second year in which significant work was carried out to bring huts up to standard. Over 35% of huts had remedial work done on them during the year. Ten huts were replaced in accordance with the department's new standard designs during the 2002/03 financial year. Three of these were replaced because geological hazard assessments had concluded they were in unacceptably hazardous locations.

RECREATIONAL OPPORTUNITIES – National Priority Outcome 4.3

Structures and Tracks



The department has an ongoing biennial inspection programme for all structures (including bridges, boardwalks, platforms and wharves). All work identified is carried out as necessary, with priority given to higher risk structures. The baseline inspection of tracks has been largely completed, which means that the department knows how far each track is from the track service standards. Work to bring tracks up to standard began in 2002/03 and will increase as the funding level increases over the next several years.

Toilets

Replacement of aging or inappropriate toilet and sewerage systems was carried out at a number of huts, campsites and amenity areas throughout the country in 2002/03. This was done both to mitigate unacceptable environmental impacts and to increase visitor satisfaction. At some huts, work was done to bring the toilets to the hut service standards. Significant capital work included the second year of a major upgrade of the toilet and sewerage systems on the Abel Tasman Coast track, replacement of toilets at several campsites along the Whanganui River and new composting toilets on Matiu/Somes Island in Wellington.

Visitor and Public Information Services



Visitor centres are primary sources of information on recreation opportunities and interpretation of New Zealand's natural, cultural and historic heritage. The department manages and staffs 32 visitor centres (both on and off public conservation land), which provide information services to about 2.2 million visitors per year. This is achieved through direct contact, publications, displays, interpretive media and visitor programmes. A "satisfaction monitor" administered at 24 of the department's visitor centres in 2003 showed that 96% of visitor and information centre users were either very satisfied

(66%) or moderately satisfied (30%) with the services provided at those centres.

KEY STEP 5: ENGAGE THE COMMUNITY IN CONSERVATION

National Priority Outcomes

- 5.1 New Zealanders treasure their natural and historic heritage and are committed to its conservation.
- 5.2 The department is a national conservation leader as a result of effective working relationships at the international, national, conservancy and area levels.
- 5.3 Individuals, community groups and other agencies undertake their own conservation initiatives supported by the department.
- 5.4 Better protection and more sustainable management of natural heritage (terrestrial, freshwater and marine) and historic resources in environments for which the department is not directly responsible.

Key Step 5 covers four outcomes that are about increasing peoples' awareness of and participation in conservation. The department undertakes a range of work to deliver on these outcomes, such as informing and inspiring New Zealanders about conservation and creating opportunities for people to be involved, whether by doing hands-on practical conservation work, or having a say on conservation decisions and issues. This key step also includes concessions management, RMA advocacy and coastal RMA management work.

Conservation with Communities strategic approach

In 2003, the department launched its Conservation with Communities Strategy. This strategy provides a basic framework for engaging with the community in conservation work. It focuses on two key issues:

- **how we work** – the working style and culture that the department needs to engage well with communities; and
- **what we do** – the ways in which the department can share conservation work and develop public commitment to conservation.

The strategy aims to build on the successful work already being done between the department and communities in many areas (e.g. the restoration of the Central Otago Rail Trail. Communities and the department have been working together since 1993 to restore the historic trail, which is now a major Central Otago tourism drawcard).

VALUING HERITAGE AND COMMITMENT TO ITS CONSERVATION – National Priority Outcome 5.1

Conservation work to support New Zealanders valuing their natural and historic heritage and being enthusiastic about conservation includes a range of methods such as information.

Highlights from 2002/03 include the inaugural Wild Creations artists-in-residence programme, a partnership between the department and Creative New Zealand.

The number of people using the department's website www.doc.govt.nz remained high in 2002/03, with nearly one million visitors using the site. Virtual visits for students also occurred as part of the department's partnership in the LEARNZ programme with trips to Auckland's volcanic cones and to the southern Murchison Mountains to see takahe.



Les Molloy

2002 was International Year of the Mountains. In partnership with the United Nations Educational, Scientific and Cultural Organisation (UNESCO), the department produced educational resources for the www.yearofthemountains.org.nz website.

The department also produces information on conservation topics and in 2003 published a significant resource document on the use of 1080 for controlling possums and other pests. This project was carried out in partnership with the Animal Health Board.

A partnership between government agencies responsible for implementing the New Zealand Biodiversity Strategy (Department of Conservation, Ministry for the Environment, Ministry of Fisheries and Ministry of Agriculture and Forestry) resulted in a new website, launched in November 2002 – www.biodiversity.govt.nz.

CONSERVATION LEADERSHIP – National Priority Outcome 5.2

The department strives to maintain and enhance its role as a conservation leader by building on the knowledge it gains when managing public conservation land. By working strategically with associates, communities and people with local expertise, the department can improve its ability to achieve its conservation outcomes.

New Zealand Biodiversity Strategy

Work with the Ministry for the Environment, Ministry of Fisheries, Ministry of Agriculture and Forestry and others continued in 2002/03 under the banner of the New Zealand Biodiversity Strategy programme.

Sponsorship programme

The department renewed its two national sponsorships in 2002/03. In partnership with the Bank of New Zealand and building on the relationship that started in 1991, a new trust was established – the Bank of New Zealand Kiwi Recovery Trust. Comalco New Zealand's sponsorship of the Kakapo Recovery Programme was renewed for another five years.

International treaties

The department is the administering agency for New Zealand's commitments under international environmental treaties. It also provides scientific and technical support to the Ministry of Foreign Affairs and Trade, which administers a number of conservation agreements.

New Zealand continued to provide active support for the Convention on Biological Diversity. The department's role included participation in meetings of states, party to the convention and discussions, on such key issues as alien invasive species and forest biological diversity.

As a relatively recent member of the Convention on Migratory Species (CMS), the seventh conference held in Bonn in September 2002 provided the first opportunity for New Zealand to attend a meeting of all CMS members. A significant decision of the conference was the listing on CMS Appendices of most of the great whales found in the region, which will facilitate the involvement of the CMS in providing greater protection for cetaceans in the South Pacific.

In association with Australia, New Zealand funded a meeting of Pacific Island nations in Apia in March 2003 to discuss the possible application of the CMS to the Pacific region. Participants agreed that the concept merited further investigation and requested that an invitation be extended to the CMS Secretariat to attend a further workshop in the region. The CMS Standing Committee has endorsed this proposal, and preparations are under way for the workshop, to be held in December 2003.

The Convention on the International Trade in Endangered Species of Wild Fauna and Flora (CITES) applies to the import, export and re-export of living or dead specimens of plants, animals and their parts and derivatives that are listed in the three appendices to the Convention. The department continued to undertake and enforce obligations under this Convention.

Sir Geoffrey Palmer was appointed New Zealand's Commissioner to the International Convention for the Regulation of Whaling (IWC), replacing retiring Commissioner Jim McLay. New Zealand participated in a February 2003 meeting in Rome to prepare for the 55th Annual Meeting. This meeting agreed that the main initiative by the conservationist countries would be to propose the establishment of a Conservation Committee at the IWC to focus attention and resources on addressing conservation issues.

The Minister of Conservation led New Zealand's largest-ever delegation at the IWC's 55th Annual Meeting, held in Berlin in June 2003. Conservationist countries managed to maintain a narrow majority of votes cast, despite more new pro-whaling members joining the IWC. A resolution establishing the Conservation Committee was passed and attempts by whaling nations to overturn the moratorium on commercial whaling were defeated. Although the proposal to establish a South Pacific Whale Sanctuary did not achieve the required 75% majority vote, it still won a strong majority and received a record number of co-sponsors.

The department supported ministers at meetings of the Management Ministerial Council, and the Australia-New Zealand Environment Protection and Heritage Council. These meetings provide a forum for information exchange and sharing of expertise between the two countries.

World Wetlands Day, on 2 February 2003, provided a public focus for the sustainable use of wetlands, with activities (promoted throughout the country by the department and Fish and Game New Zealand) that support the Ramsar Wetlands Convention.

The department has continued to provide advice on protected species and invasive species management as requested by South Pacific Regional Environmental Programme (SPREP).

The department supported New Zealand's current bid for election to the World Heritage Committee in October 2003, participated in meetings of the World Heritage Committee and in workshops to complete the first periodic report of how the Convention is being applied by parties in the Asia-Pacific region.

SUPPORTING COMMUNITY CONSERVATION INITIATIVES – National Priority Outcome 5.3

Working with communities is central to the ongoing success of protecting and enhancing New Zealand's biodiversity, historic and cultural sites and recreation opportunities.

Commitment to fostering the relationship between government and communities continued to expand via the department's national Conservation Awareness funding programme. The \$2.5 million boost provided in the 2000 Budget enabled the department to build on past successes while primarily focusing on developing new ways of working with communities and tangata whenua. Emphasis has been on innovation, developing models of partnership and building capacity in communities for long term, sustainable and community-driven conservation work. More than 70 projects were developed and delivered with urban, rural and school communities throughout New Zealand last year. Several projects are providing particular inspiration and best-practice and learning is being shared through national pilot projects.

Other highlights in this area were the development of www.manawa.org.nz to help coordinate conservation group efforts in the Auckland region with the Auckland Regional Council, and ongoing work with the New Zealand Ecological Restoration Network and the New Zealand Trust for Conservation Volunteers.

Northland's "Experiencing Marine Reserves" and "Whitebait Connection" programmes grew in 2002/03. Initiated by the Ngā Maunga ki te Moana Trust (From the Mountains to the Sea), the experiential learning programmes involve the practical participation of the community. Both programmes inspire community groups, tangata whenua and schools through "hands-on" experience, and empower community action in local marine environments and freshwater catchments. More than 20 Northland schools and community groups were actively involved in the programmes last year.

Concessions are permits to undertake a commercial activity on public conservation land. The department manages about 3500 active concessions and monitors key concessions for significant environmental and social impacts. Adjustments in management actions and relevant concession operating conditions were made in response to the findings from the monitoring evaluation. For example, aircraft movements at specific sites were monitored for noise effects on site users. This enabled managers to identify the number of landings that were acceptable at those sites.

PROTECTION AND SUSTAINABLE MANAGEMENT OF NATURAL HERITAGE BEYOND THE CONSERVATION ESTATE – National Priority Outcome 5.4

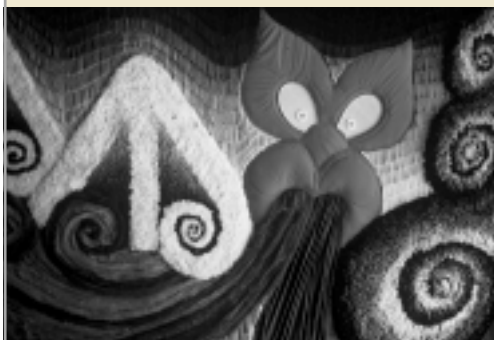
Regional policy statements, regional plans (including regional coastal plans) and district plans prepared under the Resource Management Act 1991 by local authorities are an important means by which natural and historic heritage can be protected and sustainably maintained. The department can influence this by being involved in consultative opportunities, including formal and informal processes and by making submissions on draft policy statements and plans. It can also achieve improved protection or better sustainable management of natural and historic resources by making submissions on applications for resource consents and, where the public assets the department manages are affected, by agreeing to applications for resource consents being made without public notice only where natural and historic resources are not jeopardised. Court or other legal actions in regard to plans or consents are sometimes required to achieve important conservation outcomes.

KEY STEP 6: PROMOTE EFFECTIVE PARTNERSHIPS WITH TANGATA WHENUA

National Priority Outcomes

- 6.1 The principles of the Treaty of Waitangi are reflected in the department's work. Partnerships between the department and tangata whenua achieve enhanced conservation of New Zealand's natural and historic heritage.
- 6.2 Tangata whenua maintain their cultural relationship with their natural and historic heritage in areas managed by the department.

THE TREATY AND CONSERVATION – National Priority Outcome 6.1



Māori as tangata whenua have strong connections with many conservation areas because they include ancestral lands, water, sites, wāhi tapu and other taonga. Much of the land is subject to Treaty of Waitangi claims. Section 4 of the Conservation Act 1987 recognises Māori interests in conservation management by providing that the Act be so interpreted and administered to give effect to the principles of the Treaty of Waitangi. It is one of the strongest and most proactive provisions in legislation.

The roles and responsibilities of the department in relation to Māori are complex and the issues can be difficult. The department, however, is placing considerable emphasis on developing enduring relationships with Māori. The results are encouraging in terms of mutual gains for conservation and with potential for much greater success.

Kaupapa Atawhai Strategy

The department's Kaupapa Atawhai Strategy is being rewritten to better reflect the achievements of the department in relation to Māori issues and enhance future ambitions. The Kaupapa Atawhai Strategy provides an overview of the policies and approaches to conservation and is guided by the Statement of Intent, which sets out the ten year national priority outcomes while outlining shorter term goals and strategies.

Ngā Akiakitanga Nuka Kaupapa Māori Te Papa Atawhai

(Kaupapa Māori strategic conservation policy initiatives)

The department has developed policies that enhance the ability of staff to build and support partnerships with tangata whenua. Still in draft form, Ngā Akiakitanga is in line with the department's responsibilities under section 4 of the Conservation Act and to achieve conservation outcomes for the natural and historic heritage of New Zealand.

Strategic policies released for consultation with iwi and stakeholders during the 2001/02 financial year were:

- **Giving effect to the principles of the Treaty of Waitangi in the work of the department.**
- **Customary uses of natural resources, according to kaitiakitanga, wise conservation and conservation legislation.**
- **Wāhi tapu policy guidelines – providing guidance for the management of wāhi tapu areas administered by the department.**
- **Te kete taonga whakakotahi – conservation partnerships toolkit.**

These policies were reviewed during 2002/03 and are expected to be formally released during the 2003/04 year. They are expected to give clearer guidance on the outcomes the department can provide in relation to tangata whenua and conservation.

TANGATA WHENUA AND CONSERVATION – National Priority Outcome 6.2

Effective working relationships between tangata whenua and the department are critical to the achievement of mutual conservation outcomes. These relationships are of paramount importance to the department and enable it to fulfil its obligations under section 4 of the Conservation Act “to give effect to the principles of the Treaty of Waitangi” and assist the tangata whenua kaitiaki role.

Te Reo Māori Strategy

Extensive work has been done on the development of the Te Reo Māori Strategy. The strategy was to be implemented before the end of the 2002/03 financial year but will now be completed during 2003/04.

Te Pukenga Atawhai Training and Assessments

The Te Pukenga Atawhai programme is designed to enable staff to understand the Māori environmental ethos and give staff confidence to engage with tangata whenua, an essential prerequisite to building effective working relationships and partnerships. While staff continue to undertake Te Pukenga Atawhai training, the programme will be revised to enable staff to undertake refresher and/or advanced training.

KEY STEP 7 - IMPROVE OUR CAPABILITY

National Priority Outcomes:

- 7.1 Conservation areas and resources are effectively and efficiently managed as public assets and are accessible for the benefit of the community.
- 7.2 The department has the staff capability to work effectively now and in the future.
- 7.3 The department derives and manages conservation information efficiently and effectively so that knowledge is used and shared to achieve maximum benefit.
- 7.4 Conservation actions, results and outcomes are well monitored and reported.

Under this key step the department aims to improve its systems analysis, national strategies, and measurement and reporting, in order to improve our prioritising and decision-making. Priority is placed on reinforcing our values and leadership style, and enhancing staff skills and learning to improve conservation management.

ASSET MANAGEMENT – National Priority Outcome 7.1

During the 2002/03 year the department's focus has been on:

- developing an overall asset management framework
- developing a national heritage information system by the end of 2003/04.

Asset Management Framework

Key asset systems that need to be included in the framework have been identified and a draft framework is in place for all infrastructural assets. Land and biodiversity assets are still to be considered as part of the framework and the key linkages between systems are still being determined. Further work will occur in 2003/04 during which time the assessment of effectiveness of the asset management systems will be completed.

Reporting on the National Heritage Information System is found under "Derive and Transfer Quality Information".

STAFF CAPABILITY – National Priority Outcome 7.2

During the 2002/03 year the department concentrated on:

- providing a framework for managing organisational capability, including staff capability
- running a staff culture survey and completing a wider analysis to monitor culture
- developing a more inclusive workplace to retain and attract a more diverse workforce
- putting in place an improved performance management system for managers
- running all core competency training programmes.

Organisational Capability, including Staff Capability

To implement the Statement of Intent the department must be able to take advantage of technological and systems improvements and be responsive to new initiative funding opportunities. It needs to be able to reposition its capability quickly and effectively. During the past year the department has described its Organisational Capability Cycle which provides a systemic approach to managing all capability.

The Organisational Capability Cycle, integrated with the Business Management Framework, sets out the strategic and tactical planning and reporting tools, and the relationships between these tools. The cycle is supported by the Organisational Capability Framework, which provides a robust way of looking at the seven elements of capability:

- people (staff)
- resources
- systems
- leadership
- organisational model
- relationships
- culture.

As an analytical tool the framework allows us to look at each element separately and in relation to all other elements, e.g. to consider people (staff) as an element on its own, but also in relation to each of the other six elements.

A highlight has been the inclusion in the business planning process of structured capability assessments using the new Organisational Capability Framework.

Monitoring Culture

The highlight for this year has been the development of Indicators of Desired Culture. These indicators provide a framework for monitoring the department's culture and for designing interventions to reinforce existing strengths and develop new strengths to achieve the desired culture.

The Indicators of Desired Culture were used as the basis for a staff culture survey and wider analysis of culture, including management and other audits. The culture survey also contained questions benchmarking the department against the wider public sector.

Analysis is continuing on the results and the actions that may need to be taken to address issues raised. The staff survey will be run again in 2003/04.

Building an Inclusive Workplace

People Diversity

Good progress has been made implementing the department's People Diversity Strategy. A programme of workshops with senior managers focused on leading change, planning and implementing change, managing people and personal capacity. Major progress has also been made on implementing the People Diversity Action Plan with a focus on removing bias from human resource procedures and improving staff support mechanisms. A formal mentoring programme will be launched in 2003/04, as will a Director-General's award for Excellence in People Management. An extended women's network is also being implemented.

The People Diversity Strategy will be reviewed during 2003/04.

Equal Employment Opportunities

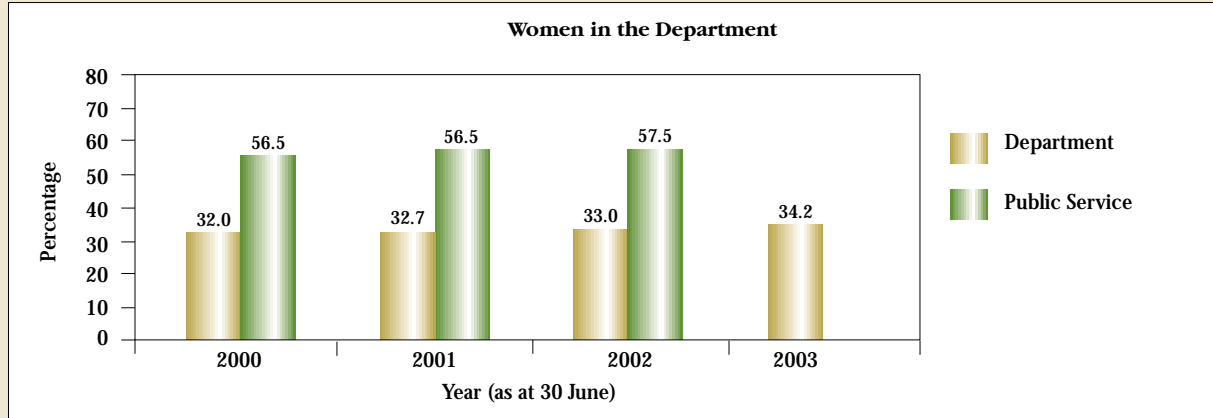
Driven by the People Diversity Strategy and in line with government policy, the department is working to achieve EEO targets set in 2001.

EEO targets to 2010					
Category	30 June 2001	30 June 2002	30 June 2003	Milestones to 2005	Targets to 2010
Women	32.7%	33.1%	34.2%	35%	40%
Māori	10.1%	10.1%	11.2%	13%	18%
Pacific Island People	0.5%	0.5%	0.6%	0.6%	1%
People with Disabilities	4.35%	5.7%	5.0%	7.5%	10%

Women, Māori, Pacific Island people and people with disabilities as a proportion of the department's workforce

Women in the Department's Workforce

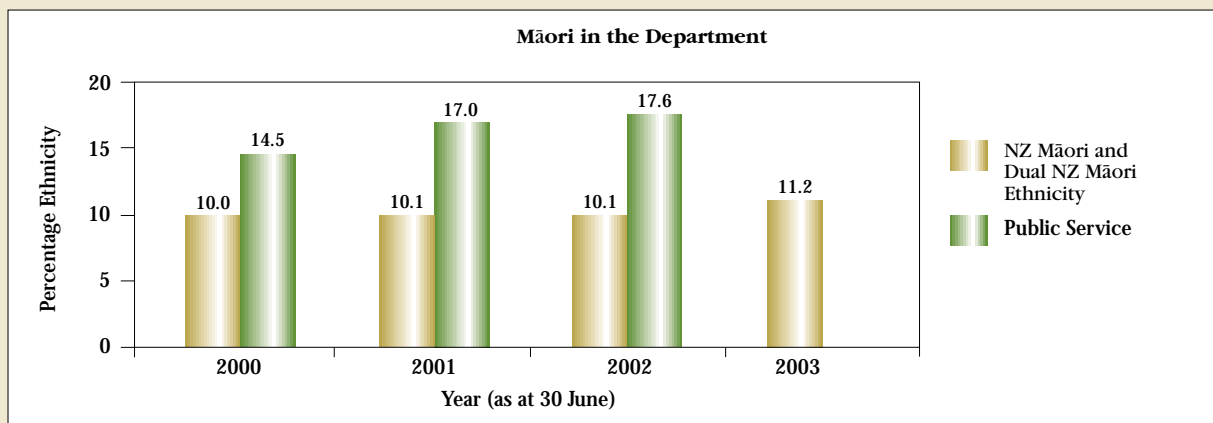
Women constituted over a third (34.2%) of the department's permanent and temporary workforce as at 30 June 2003. While these figures are low in comparison with general population figures, the long-term trends are positive with the percentage of women working in the department on an increasing trend since 1995. As part of a wider people diversity programme of work, the barriers to the participation of women in the department have been identified and actions are underway to minimise these barriers.



Māori in the Department's Workforce

Employees with New Zealand Māori or dual New Zealand Māori ethnicity constituted 11.2% of the department's permanent and temporary workforce as at 30 June 2003. The long-term trends for Māori in the department are generally positive and are tracking well towards the 2005 target. The department is undertaking ongoing work to make the workplace more attractive for Māori.

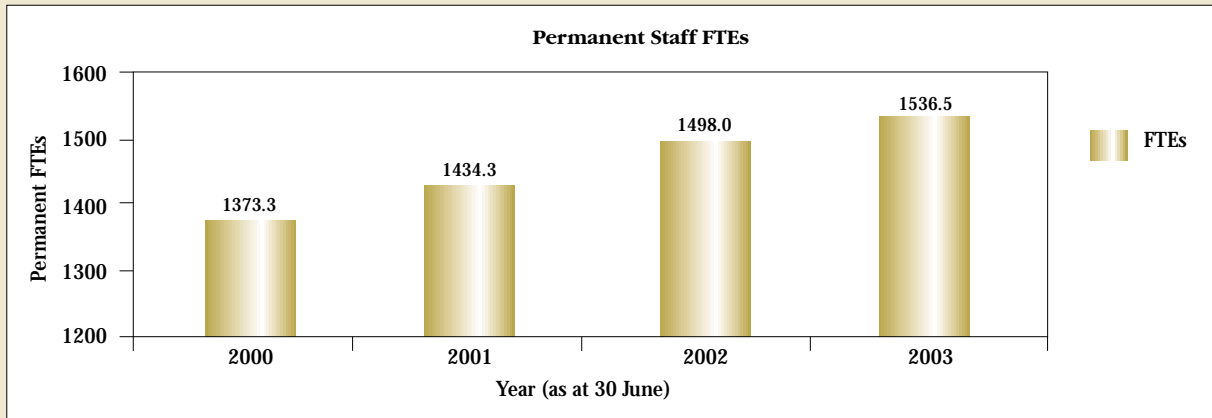
As part of a wider people diversity programme of work, the barriers to the participation of Māori in the department have been identified and actions are underway to minimise these barriers.



Overall, the department is on track to meet targets for women, Māori and Pacific Island peoples, but acknowledges that since adopting World Health Organisation criteria, it needs to review its targets for people with disabilities. This will be part of the review of the People Diversity Strategy in 2003/04.

Staff Statistics

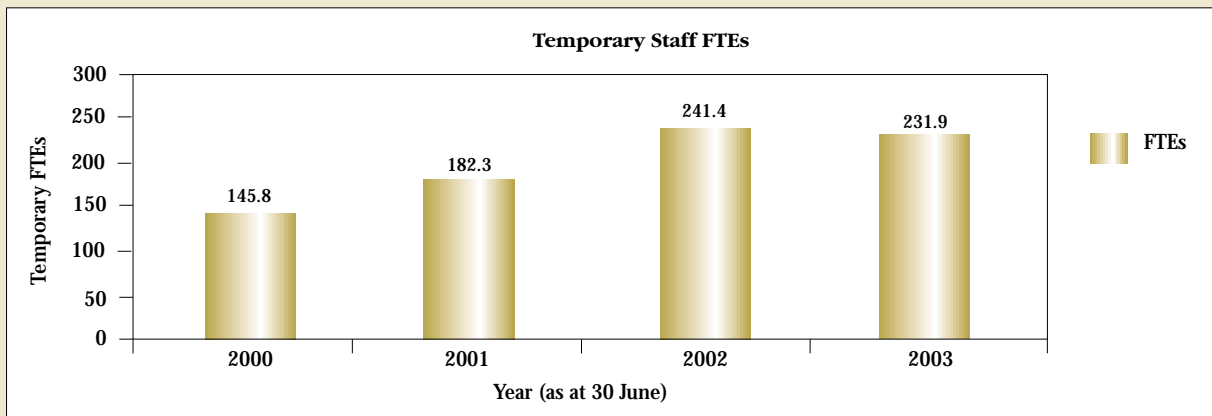
The department employed 1536.5 permanent full time equivalent staff (FTEs) as at 30 June 2003. This represents an increase of 2.6% on the year to 30 June 2002. Additional information on staff numbers can be found in Part 5 of this Annual Report.



During the year to 30 June 2003, turnover of permanent staff was 9.7% compared with 9.5% for the previous year.



In a typical year the department employs over 500 temporary staff in the peak summer season. Temporary staff numbers increase significantly in summer to raise capacity for handling the increased visitor numbers to public land managed by the department and to undertake seasonal work. During the summer of 2002/03 temporary staff numbers peaked at 637 (representing 231 FTEs); during the winter months the number of temporary staff was considerably lower.



Performance Management

Improved performance management and personal development systems for managers have been developed and are being implemented with general managers. The new systems will be implemented with other senior managers commencing 1 July 2003. Improvements are:

- new and more relevant role descriptions
- a new personal business plan which makes clearer the work the manager is accountable for undertaking, improved criteria on which to assess performance and more transparent links to remuneration
- a separation of development to improve performance in a current role, from development for medium or longer-term succession requirements.

Core Skills

All core competency training programmes were run during the year.

Most staff have completed Te Pukenga Atawhai training. There has also been ongoing development of skills in ecological management, visitor asset management, managing relationships, staff management, health and safety and fire management. In addition a new senior leadership programme was introduced and piloted with general managers. This programme will be extended to other senior managers in 2003.

DERIVE AND TRANSFER QUALITY INFORMATION – National Priority Outcome 7.3

During 2002/03 the focus has been on progressing the development of the BioWeb information management system, due for completion in 2003/04.

The Natural Heritage Management System is a unique new development that integrates priority outcomes, explicitly linking these to targeted interventions, and measuring the results in a way that establishes progress towards national goals. The system will bring improvements in planning and decision-making and its development and deployment will assist a wide range of managers. The department's main conservation database, BioWeb, enables staff to find information on conservation activities. The addition of information on pest control operations during 2002/03 has enriched the database considerably.

In addition to progress with BioWeb, all Science and Research publications are now made available over the department's network to assist planning and decision-making. The majority of Science and Research publications are available to the public through the department's website as well. The intranet, the department's internal website, provides information on the full range of conservation activities (including management) for every staff member at their PC. An extranet, a link between the website and the intranet, enables many groups to view and use departmental databases.

PERFORMANCE REPORTING – National Priority Outcome 7.4

During the 2002/03 year the focus has been on:

- reviewing and improving the business planning and reporting systems
- improving business deliverable measures
- aligning and integrating performance management systems.

Reviewing and improving the business planning and reporting systems

Improvements for 2002/03 year included the redeveloped business framework which was used for the 2003/04 planning round and changes to operating review systems for general managers and level three managers. These improvements are in line with the objectives of the Managing for Performance project.

Improving business deliverable measures

Measures have been improved as part of the ongoing review of key steps in the Statement of Intent. Many of the new measures are included in the 2003–2006 Statement of Intent, however, work to further improve measures is underway.

Aligning and integrating performance management systems

The new performance management and personal development systems for managers have been aligned with the department's Business Planning and Operating Review Systems. These systems were implemented with General Managers during 2002/03.

Managing Quality

The department has over 300 policies, standards, best practice documents, and standard operating procedures (SOPs) that guide its work. With such a large number of documents in place, the costs of ensuring 100% compliance in terms of staff and operational resources are very high. The department therefore runs an operational review system that includes monthly operating reviews involving managers at all levels. "Exception reporting" is used to identify operational issues such as compliance with standard operating procedures.

**POLICY ADVICE, SERVICING THE MINISTER AND STATUTORY BODIES, AND STATUTORY PLANNING
– National Priority Outcome 7.5**

Policy Advice

During the 2002/03 year the focus has been on:

- developing policy for the marine environment
- developing draft General Policy.

Policy for the Marine Environment

A significant policy issue facing New Zealand is the need to develop an integrated policy framework for the management of our ocean's and the marine environment. Mixed and sometimes conflicting management responsibilities need to be better coordinated.

The department has contributed to the work being done by a number of government departments to prepare an Ocean's Policy. It has worked on the Marine Reserves Bill, the review of the New Zealand Coastal Policy Statement, aquaculture reforms and a national plan of action for seabirds.

Developing Draft General Policy

General Policy is the highest level of statutory conservation policy. It provides guidance for the implementation of conservation legislation, for priority setting by the department and for the revision of conservation management strategies and national park management plans.

Policy development has focused on reviewing and preparing a revised draft of the National Parks General Policy, and with preparing new General Policy for the Conservation Act (and related Acts).

Conservancy Highlights

NORTHLAND

- A very successful year of pest control has added to the biodiversity value of the region's unique forests. While possums and goats remained the principal animal pest targets, stoats and rodents were also targeted at intensively managed sites, such as the Trounson Mainland Island and Bream Head, the key site in Northland's kiwi sanctuary.



- Efforts to protect the critically endangered plant *Atriplex hollowayi* were highly successful, with 400 new plants propagated (see also Key Step 1).
- Biodiversity funding support enabled a major weed campaign to be mounted in a number of significant habitats in Northland, with major inroads being made into problem areas on the Pouto Peninsula and at Waipoua.
- Priority attention was given to identifying the distribution and nature of Northland's pest fish problem. A highlight was the successful eradication of New Zealand's northern-most population of koi carp, from an enclosed waterway at Houhora.
- A mouse sighting on the Poor Knights Islands tested the conservancy's readiness to respond to threats to the conservancy's three island sanctuary groups. Monitoring over five months confirmed the Poor Knights remained rodent free.
- Steps to eradicate a colony of Argentine ants discovered at Bream Head were only partially successful. The site is being closely monitored for a likely repeat programme next summer.
- Momentum has been maintained on Northland-led marine protection initiatives and on the development of tools for more effectively working with communities. A highlight in this area has been the preparation of bilingual resource material to support conservation in the community.

AUCKLAND

- The combined rat and cat eradication programme on Raoul Island in the Kermadecs was completed with the application of poison rat baits over the 2,941 ha island. Confirmation of the success of this operation is expected in June 2004.
- Operational planning for the removal of kiore from Hauturu (Little Barrier Island) was completed and a resource consent obtained that will allow the eradication of the island's last predator species during winter 2004.
- A public discussion document was released for a proposed 52,000 ha marine reserve off the north-east coast of Great Barrier Island.
- Several urban community conservation projects were initiated and supported. The Chinese Conservation Education Trust celebrated its birthday by winning a Green Ribbon Award as well as an 'E Award' from the Auckland Regional Council.

The department entered into a Trust with Manukau City Council, Auckland Regional Council and Te Wai o Hua Trust that aims to establish a conservation education project at Mangere Mountain. The department also launched the "Saving Paradise" campaign with its Pacific Island partner, the Tapa Trust. Community-based island restoration trusts have also made significant progress with department-partner trusts operating on Motuora, Motuihe, Motutapu and Tiritiri Matangi.

WAIKATO



- The Moehau Kiwi Zone project continued to build on last year’s results. Eighteen kiwi chicks were monitored during the breeding season and 14 survived to more than 1 kg (the goal body weight).
- Intensive ecological restoration work at Moehau, supported by predator control efforts by the Coromandel community, enabled the release of 38 pateke (brown teal) at Port Charles, a major step forward in restoration of biodiversity in this area. A further 1,500 ha of land now under predator control was added to kiwi management zone during the year.
- Tuatara were released from captive rearing programmes to the Mercury Islands and tusked weta successfully bred after their re-introduction to Red Mercury Island.
- Monitoring has confirmed that the Waipapa Ecological Area, with 77 breeding pairs of kokako, now has the most significant population of this species in the country.
- Purchase by the Nature Heritage Fund of 149 ha of Waikawau Bay coastal forest (Coromandel Peninsula) means that the entire coast of this magnificent bay, from headland to headland, is now in public ownership.
- Community involvement in conservation has continued to build with major ecological restoration initiatives progressing at Maungatautari (3,500 ha), Hakarimata (1,800 ha) and Te Kauri Park (1,200 ha).

BAY OF PLENTY



- Biodiversity management at specific sites increased. Kereru monitoring and possum and rat control work was undertaken in the Whirinaki Ecological Management Zone. Bait and trap lines were established over 1,080 ha of the Opuiki Ecological Management Zone. Judas goat work is continuing in the Rotorua Lakes area.
- Three transfers of protected species took place: hihi from Mokoia Island to Kapiti Island and Mount Bruce; North Island robin from Mokoia Island to Tuhua Island; and kiwi from Whirinaki and Ohope Scenic Reserve (raised by Rainbow Springs under Operation Nest Egg) to Mokoia Island. A small population of striped skink was found on Mt Te Aroha. A number of new mistletoe populations were discovered.
- The Te Paepae Aotea Marine Reserve submissions process was completed and a report for the Minister is being prepared. Updated marine monitoring procedures for Tuhua Marine Reserve were completed.
- Community involvement in conservation has increased – the preparation of the Kaharoa Kokako Trust information panels is a good example. The Lower Kaituna Wildlife Management Reserve wetland restoration project has strong community support. Community interest has also supported the ongoing Ohope kiwi programme.

TONGARIRO/TAUPO

- A draft Tongariro National Park management plan was released for public comment, submissions received and public hearings held. The plan is due to be released to the Tongariro/Taupo Conservation Board in September.



- The Whakapapa Village and skifield sewage scheme received resource consents and planning work is well advanced to ensure construction is completed in 2003/04.
- On the Tongariro Crossing, the Mangatepopo Valley track was upgraded and new toilets were installed at Soda Springs and Ketetahi Hut. The Eastern Ruapehu Lahar Alarm System has been fine-tuned to a high level of reliability.
- Ecological and cultural conservation of the Karioi Rahui has continued in partnership with iwi. Rat and stoat control has been incorporated into this work, which has successfully protected representative populations of four of the five native mistletoe species present in the conservancy.
- Tongariro Forest Kiwi Sanctuary work has focused on Operation Nest Egg, with 18 eggs removed for rearing. Seven of eight chicks returned to the sanctuary have survived.
- *Pinus contorta* control work has been extended in Kaimanawa Forest Park and Tongariro National Park. A comprehensive surveillance programme for weeds has been instigated and this has led to some new weed infestations being controlled before they become unmanageable.
- Existing animal control programmes have been maintained and efforts to prevent the migration of goats westward into Tongariro National Park have been successful. Staff have developed a number of opportunities to work with communities to control pests at a number of local reserves.
- A Waikato River Ecological Enhancement Trust has been established with resource consent mitigation funding from Mighty River Power. Contact Energy has also agreed to the establishment of a conservation trust and agreed to reinject geothermal fluids instead of discharging them into the Waikato River.
- The conservancy assisted the Tongariro National Trout Centre Society with construction of a visitor centre and displays at the Tongariro National Trout Centre.

EAST COAST/HAWKE'S BAY

- A survey covering 80 sq km of seabed in the Cape Runaway/East Cape area has been completed. This will help identify marine protected areas in the rohe of Te Whanau O Kauaetangohia. A community-based marine reserve proposal at Kairakau in Central Hawke's Bay is likely to progress next year.
- A conservancy freshwater strategic plan, a comprehensive inventory of freshwater biodiversity and an assessment of freshwater delivery capacity have been completed, improving the conservancy's capacity to deliver freshwater conservation outputs in the future.
- The conservancy's capacity to respond to fires has been increased through the deployment of a Conservancy Incident Management Team and the establishment of several volunteer fire fighting parties. Staff gained valuable experience during a deployment to fight fires in Australia.

- Completion of a threatened plants strategy has increased known threatened taxa in the conservancy from 47 to 167 and helped identify priorities for future action.
- A more comprehensive range of environments have been protected through significant additions to protected lands at Akitio and Boundary Stream.
- In Hawke’s Bay, possum control carried out as part of Tb vector control work has had consequential benefits for biodiversity in large areas of the Ruahine and Kaweka forest parks.
- Community supported restoration projects have resulted in increases in kiwi and weka numbers at Whinrey Reserve and significant increases in kokako numbers at the Northern Te Urewera Mainland Island.
- The Cooks Landing Site National Historic Reserve Memorial was upgraded, significantly increasing the profile of the site locally and nationally.

WANGANUI

- Egmont National Park was treated with aerial 1080 for possum control with an excellent result. Whanganui National Park was also treated.

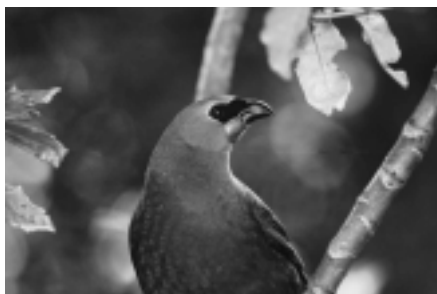


- In the second year of a pest fish site identification programme, 162 sites were checked for pest fish and their presence confirmed in 32 of them. Pest fish have now been eliminated from five sites in Manawatu and Taranaki.
- Abseilers were brought in to tackle giant gunnera on 40 km of South Taranaki coastal cliffs where the plant is replacing native plant species.
- A predator control operation and a new population establishment programme for whio (blue duck) was begun in Egmont National Park and on the Manganui-o-te-ao River.
- Monitoring of the Sugar Loaf Islands Marine Protected Area confirmed the importance of the area for reef fish diversity. Recreational fishing was shown to have a significant impact on snapper and blue cod numbers.
- Remedial work was completed on the historic former tollkeeper’s house, Rahiri Cottage, at the northern gate of Egmont National Park. Remedial work was completed and new interpretation erected at Te Koru Pa in Taranaki.

- The Whanganui National Park Management Plan review was started.
- The Pouakai Circuit was opened in Egmont National Park, providing a quality 2 or 3 day tramp, thanks to a conservation-community partnership. The biggest upgrade of huts on the western side of the Ruahine Ranges in 20 years was completed with 14 huts improved.
- Community awareness projects included Awa Aware which raised awareness of freshwater issues with Whanganui River communities. Taihape’s “Oh Gee” community planting programme raised awareness of *Olearia gardneri* (the country’s third-rarest plant).

WELLINGTON

- The Wellington ecological restoration network continues to reach out to new community groups. Workshops for community volunteers were hosted by the department, the New Zealand Ecological Restoration Network and Greater Wellington.
- In Wairarapa, the Pukaha partnership between the department, Rangitane o Wairarapa and the National Wildlife Centre Trust has achieved considerable synergies with two regional councils, Masterton and Tararua district councils and neighbouring landowners. The Pukaha partnership is a restoration project to restore forest for kokako habitat in Mount Bruce Forest. Neighbours and councils provided invaluable assistance during pest control work in a large buffer area outside Mt Bruce forest.
- Community/department partnerships involving Ngāti Koata, Ngāti Toa, the Friends of Mana Island and the Matiu/Somes Island Charitable Trust continue to benefit restoration programmes on Mana and Matiu/Somes Islands.



- In the Tararua ranges, historic Field Hut above Otaki Forks was refurbished. On the Wairarapa side, Totara Flats hut was replaced under the new facilities programme funded by the government.
- The Chatham Islands community turned out in force for a plant propagation workshop, reflecting the growing interest in restoration/ revegetation in reserves and on private land. The taiko programme, with strong landowner and community support, saw a second year of record chick survival.
- On Pitt Island, the community has been involved with a further Chatham Island petrel transfer, the return of black robins, construction of a new cottage for the department's ranger, and with predator control.

NELSON/MARLBOROUGH

- Gambusia, koi carp and hornwort eradication programmes were carried out in the Motueka area (see Key Step 2).
- Increasing numbers of robins, bellbirds and rifleman have been observed in the Flora catchment of Kahurangi National Park, where the Friends of Flora are undertaking rat and stoat trapping to protect native birdlife, especially blue duck.
- A popular schools education programme has raised awareness about freshwater pests and what people can do to help prevent their spread.
- Marahau residents and tourist operators are involved in stoat trapping on Adele Island as part of a project to restore the birdlife in the Astrolabe area of the Abel Tasman National Park. Further up the coastline, at Torrent Bay, the department and the Tasman District Council are helping residents to control stoats, possums and wilding pines.
- In the Marlborough Sounds, the department has been supporting Lochmara Bay and Moutapu Bay property owners in their efforts to control pine trees, other plant pests and stoats.
- A new educational video *Protecting Special Places in the Sea* about the Long Island/Kokomohua Marine Reserve, was produced and distributed to local schools and community groups. It highlights how the reserve is benefiting marine life living there.

- Three new huts were opened during the year: the Sabine and Morgan huts in Nelson Lakes National Park and a new Trevor Carter Hut in Kahurangi National Park. Toilet and sewerage upgrades in Abel Tasman National Park continued with improvements made at eight campsites.

CANTERBURY

- A new native fish species, the big-nose galaxis, previously unknown to scientists, was found in Canterbury. Also discovered were significant populations of two endemic species of gentian, one species of buttercup and of the endangered *Muehlenbeckia astoni*.
- Possum control in the Temple and Huxley river catchments was undertaken to protect the endangered tree *Pittosporum patulum*.
- The opening of the new Mueller hut in Aoraki/Mount Cook National Park by Sir Edmund Hillary attracted over 300 people. The Aoraki/Mt Cook Search and Rescue team was awarded a national SAR award.
- In Canterbury and Marlborough there are some 90 pastoral leases in the tenure review process, representing 50% of the Crown pastoral leases or 622,000 ha.



- A programme to eradicate purple loosestrife was very successful. The programme was developed in partnership with local and regional councils, Ngāi Tahu, NGOs, a local school and the public. Wilding conifer control in Canterbury has focused on the Mackenzie Basin. The area under sustained management has been increased and the spread of pines has been slowed.

- Work continues with several community trusts (such as the Banks Peninsula Conservation Trust, Godley Head Trust and the Otipua

Wetland Trust) on ecological and historic restoration projects. A highlight of our cooperation with the Ngāi Tahu iwi was the development of a joint management plan for Te Waihora/Lake Ellesmere.



WEST COAST

- Sustained possum control was undertaken at 15 sites totalling 51,685 ha. Monitoring has shown that *Powelliphanta lignaria johnstoni* (giant land snails) have increased in density under regular possum control.
- Ongoing stoat control in the Landsborough Valley to protect mohua appears to have been successful, with the population remaining stable. Stoat control is being trialled in the Oparara Basin to protect blue duck.
- Fish recovery plans are being actively implemented with one population of shortjaw kokupu tagged and several others (including mudfish) about to be started.
- Strong community relationships continue to be developed involving schools and community groups. Memoranda of understanding were signed with the Oparara Valley Project Trust, Karamea and Westland District Council.
- Both the Waitangitona Wetland Walk and the Wadeson Island restoration emerged as excellent joint department/community projects.
- A land exchange facilitated at Bruce Bay has allowed Te Rūnanga o Makāwhio to advance their proposal to build a marae – the first on Tai Poutini.
- The conservancy implemented its new concessions permissions database and entered all West Coast concessions onto it. The past year has seen an excellent performance in identifying crown revenue opportunities for concessions.

- Several tramping huts were upgraded. Frew's hut in the Whitcombe Valley was replaced.
- Remedial work on both the historic Davidson Locomotive and Britannia Battery has been completed, with the locomotive in particular attracting a good level of positive public feedback.

OTAGO

- The 20,000 ha Te Papanui Conservation Park, Otago's first tussock grassland park, was opened by the Minister of Conservation.



- Buff weka were transferred from the Chatham Islands to Te Peka Karara (Stevenson's Island, Lake Wanaka). The birds have bred and established a stable population. This is a joint Ngāi Tahu/department project.
- A successful workshop to inform concessionaires about Topuni was held in Queenstown. The conservancy has assisted Kati Huirapa Runaka Ki Puketeraki with trackwork and development of Huriawa, which is now Ngāi Tahu freehold land.



- Emergency repairs were required on the St Bathans Hall, where the mud brick walls were cracking when foundations subsided. In the Bendigo Historic Reserve extensive stabilisation and mortaring work was carried out on the 19th century stone ruins. The conservancy helped the local community relocate the Wedderburn Goods Shed to its original site, now on the Otago Central Rail Trail.
- A new 30 bunk hut was built in the Dart Valley. Roadend facilities were provided at Raspberry Creek, in the West Matukituki Valley. In the same valley, all major outstanding work on Aspiring Hut was completed, in a partnership relationship with the Otago Section of the New Zealand Alpine Club.
- The tenure review programme continued to accrue significant gains for conservation. Examples are: Glen Nevis, which secures protection of some outstanding sites of plant biodiversity; Mt Pisa, which protects an area important for its recreational potential and complex vegetation patterns in cirque basins, including several rare and locally endemic species.



SOUTHLAND

- The highlight of the year was the confirmation that rats have been eradicated from Campbell Island. This is the largest rat eradication ever attempted anywhere in the world.
- The 480,000 ha Auckland Island marine reserve was announced in January, the second largest marine reserve in the country. The reserve includes important areas for key marine species including the southern right whale.
- Intensive management saw a record 52 takahe chicks produced this year, continuing the trend since 1994 of increasing takahe numbers.
- The complete eradication of feral goats from the Clinton valley was achieved, a result that eluded several attempts in the 1970s and early 1980s.
- The continued development of deer and stoat eradication methodologies continued through successful operations on a number of progressively larger Fiordland islands.
- The maintenance of the programme to keep the Fiordland and northern Stewart Island coast free of marram and gorse is a continuing success.

- The successful eradication of rats from Ulva Island, which is now the conservancy's official showcase project, has allowed the further restoration of this open sanctuary with the successful re-introduction this year of rifleman to add to the previously successful saddleback, robin and mohua liberations.
- Work continued in partnership with Ngāi Tahu on the restoration of native habitat on Rarotoka (Centre Island) in Foveaux Strait and towards rat eradication programmes on titi (mutton bird) islands.



Part Three
Statement of
Objectives and
Service
Performance

Outcomes and Outputs in each Key Step

Key Step 1: Expand Biodiversity Effort D1 – Management of natural heritage	
NPO 1.1 Restoring natural character Fire control services Possum control Goat control Other animal pest control Weed control Inventory and monitoring services Management services for marine reserves, marine protected areas Resoration Services	NPO 1.2 Threatened species Species protection Mainland island site restoration and maintenance services Island management and restoration services Marine mammal protection conservation and management services
NPO 1.3 Legal protection Survey, investigation, implementation services for protection of land, freshwater and marine areas High country park/tenure services Permit, law enforcement and CITES border control Services relating to adverse effects of commercial fishing Pastoral lease services Land management services	
Key Step 2: Minimise Biosecurity Risks D7– Policy advice, D8 – Crown pest/weed exacerbator costs, D9 – Indigenous forest biosecurity protection, D10 – Specific pest and disease responses	
NPO 2.1 Preventing the entry of exotic unwanted organisms Biosecurity policy and technical advice	NPO 2.2 Eradicating or containing unwanted organisms Unwanted organisms surveillance and containment services
Key Step 3: Increase Emphasis on Historic and Cultural Values D2 – Management of historic heritage	
NPO 3.1 Historic heritage protection Historic heritage maintenance, restoration and interpretation services	NPO 3.2 Working in partnership Historic heritage services to third parties on land outside protected areas
Key Step 4: Promote Appropriate Recreation and Increased Public Enjoyment of Protected Places D3 – Management of recreational opportunities	
NPO 4.1 Recreational enjoyment Visitor management services	NPO 4.2 Minimising visitor impacts Visitor impact mitigation services
NPO 4.3 Recreational opportunities Visitor asset management services Visitor centre management services Taupo sports fishery managerial services	
Key Step 5: Engage the Community in Conservation D4 – Conservation with the community	
NPO 5.1 Valuing heritage and commitment to its conservation Public information and education services	NPO 5.2 Conservation leadership Relationship and issues management services
NPO 5.3 Supporting community conservation Community and public participation programmes Concession management services	NPO 5.4 Protection and sustainable management of natural heritage beyond the conservation estate Conservation advocacy services
Key Step 6: Promote Effective Partnerships with Tangata Whenua D4 – Conservation with the community	
NPO 6.1 The treaty and conservation Partnerships with tangata whenua	NPO 6.2 Tangata whenua and conservation Co-operation and conservation management services
Activities not Covered by Key Steps D5 – Policy advice and ministerial servicing	
NPO 7.5 Policy advice Policy advice Servicing of statutory bodies	Ministerial services Treaty of Waitangi claims

KEY STEP 1: EXPAND BIODIVERSITY EFFORT
OUTPUT CLASS D1: MANAGEMENT OF NATURAL HERITAGE

This class of outputs covers the preservation of natural heritage, including the maintenance, restoration and protection of ecosystems, habitats and species.

National Priority Outcome 1.1 – Restoring Natural Character

To maintain and restore the indigenous natural character of the full range of New Zealand's terrestrial, freshwater and marine environments represented in areas administered by the department.

Outcome Indicator¹

A reduction over time in the pressure on the natural character and improvement in the state of the natural character of terrestrial, freshwater and marine areas administered by the department within each environment type.

Comment

Data based reporting on the terrestrial pressure components of this indicator is scheduled for the 2005/06 financial year, following considerable systems development. Some qualitative reporting may be possible in 2003/04 and 2004/05.

STATEMENT OF SERVICE PERFORMANCE

Projected Performance	Performance Achieved
<p><i>Fire Control</i> The department will have 13 approved fire plans in place.</p>	<p>Thirteen fire plans have been approved and are in place.</p>
<p><i>Possum Control</i> The department will maintain 1,065,244 ha under sustained possum control.</p>	<p>The department maintained 955,158 ha under sustained possum control.</p>
<p><i>Goat Control</i> The department will maintain 1,631,316 ha of sustained goat control.</p>	<p>The department maintained 2,238,865 ha under sustained goat control.</p>
<p><i>Other Animal Pest Control</i> The department will maintain:</p> <ul style="list-style-type: none"> • 1,017,280 ha under sustained management for thar. • 65,800 ha under sustained management for deer.² • 16 programmes for sustained management of other animal pests. 	<p>The department maintained 902,542 ha under sustained management for thar.</p> <p>The department maintained 438,250 ha under sustained management for deer.</p> <p>There were 12 programmes undertaken during the year.</p>

¹ None of the listed outcome indicators or their related responses in the Statement of Service Performance were subject to audit.

² A reactive approach to deer sighting markedly increased the area under sustained management. Later estimates increased the target area to 318,000 ha.

<p><i>Invasive Weed Control</i> The department will:</p> <ul style="list-style-type: none"> • complete 71 weed-led control work plans. • undertake 243,253 ha of site-led weed treatment. <ul style="list-style-type: none"> • maintain sustained site-led weed management over 600,716 ha. 	<p>The department completed 77 plans during the year. Departmental work in this area was completed for 292,920 ha of site-led weed treatment. An additional 12,500 ha of wilding conifer work was carried out as a result of new land tenure review funding.</p> <p>Sustained weed management was maintained over 682,781 ha.</p>
<p><i>Marine Protected Areas</i> The department will conduct marine biological monitoring programmes in 13 out of 16 marine protected areas.</p>	<p>Eleven marine reserves/marine protected areas were monitored during 2002/03:</p> <ul style="list-style-type: none"> • Te Awaatu Channel (Fiordland) • Pohatu (Banks Peninsula) • Tonga Island (Abel Tasman National Park) • Long Island – Kokomohua (Marlborough Sounds) • Te Angiangi • Te Tapuwae O Rongokako • Tuhua • Te Whanganui a Hei • Cape Rodney – Okakari Pt (Leigh) • Pollen Island • Mimiwhangata Marine Park.

<p>National Priority Outcome 1.2 – Threatened Species No avoidable human induced extinctions of indigenous terrestrial, freshwater and marine species have occurred and where practicable, representative populations of all indigenous species have long term security in predominantly natural habitats within their natural range.</p>	
<p>Outcome Indicators¹ 1. Prevention of human-induced extinctions (cumulative from date of first measure). 2. Changes in the threatened category status of indigenous species.</p> <p>Comment Reporting on this indicator is scheduled for the 2004/05 financial year through the programme of work updating the classification of each threatened species.</p>	
<p>STATEMENT OF SERVICE PERFORMANCE</p>	
<p>Projected Performance</p>	<p>Performance Achieved</p>
<p><i>Species Conservation Programmes</i> The department will conduct active species conservation programmes to improve the security of acutely and chronically threatened species:</p> <ul style="list-style-type: none"> • Number of acutely and chronically threatened species with improved security as a result of active species conservation programmes.³ 	<p>Of the 603 acutely threatened species, 104 had improved security as a result of active species conservation programmes. In addition, of the 242 chronically threatened species, 36 achieved improved security.</p> <p>It is expected that 90% of the management actions for acutely and chronically threatened species will materially reduce the threat(s) for at least one population. During 2002/03, this goal was achieved for 84% of all acutely threatened species programmes and 78% of chronically threatened species programmes.</p>
<ul style="list-style-type: none"> • Number of acutely and chronically threatened species for which survey, monitoring and research have resulted in improved understanding of status and threats. 	<p>Improved understanding of status and threats was achieved for 138 of the 603 acutely threatened species. Additionally, of the 242 chronically threatened species, 63 had improved understanding of status and threats. Both of these outcomes were the result of active survey work, monitoring and research programmes carried out by the department.</p>
<p><i>Mainland Island Sites</i> The department will produce annual reports for each of the six mainland islands.</p>	<p>The department has produced annual reports for each of its six mainland islands.</p>
<p><i>Island Management and Restoration</i> The department will keep 62 islands rodent free through the effective implementation of quarantine and contingency procedures.</p>	<p>The department has kept 63 islands rodent-free.</p>
<p><i>Marine Mammals</i> The department will have 33 marine mammal stranding plans in place.</p>	<p>Marine mammal stranding plans are in place for 31 area offices. Draft plans are being used where delays have occurred due to iwi consultation issues.</p>

3 This measure reports whether a threatened species had its overall security improved as a result of management.

<p>National Priority Outcome 1.3 – Legal Protection A more comprehensive range of terrestrial, freshwater and marine environments and habitats is legally protected.</p>	
<p>Outcome Indicator¹ A change in the percentage of each environment type under legal protection.</p>	
<p>Comment The first results from the Natural Heritage Management System (NHMS) project will be presented for terrestrial environments at the end of the 2003/04 year. In three to four years time as the relevant classifications become available, reports on the fresh-water and marine environments will be produced.</p>	
<p>STATEMENT OF SERVICE PERFORMANCE</p>	
<p>Projected Performance Performance Achieved</p>	
<p><i>Legal Protection and Status Change</i> The department expects to complete 52 legal protection agreements (where a transfer or covenant has been registered against the title).</p>	<p>The department has completed 43 legal protection agreements.</p>
<p><i>Legal Protection – Marine Areas</i> The department expects to have nine marine protected area proposals/applications under action.</p>	<p>Ten marine reserve applications were progressed during 2002/03:</p> <ul style="list-style-type: none"> • Paterson Inlet (Stewart Island) • Nuggets (Otago) • Glenduan – Ataata Point (Nelson) • Kaikoura • Parininihi • Taputeranga (Wellington) NB: under judicial review • Volkner Rocks/Te Paepae Aotea • Whangarei Harbour (3 sites) • Auckland Islands • Te Matuku Bay <p>Seven marine reserve proposals were progressed during 2002/03:</p> <ul style="list-style-type: none"> • Tata Island (Golden Bay) • Great Barrier Island • Tiritiri Matangi Island • Tawharanui marine park status change • Auckland west coast • Mimiwhangata marine park status change • Deepwater Cove.
<p><i>High Country/Tenure Review</i> The department expects to be consulted on 20 substantive proposals for Crown pastoral lease reviews.</p>	<p>The department was consulted on 17 substantive proposals for Crown pastoral lease reviews. Demand in this area is determined by Land Information New Zealand (LINZ) and lessee timeframes.</p>

<p>Convention on International Trade in Endangered Species (CITES) The department expects that:</p> <ul style="list-style-type: none"> • 95% of all trade related CITES applications will be processed within 20 working days. • 95% of all non-commercial applications will be processed within 10 working days. • On 95% of occasions all specimens seized or surrendered at the border will be collected and processed within 10 working days. 	<p>Approximately 98% of applications were processed within 20 working days.</p> <p>Approximately 98% of applications were processed within 10 working days.</p> <p>A total of 41,056 items were surrendered or seized at the border. Ninety-five percent of these were collected and processed within 10 working days.</p>
<p>Conservation Services Levy The department will report to the Minister and stakeholders on progress in achieving the agreed programme.</p>	<p>Stakeholders have received progress updates on the programme, via the Conservation Services Levy newsletter. Technical working group meetings have also been held to review work in progress and discuss future directions.</p>
<p>Pastoral Leases The department will action 177 requests for reports from the Commissioner of Crown Lands in the agreed time.</p>	<p>The department actioned 148 requests for reports. Work in this area is determined by farmer demand for development.</p>

Output Class Operating Statement				
Output Class D1 Management of Natural Heritage				
	30/6/03	30/6/03	30/6/03	30/6/02
All units \$ 000's	Actual	Main Estimates	Supplementary	Actual
Revenue				
- Crown	94,644	95,264	93,753	-
- Other	4,202	3,028	3,300	-
Total Revenue	98,846	98,292	97,053	-
Total Expenditure	97,859	98,292	97,053	-
Net Surplus	987	-	-	-

Note - changes to the output class structure last year meant that no comparative figures are available from previous years.

<p>KEY STEP 2: MINIMISE BIOSECURITY RISKS OUTPUT CLASSES D7, D8, D9, D10: VOTE BIOSECURITY</p>	
<p>This output classes covers:</p> <ul style="list-style-type: none"> • Purchasing policy advice and decision support to the Government on biosecurity relating to indigenous flora and fauna. • Delivery of services to control weed and animal pests on lands administered by the Department of Conservation. • Monitoring the health of indigenous forests in order to detect new pests and unwanted organisms that may cause unwanted adverse effects. • Delivery of services associated with responses to exotic disease or pest incursions, including the costs of a programme of eradication and control of undaria seaweed. 	
<p>National Priority Outcome 2.1 – Preventing the Entry of Exotic Unwanted Organisms Prevent the entry and establishment of new exotic unwanted organisms.</p>	
<p>Outcome Indicator¹ Satisfaction of the Minister for Biosecurity with the provision of policy and technical advice.</p> <p>Response The department actively contributed to the development of the New Zealand Biosecurity Strategy. Departmental representatives participated in working groups to support development and planning for implementation (supporting Cabinet Papers) of the strategy.</p> <p>Satisfaction of the Minister for Biosecurity with the provision of policy and technical advice was achieved through departmental input into initiatives such as the New Zealand Biosecurity Strategy, and policy reviews such as the Import Health Standard review. Departmental staff participated in working groups to support development and planning for implementation. Additional policy work was conducted in conjunction with external agencies Ministry of Agriculture and Forestry (MAF), Ministry of Fisheries (Mfish), Ministry of Health (MOH) and the Environmental Risk Management Authority (ERMA).</p> <p>Technical advice was provided in support of MAF responses to new exotic organism incursions, including those for <i>Tapinoma melanocephalum</i> (ghost ant), <i>Monomorium sydneyense</i>, <i>Paratrachina longicornis</i> (crazy ant), <i>Solenopsis geminata</i> (tropical fire ant), <i>Anoploopsis gracilipes</i> (yellow crazy ant), <i>Hyphantria cunea</i> (fall webworm), <i>Lymantria dispar</i> (gypsy moth – asian strain), <i>Pogonatherum</i> (bamboo grass) and psittacine poxvirus. Advice was provided to Mfish on marine incursions such as the bryozoan. Ongoing technical advice and support was also provided for the <i>Teia anartoides</i> (painted apple moth) and <i>Aedes camptorhynchus</i> (southern salt marsh mosquito) eradication programmes.</p>	
<p>STATEMENT OF SERVICE PERFORMANCE</p>	
<p>Projected Performance</p>	<p>Performance Achieved</p>
<p>The department expects to provide advice to the Minister for Biosecurity, the Biosecurity Council and Biosecurity Technical Forum and to other biosecurity agencies, on biosecurity risks to indigenous flora and fauna.</p>	<p>This is being met by provision of submissions to the Minister on key issues that meet the criteria outlined in the Purchase Agreement.</p>

<p>National Priority Outcome 2.2 – Eradicating or Containing Unwanted Organisms Eradicate or contain unwanted organisms that are newly established or are already established but not yet widespread.</p>	
<p>Outcome Indicator¹ Trend from 30 June 2003 in the number or range of exotic unwanted organisms that are newly established or established but not yet widespread in New Zealand.</p> <p>Response Systems are being developed, requiring the Minister of Agriculture and Forestry’s input so that the trends from 30 June 2003 can be reported annually.</p>	
<p>STATEMENT OF SERVICE PERFORMANCE</p>	
<p>Projected Performance</p>	<p>Performance Achieved</p>
<p>Number of unwanted organisms successfully eradicated, contained and not under management expressed as a proportion of unwanted organisms, from 30 June 2003.</p>	<p>The department has not been required to undertake eradication, containment or management of any newly established organism over this period, although it has contributed to the efforts of the lead biosecurity agencies (MAF and MFish) to prevent the establishment of new pests such as the painted apple moth. The department has however, continued with the attempt to eradicate the seaweed undaria from Stewart Island. Eradication from this area is now no longer considered to be possible. The programme has been successful in terms of providing significant control, reduction of spread and translocation, and increasing knowledge and capability to respond to pests in the marine environment.</p>

<p>Output Class Operating Statement</p> <p>Output Classes D7, D8, D9, D10 – Vote Biosecurity</p>				
	30/6/03	30/6/03	30/6/03	30/6/02
All units \$ 000's	Actual	Main Estimates	Supplementary	Actual
Revenue	-	-	-	-
- Crown	2,434	2,423	2,434	3,140
- Other	-	-	-	-
Total Revenue	2,434	2,423	2,434	3,140
Total Expenditure	2,359	2,423	2,434	3,173
Net Surplus	75	-	-	(33)

KEY STEP 3: INCREASED EMPHASIS ON HISTORIC AND CULTURAL VALUES
OUTPUT CLASS D2: MANAGEMENT OF HISTORIC HERITAGE

This class of outputs covers the provision of protection and conservation management of historic heritage, including heritage orders and designations under the Resource Management Act 1991.

National Priority Outcome 3.1 – Historic Heritage Protection

Historic heritage in areas administered by the department is identified and preserved and where appropriate, conserved and interpreted.

Outcome Indicators¹

1. Percentage of the area administered by the department that has been surveyed to agreed standards.
2. Change over time in the condition of historic heritage administered by the department. (Ratio of number of sites “improving” or “stable” relative to those “degrading”).

Response

1. A standard operating procedure is in place for survey standards and a prioritising system is operational. An annual report on the status of the survey at June 2003 established a baseline and shows that 194,000 ha have been surveyed. Another 54,000 ha is programmed to be surveyed in the next five years; much of this will be done in conjunction with associates. Overall, 99% of the area administered by the department has either been surveyed or is a low priority for survey. The majority of land managed by the department is a low priority for survey.
2. A national report on the condition of sites at June 2003 sets a baseline and shows 42% of sites are stable or improving and 58% of sites are degrading.

Restoration highlights were:

- Rahiri Cottage, Mt Egmont (full restoration and refit)
- Dominion Observatory, Wellington (full restoration and refit in progress)
- Godley Head Miniature Range building, Christchurch (re-roofed)
- Britannia Gold Battery, Westport (structural stabilisation)
- Bendigo township, Otago (stone buildings stabilised).

STATEMENT OF SERVICE PERFORMANCE

Projected Performance	Performance Achieved
<p>Historic Heritage The department will:</p> <ul style="list-style-type: none"> • Undertake 37 inventory projects. 	<p>Six projects were completed. Errors were encountered when setting the original target, resulting in a reduced work programme.</p>
<ul style="list-style-type: none"> • Conduct remedial work on 55 historic heritage assets. 	<p>Remedial work was completed on 42 heritage assets which were on track to expectations. Business plan targets were reduced due to data entry errors.</p>
<ul style="list-style-type: none"> • Conduct regular maintenance work on 551 historic heritage assets. 	<p>Regular maintenance work was completed on 471 historic heritage assets.</p>

National Priority Outcome 3.2 – Working in Partnership

A comprehensive range of historic heritage is protected by various methods in areas not administered by the department.

Outcome Indicators¹

1. Increase in the percentage of historic heritage in each national thematic type under legal protection.
2. Increase in proportion of key associates ranking the department as effectively contributing to the protection of our historic heritage.

Response

1. A thematic framework has been developed and the themes put into the Visitor Asset Management System (VAMS) to establish a baseline at June 2003.

This year there was no percentage increase as no new historic reserves were established.

2. A survey of key associates (carried out to establish a baseline) was conducted in June 2003 showed that 54% of associates consider that the department does a good or excellent job.

STATEMENT OF SERVICE PERFORMANCE

Projected Performance	Performance Achieved
<p><i>Historic Heritage</i> Number of historic places where legal protection was achieved or enhanced during the year to June 2003.</p>	<p>No land purchases or covenants were completed for the year. However progress on the legal protection of key heritage included Maori sites in the Bay of Islands and Hawkes Bay, a gold mining site near Waihi, rail heritage sites on the Main Trunk, a land wars site in Wanganui, and a Chinese settlement site in Central Otago.</p>

Output Class Operating Statement

Output Class D2 Management of Historic Heritage

	30/6/03	30/6/03	30/6/03	30/6/02
All units \$ 000's	Actual	Main Estimates	Supplementary	Actual
Revenue	-	-	-	-
- Crown	4,091	4,025	4,091	-
- Other	23	416	300	-
Total Revenue	4,114	4,441	4,391	-
Total Expenditure	4,344	4,441	4,391	-
Net Surplus	(230)	-	-	-

Note – changes to the output class structure last year meant that no comparative figures are available from previous years.

KEY STEP 4: PROMOTE APPROPRIATE RECREATION AND INCREASED PUBLIC ENJOYMENT OF PROTECTED AREAS

OUTPUT CLASS D3: MANAGEMENT OF RECREATIONAL OPPORTUNITIES

This class of outputs covers the provision of recreational opportunities on land administered by the department. This includes the safety services that support these opportunities and management of the recreational asset base.

National Priority Outcome 4.1 – Recreational Enjoyment

More New Zealanders enjoy protected areas and receive in full measure the inspiration, enjoyment, recreation and other benefits that may be derived from them, consistent with the protection of their conservation values.

Outcome Indicator¹

Increase over time in the number of people (by demographic category, satisfaction level and activity) using protected areas.

Response

National polling is undertaken on a monthly basis by the department.

A satisfaction monitor was administered at 24 of the department's visitor and information centres between January and April 2003. This monitor provides a range of information about the demographic profile of visitors to these sites, their level of satisfaction with the services provided, the aspects of service most enjoyed and those which visitors felt could be improved. A database of results from these monitors, currently in the final stages of development, will provide simple analytical tools that will enable managers to respond appropriately to customer needs.

Initial results showed that 96% of visitors were either very satisfied (66%) or moderately satisfied (30%) with the services and opportunities provided.

Initial analysis of the demographic profile of visitors to visitor and information centres showed that approximately 50% of those visitors were domestic and 50% international. Of the New Zealand residents, 89% described themselves as New Zealand European, 3% as Māori and 2% as New Zealand Asian.

Satisfaction monitors for huts and campsites were designed and piloted during this financial year. These will enable further analysis of visitor satisfaction, demographic profile and levels of activity across other visitor services the department provides. It is anticipated that these newly developed questionnaires will be implemented as resources permit.

STATEMENT OF SERVICE PERFORMANCE																																	
Projected Performance	Performance Achieved																																
<p>Visitor Services The department expects to:</p> <ul style="list-style-type: none"> • Manage 3,875 visitor sites, providing a range of opportunities that will enable a wide spectrum of people to enjoy protected areas. 	<p>A total of 3,878 visitor sites were managed by the department during 2002/03.</p> <p>The department continues to provide recreation opportunities within all of the Recreation Opportunity Settings (ROS). The majority of opportunities provided by the department are in the rural, backcountry and remote settings. This is due to the fact that the majority of land managed by the department is within these recreational areas.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Recreation Opportunity Setting</th> <th style="text-align: right;">Number of Visitor Sites</th> </tr> </thead> <tbody> <tr><td>Urban</td><td style="text-align: right;">53</td></tr> <tr><td>Urban Fringe</td><td style="text-align: right;">84</td></tr> <tr><td>Rural</td><td style="text-align: right;">800</td></tr> <tr><td>Backcountry Drive In</td><td style="text-align: right;">1,061</td></tr> <tr><td>Backcountry 4X4 Drive In</td><td style="text-align: right;">296</td></tr> <tr><td>Backcountry Walk In</td><td style="text-align: right;">1,075</td></tr> <tr><td>Remote</td><td style="text-align: right;">498</td></tr> <tr><td>Wilderness</td><td style="text-align: right;">11</td></tr> </tbody> </table> <p>The department manages visitor sites which reflect the needs of the range of visitors.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Visitor Group</th> <th style="text-align: right;">Number of Visitor Sites</th> </tr> </thead> <tbody> <tr><td>Short Stop Travellers</td><td style="text-align: right;">515</td></tr> <tr><td>Day Visitors</td><td style="text-align: right;">1,381</td></tr> <tr><td>Overnighters</td><td style="text-align: right;">178</td></tr> <tr><td>Back Country Comfort Seekers</td><td style="text-align: right;">137</td></tr> <tr><td>Back Country Adventurers</td><td style="text-align: right;">1,509</td></tr> <tr><td>Remoteness Seekers</td><td style="text-align: right;">158</td></tr> </tbody> </table>	Recreation Opportunity Setting	Number of Visitor Sites	Urban	53	Urban Fringe	84	Rural	800	Backcountry Drive In	1,061	Backcountry 4X4 Drive In	296	Backcountry Walk In	1,075	Remote	498	Wilderness	11	Visitor Group	Number of Visitor Sites	Short Stop Travellers	515	Day Visitors	1,381	Overnighters	178	Back Country Comfort Seekers	137	Back Country Adventurers	1,509	Remoteness Seekers	158
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<ul style="list-style-type: none"> • At a sample of these visitor sites, monitor visitor numbers and at year end, report on trends in visitor use at a range of sites, providing different recreation opportunities. 	<p>Two hundred and forty visitor sites were monitored over the course of this reporting period.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td>Short Stop Travellers</td><td style="text-align: right;">44</td></tr> <tr><td>Day Visitors</td><td style="text-align: right;">81</td></tr> <tr><td>Overnighters</td><td style="text-align: right;">12</td></tr> <tr><td>Back Country Comfort Seekers</td><td style="text-align: right;">40</td></tr> <tr><td>Back Country Adventurers</td><td style="text-align: right;">59</td></tr> <tr><td>Remoteness Seekers</td><td style="text-align: right;">4</td></tr> </tbody> </table> <p>This information indicates that the trend in visitor numbers is increasing for front country (short stop and day visitor sites) and back country comfort seeker sites. There is little or no change in the number of people visiting overnighter and back country/remote sites.</p>	Short Stop Travellers	44	Day Visitors	81	Overnighters	12	Back Country Comfort Seekers	40	Back Country Adventurers	59	Remoteness Seekers	4																				
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	<p>Total number of visitors counted at the 240 monitored sites (2002/03)</p> <table border="1"> <tr> <td>Short Stop Travellers</td> <td>3,352,419</td> </tr> <tr> <td>Day Visitors</td> <td>1,860,468</td> </tr> <tr> <td>Overnighters</td> <td>76,355</td> </tr> <tr> <td>Back Country Comfort Seekers</td> <td>684,594</td> </tr> <tr> <td>Back Country Adventurers</td> <td>105,194</td> </tr> <tr> <td>Remoteness Seekers</td> <td>2,065</td> </tr> <tr> <td>Total visitors counted</td> <td>6,081,095</td> </tr> </table>	Short Stop Travellers	3,352,419	Day Visitors	1,860,468	Overnighters	76,355	Back Country Comfort Seekers	684,594	Back Country Adventurers	105,194	Remoteness Seekers	2,065	Total visitors counted	6,081,095
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<ul style="list-style-type: none"> • Monitor visitor satisfaction at the department's 22 visitor centres and report at year end. 	<p>A survey was administered at 24 of the department's 32 visitor centres during 2003. The results of this work show that 96% of visitor centre users were either very satisfied (66%) or moderately satisfied (30%) with the services provided at these locations.</p> <p>In addition, a survey was undertaken to assess visitors' satisfaction with the standard of tracks managed by the department. This survey indicated that about 80% of people surveyed thought the standard of the track was "just right" (the standard of the track being a significant determinant that affects visitors' level of enjoyment and satisfaction).</p> <p>This indicates a high level of satisfaction with the facilities provided by the department to support recreation opportunities.</p>														
<p>Taupo Sports Fishery Monitor visitor satisfaction in the Taupo sport fishery with a target rating of not less than 3.5 out of 5 for success and not less than 4.5 for enjoyment.</p>	<p>The monitored satisfaction scores are set out below:</p> <ul style="list-style-type: none"> • average score for success was 3.37 • average score for enjoyment was 4.69. 														
<p>National Priority Outcome 4.2 – Minimising Visitor Impacts Visitor impacts on natural and historic heritage are minimal.</p>															
<p>Outcome Indicator¹ Decrease over time in the proportion of sites with significant adverse affects from visitor activity on natural and historic heritage.</p> <p>Response The department is currently developing a range of techniques to monitor visitor impacts on natural and historic features. At a number of sites, the department has identified places where it believes visitors are having an adverse affect on the natural or historic fabric of the site. Where these impacts are obvious (and significant), it has undertaken mitigation work (e.g. upgrades of Abel Tasman National Park toilets).</p> <p>As the techniques for monitoring impacts are developed and improved, we can expect to see an increase in the number of sites where impacts are reported. However, over time these threats will be mitigated and the sites protected.</p> <p>Significant adverse effects are defined as negative changes to the natural or historic resource/features/systems or assets, which will lead to the loss of the resource unless the problem is rectified in the next two years (or less).</p>															

STATEMENT OF SERVICE PERFORMANCE	
Projected Performance	Performance Achieved
<p>Visitor Services</p> <p>As yet there are no national programmes of monitoring for adverse effects. While in general the department considers visitor impacts on natural and historic heritage to be relatively minor, there are several examples where the numbers of people cause concern, and have required management action. These include visitors to the fragile sub-Antarctic islands, where limits on numbers are applied; the Abel Tasman Coastal Walk, where there have been major upgrades to sewage facilities; and whale watching at Kaikoura, where permit numbers are limited and conditions carefully set to avoid negative effects on whales.</p> <p>In time a programme for systematic monitoring will be developed but this may be two or more years away.</p>	<p>The department is currently developing a range of techniques to monitor the impacts of visitors on natural and historic features. It is also developing a framework to enable the collection of information to answer this measure. In the meantime, conservancies continue to monitor and manage visitor impacts where they have determined the need.</p>
<p>National Priority Outcome 4.3 – Recreational Opportunities</p> <p>A range of recreational opportunities, consistent with conservation values, are provided to meet visitor needs. These are supported by facilities and services that meet required standards.</p>	
<p>Outcome Indicators¹</p> <ol style="list-style-type: none"> 1. Visitor satisfaction with the range of opportunities provided by the department. 2. Proportion of sites and assets by type meeting the required standards. <p>Response</p> <p>A satisfaction monitor was administered at 24 of the department’s visitor and information centres between January and April 2003. The department’s visitors were found to be very satisfied (66%) or moderately satisfied (30%) with the services and opportunities provided by the centres. A database of results from these monitors, with simple analysis tools has been developed. This will enable visitor and information centre managers to access this data, in order to respond appropriately to customer needs.</p> <p>Further development of monitoring tools has enabled satisfaction monitors to be designed and piloted for huts and campsites during this financial year. These monitors test basic levels of customer satisfaction with the services provided at the department’s huts and camps. If levels of satisfaction fall below a predetermined threshold, a more detailed diagnostic monitor is applied to assist managers in investigating specific areas of customer concern.</p>	

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<p>Visitor Accommodation</p> <p>The department will provide sites⁴ with different opportunities and with differing levels of facilities for:</p> <ul style="list-style-type: none"> • Short stop travellers (530 sites) • Day visitors (1,363 sites) • Overnighters (181 sites) • Back country comfort seekers (120 sites) 	<p>The department provided opportunities and facilities at 515 sites.</p> <table border="1"> <tr><td>Urban</td><td>37</td></tr> <tr><td>Urban Fringe</td><td>19</td></tr> <tr><td>Rural</td><td>179</td></tr> <tr><td>Backcountry drive in</td><td>250</td></tr> <tr><td>Backcountry 4x4 drive in</td><td>3</td></tr> <tr><td>Backcountry walk in</td><td>27</td></tr> <tr><td>Remote</td><td>0</td></tr> <tr><td>Wilderness</td><td>0</td></tr> <tr><td>Total</td><td>515</td></tr> </table> <p>The department provided opportunities and facilities at 1,381 sites.</p> <table border="1"> <tr><td>Urban</td><td>15</td></tr> <tr><td>Urban Fringe</td><td>64</td></tr> <tr><td>Rural</td><td>434</td></tr> <tr><td>Backcountry drive in</td><td>527</td></tr> <tr><td>Backcountry 4x4 drive in</td><td>118</td></tr> <tr><td>Backcountry walk in</td><td>188</td></tr> <tr><td>Remote</td><td>35</td></tr> <tr><td>Wilderness</td><td>0</td></tr> <tr><td>Total</td><td>1,381</td></tr> </table> <p>The department provided opportunities and facilities at 178 sites.</p> <table border="1"> <tr><td>Urban</td><td>1</td></tr> <tr><td>Urban Fringe</td><td>0</td></tr> <tr><td>Rural</td><td>57</td></tr> <tr><td>Backcountry drive in</td><td>95</td></tr> <tr><td>Backcountry 4x4 drive in</td><td>10</td></tr> <tr><td>Backcountry walk in</td><td>12</td></tr> <tr><td>Remote</td><td>3</td></tr> <tr><td>Wilderness</td><td>0</td></tr> <tr><td>Total</td><td>178</td></tr> </table> <p>The department provided opportunities and facilities at 137 sites.</p> <table border="1"> <tr><td>Urban</td><td>0</td></tr> <tr><td>Urban Fringe</td><td>0</td></tr> <tr><td>Rural</td><td>10</td></tr> <tr><td>Backcountry drive in</td><td>15</td></tr> <tr><td>Backcountry 4x4 drive in</td><td>10</td></tr> <tr><td>Backcountry walk in</td><td>89</td></tr> <tr><td>Remote</td><td>13</td></tr> <tr><td>Wilderness</td><td>0</td></tr> <tr><td>Total</td><td>137</td></tr> </table>	Urban	37	Urban Fringe	19	Rural	179	Backcountry drive in	250	Backcountry 4x4 drive in	3	Backcountry walk in	27	Remote	0	Wilderness	0	Total	515	Urban	15	Urban Fringe	64	Rural	434	Backcountry drive in	527	Backcountry 4x4 drive in	118	Backcountry walk in	188	Remote	35	Wilderness	0	Total	1,381	Urban	1	Urban Fringe	0	Rural	57	Backcountry drive in	95	Backcountry 4x4 drive in	10	Backcountry walk in	12	Remote	3	Wilderness	0	Total	178	Urban	0	Urban Fringe	0	Rural	10	Backcountry drive in	15	Backcountry 4x4 drive in	10	Backcountry walk in	89	Remote	13	Wilderness	0	Total	137
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Backcountry drive in	15																																																																								
Backcountry 4x4 drive in	10																																																																								
Backcountry walk in	89																																																																								
Remote	13																																																																								
Wilderness	0																																																																								
Total	137																																																																								

⁴ The forecasted number of visitor sites across all six visitor groups was 3,875 sites. As at the end of the period the department managed 3,878 sites, representing an additional three sites managed over the course of the year. There were changes in the number of sites provided by visitor group. These resulted from a process to ensure that the primary visitor group assigned to each site is appropriate. Analysis has indicated the need to change the visitor group assigned to a site to better reflect the visitors actually using the site. Consequently, differences exist between the target and actual figures reported for each visitor group.

<ul style="list-style-type: none"> • Back country adventurers (1,514 sites) 	<p>The department provided opportunities and facilities at 1509 sites.</p> <table border="1" data-bbox="820 248 1417 528"> <tr><td>Urban</td><td>0</td></tr> <tr><td>Urban Fringe</td><td>1</td></tr> <tr><td>Rural</td><td>118</td></tr> <tr><td>Backcountry drive in</td><td>174</td></tr> <tr><td>Backcountry 4x4 drive in</td><td>153</td></tr> <tr><td>Backcountry walk in</td><td>711</td></tr> <tr><td>Remote</td><td>349</td></tr> <tr><td>Wilderness</td><td>3</td></tr> <tr><td>Total</td><td>1,509</td></tr> </table>	Urban	0	Urban Fringe	1	Rural	118	Backcountry drive in	174	Backcountry 4x4 drive in	153	Backcountry walk in	711	Remote	349	Wilderness	3	Total	1,509
Urban	0																		
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Remote	349																		
Wilderness	3																		
Total	1,509																		
<ul style="list-style-type: none"> • Remoteness seekers (167 sites) 	<p>The department provided opportunities and facilities at 158 sites.</p> <table border="1" data-bbox="820 674 1417 954"> <tr><td>Urban</td><td>0</td></tr> <tr><td>Urban Fringe</td><td>0</td></tr> <tr><td>Rural</td><td>2</td></tr> <tr><td>Backcountry drive in</td><td>0</td></tr> <tr><td>Backcountry 4x4 drive in</td><td>2</td></tr> <tr><td>Backcountry walk in</td><td>48</td></tr> <tr><td>Remote</td><td>98</td></tr> <tr><td>Wilderness</td><td>8</td></tr> <tr><td>Total</td><td>158</td></tr> </table>	Urban	0	Urban Fringe	0	Rural	2	Backcountry drive in	0	Backcountry 4x4 drive in	2	Backcountry walk in	48	Remote	98	Wilderness	8	Total	158
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Total	158																		
<p><i>The department will manage:</i></p> <ul style="list-style-type: none"> • 1,000 huts and at year end report on the extent to which the huts meet the required service standards. 	<p>The department managed 1,007 huts at the end of the reporting period.</p> <p>The extent to which these huts complied with the service standards over the course of this period was not measured.</p>																		
<p><i>Tracks and Walkways</i></p> <ul style="list-style-type: none"> • 12,550 km of track and at year end report on the standard of the tracks (compared against service standards) and on the implications of the data for different visitor groups and recreation opportunities. 	<table border="1" data-bbox="820 1317 1417 1597"> <thead> <tr> <th>Track Type</th> <th>Length km</th> </tr> </thead> <tbody> <tr><td>Short Walk</td><td>156</td></tr> <tr><td>Short Walk (for disabled)</td><td>13</td></tr> <tr><td>Walking Track</td><td>2,127</td></tr> <tr><td>Great Walk</td><td>387</td></tr> <tr><td>BCC Track</td><td>454</td></tr> <tr><td>Tramping Track</td><td>7,752</td></tr> <tr><td>Route Track</td><td>1,760</td></tr> <tr><td>TOTAL</td><td>12,649</td></tr> </tbody> </table> <p>The department has been working with Standards New Zealand on a revised standard for tracks. These new standards will be published in late 2003 and the tracks reassessed against the new standard. Consultation during this project indicates a high degree of user acceptance of the current standards across the range of track types.</p>	Track Type	Length km	Short Walk	156	Short Walk (for disabled)	13	Walking Track	2,127	Great Walk	387	BCC Track	454	Tramping Track	7,752	Route Track	1,760	TOTAL	12,649
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	<p>The changes recommended by a peer review committee, as part of this project, are minor and will not significantly change the recreation experience (relative to the current situation) for visitors using these facilities.</p> <p>Until the revision of the track standard has been completed, implications for the different visitor groups cannot be assessed.</p> <table border="1" data-bbox="821 504 1412 750"> <thead> <tr> <th>Track Type</th> <th>% not to standard</th> </tr> </thead> <tbody> <tr> <td>Short Walk</td> <td>66%</td> </tr> <tr> <td>Short Walk (for disabled)</td> <td>55%</td> </tr> <tr> <td>Walking Track</td> <td>74%</td> </tr> <tr> <td>Great Walk</td> <td>56%</td> </tr> <tr> <td>BCC Track</td> <td>65%</td> </tr> <tr> <td>Tramping Track</td> <td>55%</td> </tr> <tr> <td>Route Track</td> <td>65%</td> </tr> </tbody> </table> <p>Analysis of the baseline inspection results indicates that approximately 62% of tracks nationally are not to standard.</p>	Track Type	% not to standard	Short Walk	66%	Short Walk (for disabled)	55%	Walking Track	74%	Great Walk	56%	BCC Track	65%	Tramping Track	55%	Route Track	65%					
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<ul style="list-style-type: none"> 14,400 visitor structures, and at year end report on the percentage of visitor structures that meet the department's minimum safety standards (load bearing capacity; and presence/absence of handrails, influenced by heights of falls). 	<p>Eighty percent of the department's visitor structures are to standard. This is summarised in the following table:</p> <table border="1" data-bbox="821 1041 1412 1176"> <thead> <tr> <th>Criteria</th> <th>No⁵</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Total number of structures managed</td> <td>12,321</td> <td>100</td> </tr> <tr> <td>Number that meet DoC standards</td> <td>9,859</td> <td>80</td> </tr> <tr> <td>Number that do not meet DoC standards</td> <td>2,462</td> <td>20</td> </tr> </tbody> </table> <table border="1" data-bbox="821 1187 1412 1377"> <tbody> <tr> <td>Number where Status or Asset Type is invalid</td> <td>209</td> <td>1</td> </tr> <tr> <td>Number where the baseline or ongoing inspection has not been completed</td> <td>336</td> <td>3</td> </tr> <tr> <td>Number that fail Load Assessment/ Fall Height criteria</td> <td>2,057</td> <td>16</td> </tr> </tbody> </table> <p>Assessment of the structures is currently incorrect. The majority of structures reported as relating to the number that do not meet the department's standards, have a number of data issues that need to be addressed before the structure can be said to meet the department standards.</p> <p>The change in the total number of structures being managed by the department is due to the target being incorrectly set at the start of the year. The actual number of structures as at the start of the year was approximately 13,500 not the 14,400 specified.</p> <p>In addition, the criteria were altered so that minor structures are now excluded from this calculation.</p>	Criteria	No ⁵	%	Total number of structures managed	12,321	100	Number that meet DoC standards	9,859	80	Number that do not meet DoC standards	2,462	20	Number where Status or Asset Type is invalid	209	1	Number where the baseline or ongoing inspection has not been completed	336	3	Number that fail Load Assessment/ Fall Height criteria	2,057	16
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5 The totals are not cumulative and therefore do not add up to the total number of structures reported. A visitor structure may not meet the standard for three possible reasons. This could result in the structure being listed three times – once against each reason. Consequently the total of the results above (representing 2,602 structures) is greater than the total number of structures reported as not to standard (2,462 structures).

<p><i>Amenity Areas, Roads, Carparks and other structures</i></p> <ul style="list-style-type: none"> • The Mount Cook, Whakapapa and Iwikau villages to specified service standards and at year end will report on the percentage of time that these standards were met. 	<p>Service standards were developed by Ruapehu Area Office.</p> <p>The performance of the department in managing Mount Cook, Whakapapa and Iwikau villages has been measured against these standards. All three villages met the requirements of these standards 100% of the time over the past year.</p>
<p><i>Visitor Centres</i></p> <ul style="list-style-type: none"> • Fourteen icon visitor centres and eight regional visitor centres. These will be managed to meet the Department's service standards. At year end a report on the number meeting service standards and issues arising from that will be made. 	<p>Delays implementing the Visitor Centre Strategy has meant that new service standards are in the process of implementation. It is expected that the 14 icon and eight regional centres will meet the required service standards in 2003/04.</p>

Output Class Operating Statement

Output Class D3 Management of Recreational Opportunities

	30/6/03	30/6/03	30/6/03	30/6/02
All units \$ 000's	Actual	Main Estimates	Supplementary	Actual
Revenue	-	-	-	-
- Crown	76,647	70,450	76,647	-
- Other	12,706	12,530	15,000	-
Total Revenue	89,353	82,980	91,647	-
Total Expenditure	93,504	82,980	91,647	-
Net Surplus	(4,151)	-	-	-

Note – changes to the output class structure last year meant that no comparative figures are available from previous years.

KEY STEP 5: ENGAGE THE COMMUNITY IN CONSERVATION
OUTPUT CLASS D4: CONSERVATION WITH THE COMMUNITY

This class of outputs covers the provision of public information, community participation, public awareness, relationship management and advocacy under the Resource Management Act 1991. It includes building partnerships with tangata whenua, managing concessions and consents and working with communities and local government to protect natural and historic resources outside of lands managed by the department.

National Priority Outcome 5.1 – Valuing Heritage and Commitment to its Conservation
 New Zealanders treasure their natural and historic heritage and are committed to its conservation.

Outcome Indicators¹

1. Increased value placed by New Zealanders on their natural and historic heritage.
2. Increased public commitment to conservation.

Response

1. The level of public commitment to conservation can be measured by tracking trends in how many people talk about conservation issues and make donations to conservation. In 2003, there was a slight increase on the number of New Zealanders who had discussed conservation issues during the year at 85% (83% in 2002), with 36% of people making a donation to conservation (34% in 2002). [Phone survey of 800 New Zealanders, margin of error +/- 3.5% at 95% level of confidence].
2. The value New Zealanders place on conservation can be measured by tracking trends in the level of agreement with the following statement: “conserving native flora and fauna is a key part of New Zealand’s identity”. In 2003, as in 2002, a majority of New Zealanders (88%) agreed with this statement with only 3% disagreeing. This survey was intended to be run annually; however, the level of trend shown over 12 months may be too insignificant so it may be better to run this survey every two years to allow any high level changes to be shown more clearly. [Phone survey of 800 New Zealanders, margin of error +/- 3.5% at 95% level of confidence].

STATEMENT OF SERVICE PERFORMANCE

Projected Performance	Performance Achieved
<p>Public Information and Education The department expects to provide:</p> <ul style="list-style-type: none"> • An up-to-date website, consistent with e-Government standards and monitored for the level of use. 	<p>Progress is continuing with websites being maintained in line with e-Government standards. Further development is occurring with regional pages and monitoring will occur once these sites are fully operational.</p>
<ul style="list-style-type: none"> • New conservation information items, which will be reported on by type (interpretation panels, newsletters, fact sheets, visitor brochures, audiovisual resources, other publications, and web only items) and by category (historic, recreation/visitors, species, corporate, local general conservation, biosecurity, marine/coastal and cultural). 	<p>There were 498 information items produced and distributed by the department.</p>
<ul style="list-style-type: none"> • New conservation education initiatives that will be reported by category (teacher resources, teacher workshops, on site information, school projects). 	<p>Sixty-three new conservation education initiatives were carried out, with good support for this work being received from education providers.</p>

<ul style="list-style-type: none"> Public events and opportunities for involvement, which will be reported on by category (national events, volunteer programmes, summer programmes, open days, celebrations and openings/launches, community events). 	<p>The department was responsible for 33 public events and/or opportunities for involvement. These events included:</p> <ul style="list-style-type: none"> Conservation Week Arbor Day Project Crimson Clean-up NZ Day Loder Cup presentation. <p>Other local events included community planting programmes and wilding pine removal.</p>
<ul style="list-style-type: none"> 11,000 workday equivalents carried out by individuals or group members on conservation volunteer projects. 	<p>The number of workday equivalents provided by volunteers has continued to exceed expectations. This year 23,167 workday equivalents were carried out.</p>
<p>National Priority Outcome 5.2 – Conservation Leadership The department is a national conservation leader as a result of effective working relationships at the international, national, conservancy and area levels.</p>	
<p>Outcome Indicators¹ 1. Increased regard for the department by stakeholders as a conservation leader. 2. Increased effectiveness in working relationships with stakeholders.</p> <p>Response 1. Associates’ stated favourability opinion of the department rose to 82% this year, up from 80% in 2002. This measure does not clearly support the outcome indicator. However, the department is reviewing this outcome and therefore the indicator for its 2004/05 Statement of Intent. Re-working the measure to better match a temporary indicator was not considered to be an effective use of resources. [Postal surveys returned by 166 national and regional associates, margin of error +/- 6% at 95% level of confidence]. 2. The effectiveness of associates’ personal relationships with the department was 72% compared with 70% in 2002, while the organisational relationships decreased to 57% from 61%. The same level of satisfaction with the amount and type of contact with the department was the same as recorded in 2002, at 75%. [Postal surveys returned by 166 national and regional associates, margin of error +/- 6% at 95% level of confidence].</p>	
<p>STATEMENT OF SERVICE PERFORMANCE</p>	
<p>Projected Performance Performance Achieved</p>	
<p>Community Relations The department expects to provide:</p> <ul style="list-style-type: none"> Active management of key relationships at each of the national conservancy and area levels. 	<p>The number of key relationships managed by the department was 438. This is attributed to staff being freed up as Conservation Awareness funding becomes available.</p>

<ul style="list-style-type: none"> • The development and maintenance of partnership arrangements with other organisations to achieve conservation goals. 	<p>Maintenance of partnership arrangements continues. Partnerships include:</p> <ul style="list-style-type: none"> • Iwi and hapu groups • Regional government • Forest and Bird Society • Ministry of Fisheries • WWF • Species and habitat management partnerships e.g. Kuaotuna kiwi sanctuary and pest control agreements.
<ul style="list-style-type: none"> • A contribution to international conservation agreements and conventions through international advocacy and co-operation participation in international forums and meeting national reporting requirements. 	<p>The department contributed to international conservation agreements and conventions by attending the following meetings:</p> <ul style="list-style-type: none"> • Convention on Biodiversity (SBSTTA-8, Canada, March) • World Heritage Committee (March and June, Paris) • Australia-New Zealand Environment Protection Heritage Council and Natural Resource Management Ministerial Council (Queensland, April) • International Whaling Commission (Berlin, June) • Antarctic Treaty Consultative meeting (Madrid, June).
<p>National Priority Outcome 5.3 – Supporting Community Conservation Initiatives Individuals, community groups and other agencies undertake their own conservation initiatives supported by the department.</p>	
<p>Outcome Indicator¹ Increased participation and involvement by individuals, community groups and agencies in leading and developing conservation initiatives.</p> <p>Response The number of people involved in a conservation project outside their employment increased to 28%, from 24% in 2002. Slightly more people were satisfied with their level of involvement, and slightly more predicted a greater level of involvement in conservation in the next year. More than twice as many people (45%) felt they had opportunities to be involved in conservation decision-making as people who didn't (21%) – similar levels to 2002. These results are useful at a high level only due to respondents' general interpretation of "conservation", and limited actual numbers of respondents working directly with the department. A more targeted tool that aggregates on-the-ground involvement in conservation projects is being considered for the future to compliment these high level trends. [Phone survey of 800 New Zealanders, margin of error +/- 3.5% at 95% level of confidence].</p>	

STATEMENT OF SERVICE PERFORMANCE	
Projected Performance	Performance Achieved
<p><i>Community Relations</i> The department expects to provide:</p> <ul style="list-style-type: none"> • Support for community conservation projects and private conservation initiatives. 	<p>The department provided support for 252 community conservation projects and private conservation initiatives.</p> <p>These included:</p> <ul style="list-style-type: none"> • Coastal protection e.g. Riversdale Dune Restoration Committee. • Protected species recovery, e.g. Takaputahi Blue Duck Programme.
<ul style="list-style-type: none"> • Events/opportunities to build community capability, provide training and/or skill development. 	<p>The department carried out or provided 139 events/opportunities designed to build community capability, provide training and/or skill development. This was lower than the original target, but still included work such as development of a community conservation training package and predator control training.</p>
<p><i>Concessions Management</i> The department expects to:</p> <ul style="list-style-type: none"> • Monitor key concessions for significant environmental and social impacts. 	<p>Key concessions were monitored with the end of year target being met. This was due to a number of block inspections and concentration of monitoring on Rainbow ski field and Farewell Spit during a period of lease/licence instability.</p>
<ul style="list-style-type: none"> • Minimise concessions activities with significant adverse impacts (not previously measured nationally, and the baseline will therefore be reported at end of year). 	<p>This work was not measured. A misunderstanding over what was required has lead to reporting not being completed.</p>
<ul style="list-style-type: none"> • Process concession applications within time and cost estimations. 	<p>Eighty-three percent of all applications received for the year were processed within time and cost estimates.</p>

National Priority Outcome 5.4 – Protection and Sustainable Management of Natural Heritage Beyond the Conservation Estate

Better protection and more sustainable management of natural heritage (terrestrial, freshwater and marine) and historic resources in environments for which the department is not directly responsible.

Outcome Indicators¹

1. Increased incorporation of departmental submissions into regional policy statements, regional plans, district plans and resource consents.
2. Increased protection of the natural character of the coastal environment through plans and consents.

Response

1. The department has been involved in 2,150 consultations regarding proposed plan provisions, proposed resource consent applications and related matters. This consultation enables the department to get a conservation message across to local authorities and to would-be developers. It also reduces the need for it to be involved in subsequent statutory processes.

The department made 49 submissions on draft plans and plan changes and variations. It made 189 submissions on notified applications for resource consent. It was involved in 44 subsequent legal actions, a number of which were joining actions to other parties' appeals rather than appeals initiated by the department. This level of legal action is indicative of a reasonable level of acceptance of the department's submissions and advice.

In giving its approval as an affected party to 1,106 resource consent applications being made without public notice, the department was able to ensure that these applications were consistent with a conservation ethic.

Several conservancies also note that establishment and maintenance of good relationships with council staff is significant in having the department's concerns incorporated into plan provisions and resource consent conditions.

2. The department provided input into a large number of coastal and district plans and resource consent applications in order to seek protection of the natural character of the coastal environment. Some key examples include:
 - significant input into Environment Court proceedings on the aquaculture provisions of the Tasman District Plan
 - resource consent applications involving marine farming at various locations around the country, in particular the Marlborough Sounds, West Coast and Banks Peninsula.

Monitoring and review of both the New Zealand Coastal Policy Statement (recommendation from independent reviewer due end of 2003) and the Ministry for the Environment's natural character indicator programme (still at proposed stage), should assist in determining whether increased protection of the natural character of the coastal environment is being achieved through plans and consents.

STATEMENT OF SERVICE PERFORMANCE	
Projected Performance	Performance Achieved
<p><i>Terrestrial, Freshwater, Marine and Historic Advocacy</i></p> <p><i>Coastal Responsibilities under RMA and other legislation</i></p> <p>The department expects to:</p> <ul style="list-style-type: none"> • Be involved in consultative processes, including informal and pre-hearing meetings. 	<p>Conservancies and areas were involved in 2,152 consultations for the year.</p>
<ul style="list-style-type: none"> • Make submissions on draft policy statements and plans. 	<p>Conservancies made 49 submissions on policy statements and plans.</p>
<ul style="list-style-type: none"> • Make submissions on applications for resource consent (i.e. section 96 of the Resource Management Act). 	<p>Conservancies made 189 submissions on notified applications for resource consents. This work is reactive and is very difficult to predict.</p> <p>Some conservancies appear to have included section 94 activity in the section 96 total, due to the recording mechanism not providing for the separate recording of section 94. There are also some submissions on coastal permits included in this total.</p>
<ul style="list-style-type: none"> • Where it is an affected party, agree to applications for resource consent being made without public notice only where natural and historic resources are not jeopardised. 	<p>Conservancies gave written agreement to 1,106 applications for resource consent to be processed without public notice. Reporting difficulties have meant that the quantitative reporting for this figure is totalled along with the notified applications which offices have been involved with.</p>
<ul style="list-style-type: none"> • Pursue court or legal actions where other processes have failed. 	<p>There were 44 court or legal actions initiated for the year. Actions include references, appeals, or joining actions wherein a reference or appeal by another party is joined.</p>

**KEY STEP 6: PROMOTE EFFECTIVE PARTNERSHIPS WITH TANGATA WHENUA
OUTPUT CLASS D4: CONSERVATION WITH THE COMMUNITY**

National Priority Outcome 6.1 – The Treaty and Conservation

The principles of the Treaty of Waitangi are reflected in the department's work. Partnerships between the department and tangata whenua achieve enhanced conservation of New Zealand's natural and historic heritage.

Outcome Indicators¹

1. Staff demonstrate an increase in awareness and in skill levels when dealing with kaupapa Māori issues and with iwi.
2. The department demonstrates progress on the recommendations identified in the 2002 Te Puni Kokiri follow-up review.

Response

1. Although relationships with tangata whenua vary from conservancy to conservancy, staff are interacting with iwi more than ever. In the East Coast/Hawkes Bay conservancy a wānanga was held whereby staff presented their projects to various kaumatua from the region. This was hugely successful. The Bay of Plenty do something similar but at an area level rather than at a conservancy level and this is very successful too. Staff continue to not only show an increase in awareness and skill levels but their approach to kaupapa Māori issues is positive and transparent.
2. Actions identified are now with the accountable general managers who are progressing them at the appropriate level. Many of the actions are ongoing and have been progressed to date.
 - The Te Pukenga Atawhai training is nearing completion and work has commenced on where the future of this programme lies.
 - The Kaupapa Atawhai Strategy is also nearing completion with the sign-off date set at December 2004.
 - The Science Officer Kaupapa Atawhai position is not filled yet and the search for this person is ongoing.

STATEMENT OF SERVICE PERFORMANCE

Projected Performance	Performance Achieved
<p><i>Treaty of Waitangi Settlement Implementation</i> The number of staff who have received Te Pukenga Atawhai training from inception to June 2002 and then for the period July 2002–June 2003.</p>	<p>The number of staff that have received Te Pukenga Atawhai training over these periods is 1621.</p>
<p>The number of staff assessed as competent to build effective relationships with tangata whenua, measured against Public Sector Training Organisation approved unit standards (to be introduced this year).</p>	<p>The number of staff originally assessed as being competent was nine. This figure is now eight as one staff member has since left the department.</p>
<p>The number of staff who are seen to be competent in their knowledge and application of tikanga, as identified by local kaumatua.</p>	<p>Although there is still no formal process for kaumatua to evaluate staff, the number identified as competent is 146.</p> <p>Staff have been observed to have been competent in knowledge and application of tikanga by kaumatua at marae, in meetings and in the interaction with tangata whenua. A variety of measures/processes are being developed at the local level.</p>

<p>National Priority Outcome 6.2 – Tangata Whenua and Conservation Tangata whenua maintain their cultural relationship with their natural and historic heritage in areas managed by the department.</p>	
<p>Outcome Indicator¹ Tangata whenua feel the department’s management of natural and historic areas enables them to maintain their cultural relationships with taonga located in those areas.</p>	
<p>Response The survey (part of the Key Step 5 phone survey) provided baseline figures in 2003 of 46% agreeing with the statement “DOC enables iwi to maintain their relationship with special places and taonga on DOC lands”, and 8% disagreeing. [Margin of error +/- 3.5%].</p>	
<p>STATEMENT OF SERVICE PERFORMANCE</p>	
<p>Projected Performance</p>	<p>Performance Achieved</p>
<p><i>Treaty of Waitangi Settlement Implementation</i> The number and types of agreements/protocols with iwi/hapu reflecting their kaitiakitanga role.</p>	<p>Formal and informal agreements/protocols exist in various forms and levels throughout the country. At present there are 10 agreements/protocols with iwi/hapu.</p> <p>Each conservancy interacts and engages with tangata whenua and each has its own agenda and outcomes. This has meant that new measures are needed and these are currently being worked on.</p>

<p>Output Class Operating Statement</p>				
<p>Output Class D4 Conservation with the Community</p>				
	30/6/03	30/6/03	30/6/03	30/6/02
All units \$ 000’s	Actual	Main Estimates	Supplementary	Actual
Revenue	-	-	-	-
- Crown	22,749	19,570	22,749	-
- Other	2,096	5,441	2,470	-
Total Revenue	24,845	25,011	25,219	-
Total Expenditure	24,976	25,011	25,219	-
Net Surplus	(131)	-	-	-
<p>Note – changes to the output class structure last year meant that no comparative figures are available from previous years.</p>				

ACTIVITIES NOT COVERED BY KEY STEPS**OUTPUT CLASS D5: POLICY ADVICE, SERVICING THE MINISTER AND STATUTORY BODIES, AND STATUTORY PLANNING**

This class of outputs covers the provision of policy advice and ministerial servicing to the Minister of Conservation. It also includes servicing statutory bodies and statutory planning under the Conservation Act 1987 and the National Parks Act 1980.

National Priority Outcome 7.5 – Policy Advice

The department provides effective policy advice and servicing to Ministers and to a range of statutory bodies for which it is responsible.

Outcome Indicators¹

1. The satisfaction of the Ministers of Conservation and Biosecurity, the New Zealand Conservation Authority, conservation boards, the Nature Heritage Fund Committee and the Ngā Whenua Rahui Komiti with the advice and services provided.
2. Ministers and members of the Authority, conservation boards, the Nature Heritage Fund and the Ngā Whenua Rahui Komiti will be invited annually to complete a questionnaire to establish their level of satisfaction with the advice and services provided.

Response

Formal and informal feedback from Ministers, the New Zealand Conservation Authority, conservation boards, the Nature Heritage Fund and the Ngā Whenua Rahui Komiti indicate a high level of satisfaction with advice and services provided.

STATEMENT OF SERVICE PERFORMANCE

Projected Performance	Performance Achieved
<p><i>Policy Advice</i></p> <ul style="list-style-type: none"> • Advice to Ministers on major policy initiatives. 	<p>The General Policy draft was deferred by Cabinet until July. This was to give Ministers more time to consider the proposed draft and assess its implications.</p>
<ul style="list-style-type: none"> • Proposals for amending legislation and regulations. 	<p>Proposals for amending legislation were as follows:</p> <ul style="list-style-type: none"> • Marine Reserves Bill • Conservation Law Reform (Powers, Offences, Penalties and Miscellaneous) Bill • Statutes Amendment Bill to amend: National Parks Act 1980, Reserves Act 1977, Trade in Endangered Species Act 1989. <p>Regulations that have been brought into force during this year were:</p> <ul style="list-style-type: none"> • Sports Fish Licences, Fees and Forms Notice 2002 • Game Licences, Fees and Forms Notice 2003. <p>Proposals for regulations during 2002/03 were:</p> <ul style="list-style-type: none"> • a draft of the Kahurangi National Park bylaws • a draft of the Maritime Facilities Regulations • a draft of model Reserves bylaws.

<p><i>Ministerial Servicing</i></p> <ul style="list-style-type: none"> • Submissions to Minister. 	<p>The department sent 354 submissions to the Minister.</p>
<ul style="list-style-type: none"> • Draft replies to ministerial correspondence. 	<p>During the reporting period 1,099 draft replies to ministerial correspondence were provided to the Minister.</p>
<ul style="list-style-type: none"> • Responses to ministerial requests for information. 	<p>The department responded to a total of 534 requests for information. Of these 274 were answers provided to Parliamentary questions and 260 were in response to requests received for briefings, background information and speech notes.</p>
<p><i>Servicing of Statutory Bodies</i></p> <ul style="list-style-type: none"> • Policy advice and administrative services for all meetings of the New Zealand Conservation Authority, conservation boards, the Nature Heritage Fund and the Ngā Whenua Rahui Komiti. 	<p>Administrative services and policy advice were provided as required.</p>
<ul style="list-style-type: none"> • Advice to the Minister in relation to appointments to these bodies. 	<p>Advice was provided to the Minister concerning appointments to conservation boards with effect from 1 September 2003.</p>
<ul style="list-style-type: none"> • A report at the end of the year on the number of meetings held and appointments made to these bodies. 	<p>There were 90 meetings, with 51 appointments being made.</p>
<p><i>Treaty of Waitangi Claims</i></p> <ul style="list-style-type: none"> • Provide advice to the Office of Treaty Settlements on the conservation related aspects of Treaty settlement negotiations. 	<p>Advice provided to the Office of Treaty Settlements on the conservation aspects of settlement negotiations with Ngāa Rauru, Te Arawa, Te Rarawa, Whanganui, Ngāti Kahu, Te Roroa, Ngāti Mutunga and Ngāti Tūwharetoa (Bay of Plenty), has been timely and of high quality. Additional advice has been provided on generic ways to improve settlements.</p>
<ul style="list-style-type: none"> • Respond to the requirements of the Office of Treaty Settlements. 	<p>The Office of Treaty Settlements has indicated satisfaction with the department's responses to its requests. This has included:</p> <ul style="list-style-type: none"> • assisting with the drafting of settlement legislation (Ngāti Ruanui and Ngāti Tama), • implementing settlements (Te Uri o Hau and Ngāti Ruanui • establishing relations with claimant groups pre-negotiations (Ngāti Whātua o Ōrakei).

	<p>Settlement negotiations have been progressed in the following areas:</p> <ul style="list-style-type: none"> • Ngaa Rauru - Deed of Settlement almost completed • Ngāti Awa - Deed of Settlement signed • Ngāti Tūwharetoa (Bay of Plenty) - Deed of Settlement signed • Ngāti Tama - properties surveyed • Ngāti Ruanui - legislation passed and Crown obligations implemented • Te Arawa - negotiations progressed • Te Rarawa - negotiations commenced • Whanganui River - negotiations commenced • Ngāti Kahu - negotiations commenced • Te Roroa - Crown Offer presented • Ngāti Whātua o Ōrakei - negotiations commenced • Ngāti Mutunga - negotiations resumed.
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Output Class Operating Statement

Output Class D5 Policy Advice, Servicing the Minister and Statutory Bodies

	30/6/03	30/6/03	30/6/03	30/6/02
All units \$ 000's	Actual	Main Estimates	Supplementary	Actual
Revenue	-	-	-	-
- Crown	5,789	3,447	5,789	-
- Other	1	105	450	-
Total Revenue	5,790	3,552	6,239	-
Total Expenditure	6,060	3,552	6,239	-
Net Surplus	(270)	-	-	-

Note - changes to the output class structure last year meant that no comparative figures are available from previous years.



Part Four
**Financial
Statements**

Statement of Accounting Policies for the Year Ended 30 June 2003

REPORTING ENTITY

The Department of Conservation is a Government department as defined by section 2 of the Public Finance Act 1989. These are the financial statements of the Department of Conservation prepared pursuant to section 35 of the Public Finance Act 1989.

In addition, the department has reported the trust monies which it administers.

MEASUREMENT SYSTEM

The general accounting systems recognised as appropriate for the measurement and reporting of results and financial position on a historical cost basis, modified by the revaluation of certain fixed assets, have been followed.

ACCOUNTING POLICIES

The following particular accounting policies which materially affect the measurement of financial results and financial position have been applied.

Budget figures

The Budget figures are those presented in the Budget Night Estimates (Main Estimates) as amended by the Supplementary Estimates and any transfer made by Order in Council under section 5 of the Public Finance Act 1989 (Supplementary Estimates).

Revenue

The department derives revenue through the provision of outputs to the Crown, for services to third parties and donations. Such revenue is recognised when earned and is reported in the financial period to which it relates.

Cost allocation

The department has determined the cost of outputs using a cost allocation system which is outlined below.

Cost allocation policy

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

Criteria for direct and indirect costs

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

Direct costs assigned to outputs

Direct costs are charged directly to outputs. Depreciation and capital charge are charged on the basis of asset utilisation. Personnel costs are charged on the basis of actual time incurred. Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each output.

For the year ended 30 June 2003, direct costs accounted for 60% of the department's costs (2002: 56%).

Basis of assigning indirect and corporate costs to outputs

Indirect costs are assigned to business units based on the proportion of direct staff hours for each output.

For the year ended 30 June 2003, indirect costs accounted for 37% of the department's costs (2002: 44%).

Receivables and advances

Receivables and advances are recorded at estimated realisable value, after providing doubtful debts.

Inventories

Inventories are valued at the lower of cost or net realisable value on a first-in-first out basis. Standard costs that include production overheads are used for valuing nursery stocks.

Leases

The department leases vehicles, office premises and office equipment. As all the risks and benefits ownership are retained by the lessor, these leases are classified as operating leases and are in the period in which the costs are incurred.

Fixed Assets

- (i) Freehold land and administrative buildings are stated at fair value as determined by an independent valuer. Fair value is determined using market-based evidence where available, or depreciated cost. Land and buildings are revalued on a five yearly cyclical basis.
- (ii) Visitor assets are stated at fair value using optimised depreciated replacement cost as valued by an independent registered valuer on an annual basis.
- (iii) When an asset is under construction the actual cost is accumulated in a work in progress account. On completion of the project, assets are recorded at standard cost and any difference between the actual cost and the standard cost is transferred to the revaluation reserve.
- (iv) The cost of developing, purchasing and upgrading software is capitalised. Where the software is an integral part of the hardware (computer cannot operate without that specific software) it is treated as part of the equipment.
- (v) Infrastructure assets are valued by an independent valuers and are stated at fair value on a five yearly cyclical basis.
- (vi) If the estimated current replacement cost of vessels is more than \$200,000 then those assets are at component level and recorded at fair value. Vessels under \$200,000 are recognised at asset level at fair value.
- (vii) Cultural assets are shown at estimated replacement cost.

All other fixed assets or groups of assets forming part of a network which are material in aggregate, costing more than \$5,000 are capitalised and recorded at historical cost. Any write-down of an item to its recoverable amount is recognised in the Statement of Financial Performance.

Subsequent movements in revaluation are transferred directly to revaluation reserve unless they offset a previous decrease in value recognised in the Statement of Financial Performance.

The amount that offsets previously recognised decreases is reflected in the Statement of Financial Performance where it exceeds the amount of the revaluation reserve for that particular class of assets.

When an asset is revalued the accumulated depreciation of that asset is restated using the latest valuation figures.

Depreciation

Depreciation of fixed assets, other than freehold land and work in progress is provided on a straight line basis so as to allocate the cost (or valuation) of assets to their estimated residual value over their useful lives.

The useful lives of assets has been estimated as follows:

Asset	Estimated useful life
Buildings	20–40 years
Furniture, computers and other office equipment	5 years
Infrastructure	
Industrial fire equipment	45 years
Landscape	44 years
Roads	10–100 years
Sewerage	64 years
Solid waste	38 years
Stream control	98 years
Water supply	60 years

Motor vehicles	6 years and 8 months
Plant and field equipment	10 years
Radio equipment	5–10 years
Software	3–5 years
Vessels	
Electronics	4 years and 2 months
Engines	10 years
Hulls	15 years
Visitor Assets	
Amenity areas	10–25 years
Signs	5–10 years
Tracks	6–25 years
Roads (surface only)	10–22.5 years
Campsites	10–20 years
Toilets	20–50 years
Structures	25–50 years
Other buildings	35–50 years

Community assets

The nation's land and historic buildings managed by the department are the nation's natural and historic heritage. As these community assets belong to the Crown, their valuation is reflected in the schedule of Non-Departmental assets. Typically this land includes the national and forest parks as well as Crown Reserve land.

Statement of cash flows

Cash means cash balances on hand, held in bank accounts and in short term deposits.

Operating activities include cash received from all income sources of the department and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise capital injections by, or repayment of capital to, the Crown.

Goods and Services Tax (GST)

The Statement of Unappropriated Expenditure and the Statement of Departmental Expenditure and Appropriations are inclusive of GST. The Statement of Financial Position is GST exclusive except for payables, provisions and receivables. All other statements are GST exclusive.

The net amount of GST payable to the Inland Revenue Department at balance date, being the difference between Output GST and Input GST, is shown as a current asset or current liability as appropriate in the Statement of Financial Position.

Taxation

Government departments are exempt from the payment of income tax in terms of the Income Tax Act 1994. Accordingly, no charge for income tax has been provided for.

Donation receipts

The department receives unsolicited donations, gifts and grants from individuals, groups and companies. The treatment of these receipts is dependent on their nature:

- (i) donations which are received without a specific purpose are recognised as revenue in the period of receipt.
- (ii) donations received for specific purposes where a written agreement specifies the purpose for the funds must be used are matched against related expenditure when it has been incurred. Where the expenditure has not been incurred the unspent balance is treated as revenue in advance.
- (iii) donations received for specified purposes under section 33 of the Conservation Act 1987, section 18 of the Walkways Act 1990 or section 78 (3) of the Reserves Act 1977 are held in trust accounts established by section 67 of the Public Finance Act 1989. If the department incurs expenditure in relation to achieving these specific purposes, the funds are transferred to the department as revenue when the expenditure is incurred.

Taxpayers' Funds

This is the Crown's net investment in the department.

Employee entitlements

Provision is made in respect of the department's liability for annual, long service and retirement leave and time off in lieu. Annual leave and time off in lieu are recognised as they accrue to the employee, while retirement and long service leave is calculated on an actuarial basis based on the present value of expected future entitlements.

Financial instruments

The department is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, accounts payable and receivables, and short-term deposits.

All revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

All financial instruments are recognised in the Statement of Financial Position at their estimated fair value.

Commitments

Future expenses and liabilities to be incurred on contracts that have been entered into at balance date are disclosed as commitments at the point a contractual obligation exists, to the extent that they are equally unperformed obligations.

Contingent liabilities

Contingent liabilities are disclosed at the point at which the contingency is evident.

Comparatives

Certain comparative information has been reclassified in order to conform with the current year's presentation.

CHANGES IN ACCOUNTING POLICIES

Last financial year, when assets were revalued, the gross carrying value was restated at full replacement cost and accumulated depreciation was restated based on the new replacement cost and the expired life of the asset. Any movement in the gross carrying value is recognised against the revaluation reserve and the movement in accumulated depreciation was recognised as a depreciation expense in the year of revaluation.

From this financial year, any movement in accumulated depreciation due to revaluation is restated in the revaluation reserve. The estimated impact of this change for 2002/03 is an decrease in expenditure of \$3,239,000 (2002:nil)

There have been no other changes in accounting policies since the date of the last audited financial statements.

All policies, other than those noted above, have been applied on a basis consistent with other years.

STATEMENT OF FINANCIAL PERFORMANCE for the Year Ended 30 June 2003

	Note	30/06/03 Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/02 Actual \$000
Revenue					
Crown	2	206,354	195,179	205,463	156,106
Other	3	19,026	21,520	21,520	18,211
Total Revenue		225,380	216,699	226,983	174,317
Expenses					
Personnel	4	90,604	79,950	73,874	83,330
Operating	5	86,274	93,307	98,402	78,985
Depreciation	6	26,272	29,470	29,470	6,236
Capital charge	7	25,844	13,972	25,237	5,722
Loss on sale of fixed assets		110	-	-	141
Total Expenses		229,104	216,699	226,983	174,414
Net surplus/(deficit) for the year		(3,724)	-	-	(97)

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

STATEMENT OF MOVEMENTS IN TAXPAYERS' FUNDS for the Year Ended 30 June 2003

Note	30/06/03 Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/02 Actual \$000
Total taxpayers' funds at beginning of year	304,052	170,681	304,052	63,520
Adjustment for adoption of FRS-15	–	–	–	(849)
Adjusted opening taxpayers' funds	304,052	170,681	304,052	62,671
Net surplus/(deficit)	(3,724)	–	–	(97)
Increase in revaluation reserve	58,973	–	–	1,841
Total recognised revenues and expenses for the year	55,249	–	–	1,744
Capital contributions 8	7,154	7,154	7,154	4,087
Recognition of visitor assets	–	–	–	223,384
Recognition of other unrecorded assets	–	–	–	12,217
Asset transfers	(1,156)	–	–	(51)
Total taxpayers' funds at end of year	365,299	177,835	311,206	304,052

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

STATEMENT OF FINANCIAL POSITION as at 30 June 2003

	Note	30/06/03 Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/02 Actual \$000
Current assets					
Cash and bank balances	9	24,047	5,541	21,382	22,830
Prepayments		278	151	583	583
Inventories	10	929	1,037	730	1,107
GST receivable		-	1,581	937	937
Receivables	11	3,853	4,687	3,753	1,884
Debtor Crown	23	19,352	-	19,353	-
Total current assets		48,459	12,997	46,738	27,341
Non-current assets					
Fixed assets					
Visitors Assets	12	269,852	103,074	227,486	234,295
Other Fixed Assets	13	80,792	92,901	73,093	75,113
Total non current assets		350,644	195,975	300,579	309,408
Total assets		399,103	208,972	347,317	336,749
Current liabilities					
Creditors and payables	14	16,537	14,144	19,117	15,617
GST payable		785	1,729	-	-
Provision for employee entitlements	15	7,497	7,160	7,047	7,047
Other Provisions	16	476	-	421	944
Revenue in advance		487	818	940	940
Loan	17	16	-	-	-
Total current liabilities		25,798	23,851	27,525	24,548
Non current liabilities					
Provision for employee entitlements	18	8,006	7,254	8,554	8,117
Loan	17	-	32	32	32
Total non current liabilities		8,006	7,286	8,586	8,149
Total liabilities		33,804	31,137	36,111	32,697
Taxpayers' funds					
General funds		288,817	159,449	294,190	286,543
Revaluation reserve	19	76,482	18,386	17,016	17,509
Total taxpayers' funds		365,299	177,835	311,206	304,052
Total liabilities and taxpayers' funds		399,103	208,972	347,317	336,749

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

STATEMENT OF CASHFLOWS for the Year Ended 30 June 2003

	30/06/03 Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/02 Actual \$000
Cash flows – Operating activities				
Cash was provided from:				
Supply of outputs to				
– Crown	185,999	195,179	190,452	156,106
– Customers	18,081	21,520	21,520	20,131
	204,080	216,699	211,972	176,237
Cash disbursed to:				
Produce outputs				
– personnel	90,265	79,035	73,874	84,450
– operating	86,299	94,032	98,212	78,222
– net GST (received)/paid	–	–	–	759
– capital charge	25,844	13,972	25,237	5,722
	202,408	187,039	197,323	169,153
Net cash inflow from operating activities	1,672	29,660	14,649	7,084
Cash flows – Investing activities				
Cash provided from:				
Sale of fixed assets	6,647	–	–	976
Cash disbursed to:				
Purchase of fixed assets	14,240	42,081	23,251	10,814
Net cash outflow from investing activities	(7,593)	(42,081)	(23,251)	(9,838)
Cash flows – Financing activities				
Cash provided from:				
Capital contributions	7,154	7,154	7,154	4,087
Cash disbursed to:				
Repayment of surplus to Crown	–	–	–	3,422
Repayment of loan	16	–	–	17
	16	–	–	3,439
Net cash inflow / (outflow) from financing activities	7,138	7,154	7,154	648
Net increase/(decrease) in cash held	1,217	(5,267)	(1,448)	(2,106)
Add opening cash balance	22,830	10,808	22,830	24,936
Closing cash and deposits	24,047	5,541	21,382	22,830

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

RECONCILIATION OF NET SURPLUS AND NET CASHFLOWS FROM OPERATING ACTIVITIES
 for the Year Ended 30 June 2003

	30/06/03 Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/02 Actual \$000
Net surplus/(deficit)	(3,724)	-	-	(97)
Add/(less) non-cash items:				
Depreciation	26,272	29,470	29,470	6,236
Bad debts and provision for doubtful debts	64	-	-	38
Provision for employee entitlements	29	190	437	(49)
Other provisions	(468)	-	-	95
Total non-cash items	25,897	29,660	29,907	6,320
Movements in working Capital				
Inventories decrease/(increase)	179	-	377	(171)
Receivables and advances (increase)/decrease	(2,116)	(1,869)	(1,869)	1,920
Crown Debtor (increase)/decrease	(19,353)	-	(19,353)	-
GST receivable (increase)/decrease	1,714	-	-	(449)
Prepayment (increase)/decrease	144	-	-	37
Payables and provisions increase/(decrease)	(1,402)	-	3,500	(1,251)
Other liabilities increase/(decrease)	223	1,869	2,087	634
Net movement in working capital	(20,611)	-	(15,258)	720
Add/(less) investing activity items				
Net loss on sale of fixed assets	110	-	-	141
Total investing activities	110	-	-	141
Net cash inflow/(outflow) from operating activities	1,672	29,660	14,649	7,084

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

STATEMENT OF COMMITMENTS as at 30 June 2003

	30/06/03 Actual \$000	30/06/02 Actual \$000
Capital commitments		
Land and buildings	–	239
Infrastructural assets	126	33
Other plant and equipment	210	–
Total capital commitments	336	272
Operating commitments:		
Non-cancellable accommodation leases		
less than one year	4,079	4,167
one to two years	3,573	3,607
two to five years	7,010	7,426
later than five years	1,634	1,481
Other non-cancellable leases		
less than one year	2,286	102
one to two years	1,517	78
two to five years	567	92
later than five years	290	5
Other commitments		
less than one year	466	2,624
one to two years	168	1,717
two to five years	71	1,167
less than five years	–	4
Total operating commitments	21,661	22,470
Total commitments	21,997	22,742

In addition to the above, the department has on going science contracts with universities, research institutions and individuals. These contracts are cancellable and extend up to 5 years. The sum involved for science contracts as at 30 June 2003 is \$4.4 million (2002: \$3.0m).

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

STATEMENT OF CONTINGENT LIABILITIES as at 30 June 2003

	30/06/03 Actual \$000	30/06/02 Actual \$000
Public liability claims	27,220	13,247
Designations	-	-
Total contingent liabilities	27,220	13,247

These relate to claims against the department and are disclosed without prejudice. The department's contingent liabilities are broken down as follows:

- 17 Court and Tribunal proceedings. The combined contingent liability of the claims is approximately \$7.5m. Four claims account for almost all of that total.

One Court decision (approximately \$375,000) has been appealed to the Court of Appeal by the Crown. That decision is reserved. It is not clear what the likelihood is of a favourable outcome. Another claim involves a contingent liability of approximately \$612,000, but the department does not consider the plaintiff has a good claim. The plaintiff has not progressed the claim and, on legal advice, the department is not taking steps to reactivate the proceedings. It is not possible to say whether any reimbursement to the department will eventuate.

The third claim (\$2.3m) involves a land exchange dispute. The plaintiff has not progressed this claim and on legal advice, the department does not propose to reactivate proceedings. It is not possible to say whether any reimbursement to the department will eventuate.

The fourth claim (\$3.5m) involves a dispute over access to berthage facilities.

- 38 potential claims, 23 of which are not quantifiable at present. The combined contingent liability for the quantifiable potential claims is approximately \$19.8m. One potential set of claims has a maximum exposure of \$8m. It involves the handling of certain licence applications.

Another contingent liability (estimated \$10m) relates to the risk of lahar damage at Mount Ruapehu. It therefore makes up over half of the contingent liability for potential claims. With regard to potential claims it is not possible to say what the possibility of reimbursement is because the circumstances are too remote. There may be other unquantifiable claims or contingent liabilities not recognised at this stage by the department.

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

STATEMENT OF DEPARTMENTAL EXPENDITURE AND APPROPRIATIONS
for the Year Ended 30 June 2003

(GST inclusive where applicable)	30/06/03 Expenditure Actual \$000	30/06/03 Final Appropriation expenditure \$000	30/06/03 Under/Over Transfer \$000	30/06/02 Expenditure Actual \$000
OUTPUT CLASSES				
Vote: Biosecurity				
D7 Policy advice	277	339	62	231
D8 Crown pest/weeds exacerbator costs	2,121	2,125	4	2,280
D9 Indigenous forest biosecurity protection	39	47	8	38
D10 Specific pest and disease response	226	227	1	1,016
Sub-total Biosecurity	2,663	2,738	75	3,565
Vote: Conservation				
D1 Management Natural Heritage	110,215	109,184	(1,031)	101,788
D2 Management Historic Heritage	4,858	4,940	82	4,787
D3 Management Recreational Opportunity	104,673	103,103	(1,570)	55,140
D4 Conservation and Community	28,082	28,371	289	25,014
D5 Policy advice and Service	6,784	7,019	235	5,909
Sub -Total Conservation	254,612	252,617	(1,995)	192,638
Total Output Appropriations	257,275	255,355	(1,920)	196,203
Capital contributions to the department				
Capital investment	7,154	7,154	-	239,688

There were 9 output classes in 2001/02. These are reorganised into 5 output classes for 2002/03 to better reflect the business of the department. For comparison purpose, the 2001/02 figures have been restated into the 5 output classes.

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

STATEMENT OF UNAPPROPRIATED EXPENDITURE for the Year Ended 30 June 2003

(GST inclusive where applicable)	30/06/03 Expenditure Actual \$000	30/06/03 Supp. Estimates \$000	30/06/03 Unappropriated expenditure \$000	30/06/02 Unappropriated Actual \$000
Vote: Conservation				
Department Output Classes				
D1 Management Natural Heritage	110,215	109,184	(1,031)	-
D3 Management Recreational Opportunity	104,673	103,103	(1,570)	-
Sub -total output classes	214,888	212,287	(2,601)	(2,551)

Departmental Output classes:

D1 includes the costs of the Land Tenure review programme.

This programme received additional funding of \$1.004 million which was not incorporated in the Supplementary Estimates.

Subsequently, expenditure incurred with respect to the programme exceeded the appropriation by \$1.031 million.

D3 includes the ownership costs of visitor assets, a sizeable portion of which is depreciation. In Budget 2002, Cabinet agreed to appropriations based on the "optimised" asset base. Audit New Zealand qualified the department's 2002 Annual Report for this accounting treatment. In order to avoid an qualification in 2003, the department, Treasury and Audit NZ have agreed to reversing this accounting treatment, resulting in additional depreciation of \$1.901 million (GST exclusive).

The impact of the additional depreciation expense resulted in unappropriated expenditure of \$1.570 million for output class D3.

A breakdown of the comparatives is unavailable due to changes in the output class structure.

The unappropriated expenditure has been approved by the Minister of Finance in terms of section 12 of the Public Finance Act 1989.

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

STATEMENT OF TRUST MONIES for the Year Ended 30 June 2003

	As at 01/07/02 \$000	Contributions \$000	Distributions \$000	Revenue \$000	As at 30/06/03 \$000
Conservation Project Trust	646	1,158	741	28	1,091
Reserve Trust	2,445	-	1,833	84	696
NZ Walkway Trust	6	-	-	-	6
National Park Trust	55	96	82	2	71
Bonds/Deposits Trusts	902	96	94	27	931
Total	4,054	1,350	2,750	141	2,795

The department has delegated authority to operate these trust accounts under sections 66 and 67 of the Public Finance Act 1989.

There are three sources of receipts:

- (i) Donations, grants and gifts received for specific purposes under section 33 of the Conservation Act 1987, section 18 of the Walkways Act 1990 or section 78 (3) of the Reserves Act 1977, and specific trust money under the National Parks Act 1980.
- (ii) Bonds and deposits from operators working on the Conservation Estate including those contracted by the department. These are repaid when the operators have been cleared of all obligations.
- (iii) Monies received from the sales of reserves are deposited to the Reserves Trust. The funds are applied for the purpose set out under section 82 of the Reserves Act 1977.

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003

Note 1: Major Budget Variations

Statement of Financial Performance

- (i) **Revenue other:** Revenue was lower than expectations due mainly to lower prices for exotic trees the lower number of trees being harvested.
- (ii) **Personnel expenses:** Increase in personnel expenses over budget is due to the budget not being adjusted to reflect current personnel costs.
- (iii) **Operating expenses:** The decrease in operating expenses from budget is in part the contra of personnel (as noted above) and in part for work that was funded but yet to be completed by year end.

Statement of Financial Position

The increase in visitor assets compared to budget is mainly due to the inclusion of formation costs (roads, tracks and carparks) and the reversal of optimisation adjustments (refer to note 12).

Note 2: Crown Revenue

This is revenue earned for the supply of outputs to the Crown.

Note 3: Other revenue

	30/06/03 Actual \$000	30/06/02 Actual \$000
Recreational charges	7,698	7,171
Leases and rents	346	524
Retail sales	3,297	3,053
Resource sales	744	1,888
Donations – sponsorships	2,436	1,451
Other	4,505	4,124
Total other revenue	19,026	18,211

There have been no significant changes to existing user charges during the year.

Note 4: Personnel expenses

	30/06/03 Actual \$000	30/06/02 Actual \$000
Salaries and wages	86,305	79,955
Long service and retiring leave	547	(240)
Superannuation subsidies	915	941
Recruitment	566	591
Uniforms	532	453
ACC levies	657	608
Other	1,082	1,022
Total personnel expenses	90,604	83,330

Note 5. Operating expenses

	30/06/03 Actual \$000	30/06/02 Actual \$000
Professional fees and contractors	29,652	27,082
Audit fees to the auditors for audit of the financial statements	190	135
Fees to auditors for other services provided	–	40
Grants	765	1,008
Bad debts write-off	51	9
Assets write off	2,296	(4)
Movement in provision for doubtful debts	13	29
Communications and computer expenses	8,317	7,622
Travel	5,160	4,376
Motor vehicle and boat expenses	3,195	2,976
Accommodation	2,738	2,569
Office supplies	5,382	4,886
Field supplies	12,366	12,489
Lease expense	9,927	9,109
Printing	1,367	1,841
Other	4,855	4,818
Total operating expenses	86,274	78,985

Of the total \$29.7 million shown as Professional fees and contractors, \$20.5 million relates to contract staff on various research and technical projects.

Last year when visitor assets were brought into our books, some of the assets were recorded twice in the visitor assets management system. These errors have been corrected resulting in an asset write off of \$2.289 million.

Note 6: Depreciation

	30/06/03 Actual \$000	30/06/02 Actual \$000
Administrative buildings	1,204	1,240
Visitor assets	19,218	413
Infrastructure	953	5
Plant, field and radio equipment	1,259	670
Furniture, computers, other office equipment and software	2,045	2,288
Motor vehicles	1,354	1,443
Vessels	239	177
Total depreciation	26,272	6,236

Note 7: Capital charge

The department pays a capital charge to the Crown twice yearly on the opening balance of taxpayers' funds including revaluation reserve.

The capital charge rate for the year ended 30 June 2003 was 8.5 % (2002: 9%).

Note 8: Capital contribution

	30/06/03 Actual \$000	30/06/02 Actual \$000
Visitor Assets	6,530	2,530
Terrestrial and freshwater biodiversity information system	624	1,557
Total capital contribution	7,154	4,087

Note 9. Cash and bank balances

	30/06/03 Actual \$000	30/06/02 Actual \$000
Cash at bank	23,971	22,755
Petty cash floats	76	75
Total cash and bank balances	24,047	22,830

The department's bankers are Westpac under an arrangement between Westpac and the Crown.

Note 10: Inventories

	30/06/03 Actual \$000	30/06/02 Actual \$000
Retail	478	632
Nursery	90	87
Fire control supplies	11	19
Wild animal control supplies	350	369
Total inventories	929	1,107

Note 11: Receivables

	30/06/03 Actual \$000	30/06/02 Actual \$000
Accounts receivable	1,291	1,414
Less: provision for doubtful debts	(147)	(146)
Net accounts receivable	1,144	1,268
Other receivables	2,709	616
Total receivables	3,853	1,884

Note 12: Visitor Assets

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Visitor assets at valuation	525,325	536,585
Adjustment for optimisation	–	(83,423)
Visitor assets replacement cost at valuation at year end	525,325	453,162
Accumulated depreciation	258,096	277,602
Less: Adjustment for optimisation	–	(56,634)
Visitor assets accumulated depreciation at year end	258,096	220,968
Items under construction – visitor assets	2,623	2,101
Total carrying amount of visitor assets	269,852	234,295

Cabinet approved funding adequate to provide the existing mix of recreation opportunities more effectively. This means some assets will be either removed or the service level standard will be reduced, or a combination of both. Stakeholders are being consulted on what recreation facilities are retained and the process of optimisation could take several years.

Based on this, the department created an adjustment for optimisation in the previous financial year. In response to last year's audit qualification, the department removed the adjustment for optimisation as at 1 July 2002. The depreciation for the year is charged on the total visitor assets including the optimised assets.

Visitor assets have been valued at fair value as at 30 June 2003 by Valuersnet.nz Limited an independent registered valuer.

Note 13: Other Fixed assets

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Freehold land		
At valuation	6,081	4,005
Land – net current value	6,081	4,005
Administrative buildings		
At valuation	79,693	38,101
Accumulated depreciation	(42,676)	(3,893)
Buildings – net current value	37,017	34,208
Other assets		
Plant, field and radio equipment		
At cost	14,570	12,587
Accumulated depreciation	(7,516)	(7,002)
Plant, field and radio equipment – net book value	7,054	5,585

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Furniture, computers, other office equipment and software		
At cost	14,648	13,043
Accumulated depreciation	(9,008)	(7,249)
Furniture, computers, other office equipment and software – net book value	5,640	5,794
Motor vehicles		
At cost	15,861	15,189
Accumulated depreciation	(6,485)	(5,993)
Vehicles – net book value	9,376	9,196
Vessels		
At cost	7,445	7,547
Accumulated depreciation	(5,798)	(6,123)
Vessels – net book value	1,647	1,424
Cultural Assets		
At cost	30	–
Accumulated depreciation	–	–
Cultural assets – net book value	30	–
Infrastructural assets		
At valuation	22,742	28,080
Accumulated depreciation	(11,998)	(16,054)
Infrastructure assets – net book value	10,744	12,026
Items under construction		
Buildings	466	45
Plant, Field and Radio Equipment	2,430	1,415
Furniture, computers, other office equipment and software	261	1,332
Motor Vehicles	36	83
Vessels	10	–
Items under Construction – net book value	3,203	2,875
Total other fixed assets		
At cost and valuation	164,273	121,427
Accumulated depreciation	(83,481)	(46,314)
Total carrying amount of other fixed assets	80,792	75,113

Freehold land and Administration buildings have been valued at fair value as at 30 April 2003 by Valuersnet.nz Limited (registered independent valuers).

Mt Cook Infrastructural Assets were valued by K D Smith of Crighton Seed and Associates (registered independent valuers) as at October 2002 and this valuation was incorporated into the financial statements as at 30 June 2002. Infrastructural assets at Whakapapa have been valued as at 31 July 2003 and the valuation has been included in the financial statements for the period ended 30 June 2003. These assets were valued by Becca Valuations Ltd (registered independent valuers).

Other Infrastructural assets and Marine Vessels were valued by Valuersnet.nz Limited (independent valuers) as at 30 June 2003.

Note 14: Creditors and Payables

	30/06/03 Actual \$000	30/06/02 Actual \$000
Trade creditors	10,467	10,375
Other	6,070	5,242
Total creditors and payables	16,537	15,617

Note 15: Employee entitlements (current)

	30/06/03 Actual \$000	30/06/02 Actual \$000
Accrued salaries and wages	2,034	1,681
Current portion of retiring & long service leave (as per note 18)	548	519
Accrued annual leave and time off in lieu	4,915	4,847
Total employee entitlements (current)	7,497	7,047

Note 16: Provisions

	Environmental	Restructuring	Legal	Total \$000	30/06/02 Actual
Opening balance	415	95	434	944	849
Provisions made during the year	25	(95)	(398)	(468)	95
Closing Balance	440	-	36	476	944

The environmental provision is the estimated cost of rectifying the environmental damage in a number affected/contaminated sites in which the department has an obligation to remedy:

- (i) The department is responsible to restore an area of land after logging operations. The cost of completing this restoration over a 20 year period is estimated at \$45,000.
- (ii) There are currently two rubbish dump sites that have been contaminated by domestic waste. The cost for the environmental clean up of these two dump sites is estimated at \$350,000.
- (iii) Restoration work is required on land where mining operations have occurred where significant bulldozing and heavy machinery were used. The department is expected to incur costs in restoring the surrounding area that are greater than the values allowed for in the mining bond with the outgoing licence owner. The cost of the restoration is at \$20,000.
- (iv) The water supply intake in Pureora floods and silts up during heavy rain. The cost of clearing the silt manually is estimated at \$25,000.
- (v) Payments have been made against the restructuring and legal provisions.

There are various other affected /contaminated sites for which the department has not provided due to the nature of the issues, their uncertainty of the outcome, and/or the extend to which the department has a responsibility to a claimant. There may also be other affected/contaminated sites of which the department is unaware.

Note 17: Loan

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Opening balance as at 1 July	32	49
Less: Repayments	16	17
Less: current portion of loan	16	–
Total loan as at 30 June	–	32

The above loan is from the Energy Efficiency and Conservation Authority for the purpose of reducing energy expenditure at Great Barrier Island. It is given for installation and use of equipment at stations on Great Barrier Island. This loan is interest free and is repayable over 20 quarterly instalments commencing from 15 August 1999.

Note 18: Employee entitlements (non current)

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Retiring leave	7,745	7,833
Long service leave	809	803
	8,554	8,636
Less: Current portion of retiring and long service leave	548	519
Total employee entitlements (non current)	8,006	8,117

Note 19: Revaluation reserve

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Freehold land		
Balance brought forward	2,843	2,424
Unrealised gains	2,087	437
Revaluation (loss) realised on disposal	–	(18)
Closing balance	4,930	2,843
Administrative buildings		
Balance brought forward	14,642	14,142
Unrealised gains/(losses)	3,526	1,457
Revaluation gain/(loss) realised on disposal	(404)	(1,167)
Reclassification	–	210
Closing balance	17,764	14,642
Visitor assets		
Balance brought forward	–	2,782
Unrealised gains/(losses)	51,335	(2,572)
Revaluation gain realised on disposal	258	–
Reclassification	–	(210)
Closing balance	51,593	–

Boats		
Balance brought forward	-	-
Unrealised gains/(losses)	82	-
Closing balance	82	-
Office Equipment		
Balance brought forward	-	-
Unrealised gains/(losses)	321	-
Closing balance	321	-
Infrastructure		
Balance brought forward	-	-
Unrealised gains/(losses)	1,199	-
Closing balance	1,199	-
Radio equipment		
Balance brought forward	-	-
Unrealised gains/(losses)	566	-
Closing balance	566	-
Field equipment		
Balance brought forward	24	-
Unrealised gains/(losses)	3	24
Closing balance	27	24
Total revaluation reserve	76,482	17,509

Increase in unrealised gain/(loss) for the year is:

	30/06/03 Actual \$000	30/06/02 Actual \$000
Land	2,087	437
Buildings	3,526	1,457
Visitor assets	51,335	(2,572)
Boats	82	
Office equipment	321	
Infrastructure	1,199	
Radio equipment	566	
Field equipment	3	24
Total increase in unrealised gain/(loss)	59,119	(654)

Gains and losses on revaluation realised reflect the amount transferred from the revaluation reserve to taxpayers' funds upon sale or disposal of an asset.

Note 20: Financial instruments

The department is party to financial instrument arrangements as part of its everyday operations. These include instruments such as bank balances, accounts receivable and short term deposits.

Credit risk

In the normal course of its business, the department incurs credit risk from trade debtors, transactions with Westpac Trust and the New Zealand Debt Management Office (NZDMO).

The department does not require any collateral or security to support financial instruments with financial institutions that the department deals with, or with NZDMO, as these entities have high credit ratings. For its other financial instruments, the department does not have significant concentrations of risk.

Fair value

The fair value of the department's financial assets and liabilities is equivalent to the net carrying shown on the Statement of Financial Position.

Currency and interest rate risk

The department has no exposure to currency or interest rate risk.

Note 21: Related party information

The department is a wholly owned entity of the Crown. The Government significantly influences the of the department as well as being its major source of revenue.

The department enters into numerous transactions with other government departments, Crown agencies and state-owned enterprises on an arm's length basis. These transactions are not considered to be related party transactions.

Apart from those transactions described above, the department has not entered into any related transactions.

Note 22: Visitor assets

Track forms 25% of the visitor assets. The base formation costs of tracks (\$73 million replacement cost as at 30 June 2002) have been included in the financial statements.

Base formation costs for amenity areas and campsites are currently excluded from our financial statements. These vary over different terrain and conditions (flat and hard, flat and swampy, moderate slopes and rocky, moderate slopes and clay etc.). Work is being undertaken to establish the base formation costs for these assets with a view to including them in the financial statements.

Note 23: Visitor Assets Crown Debtor

(A) Although Cabinet agreed to fund the department adequately for visitors assets operating expenditure, the cash flow of the department would not match initially the revenue flow. As a result, the department will be recognising the Crown as a debtor.

(B) When assets are revalued, any movement in accumulated depreciation is not funded by the Crown. These unfunded depreciation balances are captured in the revaluation reserve.

The unfunded depreciation for this financial year is \$3,239,000.

Note 24: Post balance date events

No significant events which may impact on the actual results, have occurred between year-end and the signing of these financial statements.

STATEMENTS AND SCHEDULES: NON DEPARTMENTAL

	30/06/03 Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp Estimates \$000	30/06/02 Actual \$000
Revenue	107,819	7,938	7,938	10,335
Expenses	22,767	19,143	35,003	7,079
Assets	1,791,476	1,902,198	1,902,198	1,899,851
Liabilities	3,644	3,464	3,464	4,014

The following non-departmental statements and schedules record the revenue, expenses, assets and liabilities the department manages on behalf of the Crown.

The department administered \$22.77 million (2002: \$7.08 million) of non-departmental payments, 107.82 million (2002:\$10.34 million) of non-departmental revenue and receipts, 1,791.48million (2002:\$1,899.85 million) of assets and \$3.64 million (2002:\$4.01 million) of liabilities.

STATEMENT OF ACCOUNTING POLICIES**Measurement system**

Measurement and recognition rules applied in the preparation of these non departmental financial statements and schedules are consistent with generally accepted accounting practice and Crown accounting policies.

These non-departmental balances are consolidated into the Crown Financial Statements and therefore readers of these statements and schedules should also refer to the Crown Financial Statements for 2002/03.

Accounting Policies

The following particular accounting policies, which materially affect the measurement of financial results and financial position, have been applied.

Budget figures

The Budget figures are those presented in the Budget Night Estimates (Main Estimates) and those amended by the Supplementary Estimates and any transfer made by Order in Council under Section 5 of the Public Finance Act 1989.

Revenue

The department collects revenue on behalf of the Crown. This is mainly from concession fees, rent/leases and licences from commercial users of Crown-owned land.

Goods and Services Tax (GST)

The schedules of non-departmental revenue and expenses and the Statement of Expenditure and Appropriations are inclusive of GST (where applicable). The Schedules of Assets and Liabilities are exclusive of GST, except for receivables and payables and provision which are GST inclusive.

Debtors and Receivables

Receivables are recorded at estimated realisable value after providing, where necessary for doubtful and uncollectible debts.

Fixed Assets

The rateable value of land was supplied by Quotable Value. These values were reviewed by Valuersnet.nz Limited (registered independent valuers) as at 30 June 2002 to ensure that these values comply with FRS-3.

Land is revalued on a three yearly cyclical basis.

Historical buildings used for rental activities were valued by Valuersnet.nz Limited (registered independent valuers) as at 30 June 2003. These buildings were valued at market value based on the highest and best use. Historical buildings are revalued on a five yearly cyclical basis.

Infrastructural assets were valued by Valuersnet.nz Limited (registered independent valuers) as at 30 June 2003. These assets are stated at fair value using optimised replacement cost. Infrastructural assets are revalued on a five yearly cyclical basis.

Cultural assets over \$100,000 were valued by Valuersnet.nz Limited (registered independent valuers) as at 30 June 2003 at fair value. These assets are valued on a five yearly cyclical basis.

Commitments

Future expenses and liabilities to be incurred on contracts that have been entered into at balance date are disclosed as commitments (at the point a contractual obligation arises) to the extent that there are equally unperformed obligations.

Contingent Liabilities

Contingent Liabilities are disclosed at the point at which the contingency is evident.

**SCHEDULE OF NON-DEPARTMENTAL REVENUE
for the year ended 30 June 2003**

Non-Departmental Revenues are administered by the Department of Conservation on behalf of the Crown.

As these revenues are not established by the department nor earned in the production of the department's outputs, they are not reported in the departmental financial statements. Figures are GST inclusive where applicable.

		30/06/03 Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/02 Actual \$000
Revenue Type	Note				
Concessions, leases and licences	1	8,960	5,900	5,900	8,387
Other operational revenue		2,024	2,018	2,018	1,781
Recognition of assets	2, 6	96,775	-	-	-
Total non-departmental revenue		107,759	7,918	7,918	10,168
Capital receipts					
Reserve board loans – repayment of principal		60	20	20	167
		60	20	20	167
Total capital receipts					
Total non-departmental revenue and receipts		107,819	7,938	7,938	10,335

**SCHEDULE OF NON-DEPARTMENTAL EXPENSES
for the year ended 30 June 2003**

The Schedule of Expenses summarises non-departmental expenses that the department administers on behalf of the Crown. Further details are provided in the Statement of Expenditure and Appropriations on page 102.

	30/06/03 Expenditure \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/02 Expenditure Actual \$000
Vote: Conservation				
Non-departmental output classes	18,888	16,358	28,327	5,333
Other expenses incurred by the Crown	3,200	2,269	6,160	863
Depreciation – buildings	710	376	376	670
Rental and leasing costs	167	140	140	213
(Gain) / loss on sale of fixed assets	(198)	-	-	-
Total non-departmental expenses	22,767	19,143	35,003	7,079

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

**SCHEDULE OF NON-DEPARTMENTAL EXPENSES AND APPROPRIATION
for the year ended 30 June 2003**

The Statement of Expenditure and Appropriations details expenditure and capital payments incurred against appropriations. The department administers these appropriations on behalf of the Crown. Figures are GST inclusive where applicable.

(GST inclusive)	30/06/03 Expenditure Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/03 Under/(Over) Expenditure \$000	30/06/02 Expenditure Actual \$000
Vote: Conservation					
Appropriation for non-departmental output classes					
O1 Identification and implementation of protection for natural and historic resources	17,181	15,797	23,964	6,783	4,889
O2 Management services for natural and historic places	1,261	536	1,487	226	444
O3 Moutoa Gardens	25	25	25	-	-
O4 NZ Biodiversity Advice and Condition Funds	421	-	2,851	2,430	-
Sub-total output classes	18,888	16,358	28,327	9,439	5,333
Appropriation for other expenses to be incurred by the Crown					
Esplanade reserve compensation	-	30	30	30	10
Lake Taupo access fee	782	860	860	78	779
Matauranga Maori Fund	215	665	665	450	20
Subscriptions to international organisations	253	290	290	37	238
To Reserves Trust	1,689	800	4,691	3,002	560
Waikaremoana lakebed lease	139	140	140	1	139
Sub-total other expenses	3,078	2,785	6,676	3,598	1,746
Other expenses incurred on behalf of the Crown	801	-	-	(801)	
Total non-departmental expenditure and appropriations	22,767	19,143	35,003	12,236	7,079
Capital contributions to the department					
Capital investment	-	7,154	7,154	7,154	212,207
Sub-total capital contributions	-	7,154	7,154	7,154	212,207
Appropriation for purchase or development of capital assets by the Crown					
Moutoa Gardens – capital	150	150	150	-	-
Crown land acquisitions	1,733	-	1,733	-	-
Vested coastal marine areas	30	30	30	-	-
Sub-total capital assets	1,913	180	1,913	-	-
Total payments	24,680	26,477	44,070	19,390	219,286

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

SCHEDULE OF NON-DEPARTMENTAL ASSETS
as at 30 June 2003

	Note	30/06/03 Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/02 Actual \$000
Current Assets					
Cash and bank balance		27,106	31,869	31,869	29,952
Receivables and advances	3	1,926	981	981	1,348
Total current assets		29,032	32,850	32,850	31,300
Non-Current Assets					
Receivables and advances		79	14	14	181
Physical assets	6	1,762,365	1,869,334	1,869,334	1,868,370
Total non current assets		1,762,444	1,869,348	1,869,348	1,868,551
Total non-departmental assets		1,791,476	1,902,198	1,902,198	1,899,851

SCHEDULE OF NON-DEPARTMENTAL LIABILITIES
as at 30 June 2003

	Note	30/06/03 Actual \$000	30/06/03 Main Estimates \$000	30/06/03 Supp. Estimates \$000	30/06/02 Actual \$000
Current Liabilities					
Payables	4	799	1,469	1,469	1,469
Provisions	5	2,845	1,995	1,995	2,545
Total current liabilities		3,644	3,464	3,464	4,014
Total non departmental liabilities		3,644	3,464	3,464	4,014

SCHEDULE OF NON-DEPARTMENTAL COMMITMENTS
as at 30 June 2003

	Note	30/06/03 Actual \$000	30/06/02 Actual \$000
Capital commitments			
Land and Buildings		–	1,632
Other Capital Commitments	7	9,353	6,317
Total Commitments		9,353	7,949
Term classification of commitments			
Capital: less than one year		9,353	7,949
Total commitments		9,353	7,949

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

STATEMENT OF CONTINGENT LIABILITIES
as at 30 June 2003

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Quantifiable Guarantees	–	6,000
Total contingent liabilities	–	6,000

There were also 10 Treaty-related claims for ownership of land, rivers, seabed or foreshore. These Treaty-related claims against the Crown are not currently quantifiable.

The accompanying accounting policies and notes form part of, and should be read in conjunction with, these financial statements.

NOTES TO THE SCHEDULES

Note 1: Concessions, Leases and Licences

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Guiding	2,268	1,828
Telecommunications	1,419	1,386
Grazing	989	1,047
Tourism occupations	843	977
Ski areas	673	694
Aircraft landings	610	748
Residential/Recreational	596	571
Other occupations	395	390
Vehicle transport	227	210
Boating	189	132
Filming	184	118
Easements	108	105
Miscellaneous	459	181
Total concessions, leases and licences	8,960	8,387

Note 2: Recognition of Assets

This is for the recognition of the following Non-Departmental fixed assets at net book value:

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Infrastructural Assets	91,675	–
Cultural Assets	5,100	–
	96,775	–

Note 3: Receivables and Advances

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Accrued Revenue	320	76
Receivables	1,487	1,545
Less: provision for doubtful debts	(392)	(392)
Net accounts receivable	1,095	1,153
Other receivables	511	119
Total receivables and advances	1,926	1,348

Note 4: Payables

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Payables	535	463
Revenue in Advance	264	1,006
	799	1,469

Note 5: Provisions

	Environmental	Legal Designations	Total Actual	30/06/02
			\$000	Actual
			\$000	\$000
Opening Balance	1,995	550	2,545	-
Provisions made during the year	300		300	2,545
Closing balance	2,295	550	2,845	2,545

The environmental provision is the estimated cost of rectifying the environmental damage in a number of affected/contaminated sites in which the Crown has an obligation to remedy.

Detail of the environmental provision made by the Crown is given below:

- (i) The Crown is responsible to ensure the buildings on Matiu/Somes Island is safe from asbestos contamination. The cost of completing this clean up is estimated to be \$100,000.
- (ii) There is a requirement by the Crown to repair damage to waterways and surrounding environment from toxic discharge in the Kaimai Range area. The repair is expected to take 5 years at an estimated cost of \$15,500.
- (iii) The roofing structures on the old Controlled Mine base on Rangitoto Island contains amounts of white asbestos and needs to be removed. The estimated cost of removal is \$100,000.
- (iv) There are a number of abandoned coalmines both underground and open cast within Benneydale/Mahoenui/Piraongia/Waitewhena/Ohura coalfields. The risks of contamination are associated with the treatment ponds, tailing dams and underground drives. The estimated cost to rectify this \$800,000.
- (v) There is danger of contaminated water around the Kauaeranga Army Firing Range. The estimated cost of cleanup is \$80,000.

- (vi) The tailings and tunnels in the Maratoto Mine may excrete contaminants in the water. The estimated cost to rectify this is \$900,000.
- (vi) There is contamination relating to chemicals used for timber treatment in the old timber mill site in the Ongaonga Field Centre. The estimated cost for the clean up is \$150,000.
- (vii) There is a requirement to clean up dumped refuse in the Waikanae Conservation area. The estimated cost of this is \$150,000.

There is also a provision made for a potential liability relating to two Designations placed on private land to protect the two properties from commercial development. There is a potential liability that the Crown may need to purchase the properties in future from the current owners. The total estimated value of the two properties is \$550,000.

There are various other affected/contaminated sites for which the Crown has not provided due to the nature of the issues, their uncertainty of the outcome, and/or the extent to which the Crown has a responsibility to a claimant. There may also be other affected/contaminated sites of which the Crown is unaware.

Note 6: Physical assets

	30/06/03 Actual \$000	30/06/02 Actual \$000
Land		
At valuation	1,644,981	11,245
Land – net current value	1,644,981	11,245
Investment properties – buildings		
At valuation	40,075	33,084
Accumulated depreciation	(19,466)	(3,232)
Buildings – net current value	20,609	29,852
Infrastructure assets		
At valuation	200,300	1,827,273
Accumulated depreciation	(108,625)	–
Infrastructure assets – net current value	91,675	1,827,273
Cultural assets		
At valuation	5,100	–
Cultural assets – net current value	5,100	–
Total physical assets		
At valuation	1,890,456	1,871,602
Accumulated depreciation	(128,091)	(3,232)
Total carrying amount of physical assets	1,762,365	1,868,370

The department manages a significant portfolio of fencing assets (infrastructural assets) on behalf of the Crown. The vast majority of the fencing is for boundary purposes. Fencing on land managed by 5 out of 49 Area Offices were sampled and valued by Department of Conservation staff, with the valuation methodology reviewed by an independent valuer. This was extrapolated by staff and reviewed by an independent statistician to provide a national value. This sample will be extended to the remaining areas over the next two years.

There has been a reclassification of physical assets during the year. In 2003 \$1,625 million of infrastructure assets were reclassified as land.

The use and disposal of Crown land managed by the department is determined by legislation. The main acts are the Reserves Act 1977, the Conservation Act 1987 and the National Parks Act 1980. These acts impose restrictions on the disposal of surplus areas and the use of reserves, conservation areas and national parks.

Crown land is not subject to mortgages or other charges nor are they subject to conditions regarding Treaty of Waitangi claims. Specific areas may however be included in the Treaty settlements if the Crown decides to offer those area to claimants.

Note 7: Other capital commitments

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Nature Heritage Fund	9,207	4,965
Nga Whenua Rahui	146	1,352
Total Other capital commitments	9,353	6,317

Note 8: Post balance date events

No significant events which may impact on the actual results, have occurred between year-end and the signing of these financial statements.

STATEMENT OF RESPONSIBILITY

In terms of sections 35 and 37 of the Public Finance Act 1989, I am responsible, as Director-General of the Department of Conservation, for the preparation of the department's financial statements and the judgements made in the process of producing those statements.

I have the responsibility for establishing and maintaining, and I have established and maintained, a system of internal control procedures that provide reasonable assurances as to the integrity and reliability of financial reporting.

In my opinion, these financial statements fairly reflect the financial position and operations of the Department of Conservation for the year ended 30 June 2003.



Hugh Logan
DIRECTOR-GENERAL OF CONSERVATION

Countersigned by



Grant Baker
GENERAL MANAGER
BUSINESS MANAGEMENT



Report of the Auditor-General

to the readers of the Financial Statements of the Department of Conservation
for the year ended 30 June 2003

We have audited the financial statements on pages 46 to 107. The financial statements provide information about the past financial and service performance of the Department of Conservation and its financial position as at 30 June 2003. This information is stated in accordance with the accounting policies set out on pages 76 to 79.

Responsibilities of the Director-General

The Public Finance Act 1989 requires the Director-General to prepare financial statements in accordance with generally accepted accounting practice in New Zealand that fairly reflect the financial position of the Department of Conservation as at 30 June 2003, the results of its operations and cash flows and service performance achievements for the year ended on that date.

Auditor's responsibilities

Section 15 of the Public Audit Act 2001 and section 38(1) of the Public Finance Act 1989 require the Auditor-General to audit the financial statements presented by the Director-General. It is the responsibility of the Auditor-General to express an independent opinion on the financial statements and report that opinion to you.

The Auditor-General has appointed H C Lim, of Audit New Zealand, to undertake the audit.

Basis of opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Director-General in the preparation of the financial statements; and
- whether the accounting policies are appropriate to the Department of Conservation's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with the Auditing Standards published by the Auditor-General, which incorporate the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditor acting on behalf of the Auditor-General, we have no relationship with or interests in the Department of Conservation.

Qualified opinion – comparative information only

We have obtained all the information and explanations we have required.

In the 2002 financial statements the Department of Conservation, in recognising visitor assets for the first time, reduced the amount recognised for optimisation of \$26,789,000 (refer to note 12). In our opinion the reduction for optimisation should not have been recognised, as it was a departure from Financial Reporting Standard No.3: *Property Plant & Equipment* (FRS-3). The optimisation adjustment has been reversed in the 2003 financial statements so that the carrying value of visitor assets at 30 June 2003 is in accordance with FRS-3. The reversal of the optimisation adjustment was achieved by recognising a corresponding increase in the visitor asset revaluation reserve.

In addition, in the 2002 financial statements, the Department of Conservation had not recognised fencing assets. We were unable to obtain evidence at that time, which is reasonably expected to exist of the ownership, completeness and value of those assets. Not recognising fencing assets was a departure from FRS-3. In 2003 there was clarification that the Crown owned the fencing assets and the assets were valued at 30 June 2003 in accordance with FRS-3 at an amount of \$91,675,000, and recognised in the non-departmental schedule of assets. The recognition of fencing assets was achieved by also recognising a corresponding increase in the non-departmental schedule of revenue.

In all other respects, the 2003 financial statements of the Department of Conservation comply with generally accepted accounting practice in New Zealand.

In our opinion, except for the matters referred to above which only relate to the comparative information, the financial statements of the Department of Conservation on pages 46 to 107:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - the Department of Conservation's financial position as at 30 June 2003;
 - the results of its operations and cash flows for the year ended on that date; and
 - its service performance achievements in relation to the performance targets and other measures set out in the forecast financial statements for the year ended on that date.

Our audit was completed on 30 September 2003 and our opinion which is qualified only in respect of comparative information is expressed as at that date.



H C Lim
AUDIT NEW ZEALAND
ON BEHALF OF THE AUDITOR-GENERAL
WELLINGTON, NEW ZEALAND



Part Five

Additional Financial Information

**Summary of Output Class Expenditure by Output for Year Ended
30 June 2003 (GST excl)**

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Vote: Biosecurity		
D7 Policy advice	239	205
D8 Crown pest/weeds exacerbator costs	1,885	2013
D9 Indigenous forest biosecurity protection	34	33
D10 Specific pest and disease response	201	938
Total biosecurity	2,359	3,189

Vote: Conservation

D1 Management Natural Heritage

Legal protection and status changes	2,155	2,267
Legal protection marine	1,131	871
Tenure review	1,952	1,591
Fire control	7,655	7,203
Possum control	13,855	12,025
Goat control	6,130	6,306
Other animal pest control	9,803	8,181
Invasive weed control	10,961	9,764
Generalist inventory and monitoring	1,636	2,353
Marine protected area management	1,958	1,541
Restoration	1,207	661
Species conservation programmes	26,121	24,453
Mainland island sites	2,335	2,467
Island management and restoration	4,014	4,536
Marine mammals	1,552	1,579
CITES	928	964
Conservation services levy	2,536	1,772
Pastoral leases	102	234
Statutory land management	1,828	1,714
Total management natural heritage	97,859	90,482

D2 Management of Historic Heritage

Historic heritage	4,344	4,255
Total management of historic heritage	4,344	4,255

D3	Management of recreational opportunities		
	Visitor accommodation	20,749	11,121
	Tracks and walkways	35,388	15,085
	Other recreational areas	19,556	7,001
	Visitor services	5,931	4,798
	Taupo sports fisheries	2,556	2,281
	Visitor centres	9,324	8,729
	Total management of recreational opportunities	93,504	49,015
D4	Conservation with the community		
	Statutory advocacy	3,957	3,235
	Coastal responsibilities	895	941
	Concession management	6,648	5,883
	Tow settlement implementation	741	652
	Public information	2,519	2,267
	Community relations	7,051	6,564
	Conservation awareness	3,165	2,694
	Total conservation with the community	24,976	22,236
D5	Policy advice and Ministerial servicing		
	Policy review	1,657	1,363
	Treaty issues	650	624
	Ministerial servicing	437	374
	Conservation management strategies and Conservation management plans	823	830
	Servicing of statutory bodies	2,493	2,062
	Total policy advice and ministerial servicing	6,060	5,253
	Total conservation	226,743	171,241
	Total output appropriations	229,102	174,414

Expenditure for the Year Ended 30 June 2003 by Conservancy

Conservancies, Regional offices and Head Office

	30/06/03	30/06/02
	Actual	Actual
	\$000	\$000
Northland Conservancy	13,480	12,001
Auckland Conservancy	12,568	11,684
Waikato Conservancy	11,213	10,529
Bay of Plenty Conservancy	7,429	7,146
Tongario/Taupo Conservancy	10,713	9,827
Wanganui Conservancy	10,746	9,652
Hawkes Bay/East Coast Conservancy	11,542	10,831
Wellington Conservancy	9,825	9,260
Nelson/Malborough Conservancy	14,894	14,445
West Coast Conservancy	15,828	15,379
Canterbury Conservancy	16,491	14,786
Otago Conservancy	11,503	10,334
Southland Conservancy	14,654	15,112
Northern Regional Office	1,787	663
Central Regional Office	3,594	3,248
Southern Regional Office	663	465
Head Office	62,172	19,052
Total expenses as per Statement of Financial Performance	229,102	174,414

Permanent Full Time Staff Equivalent Numbers for the Last Four Years

Year ended 30 June 2000	1373.3
Year ended 30 June 2001	1434.3
Year ended 30 June 2002	1498.0
Year ended 30 June 2003	1536.5

Visitor Assets and Crown as Debtor

A) Although Cabinet agreed to fund the department adequately for visitors assets operating expenditure, the cash flow to the department would not initially match the revenue flow. As a result, the department will be recognising the Crown as a debtor.

The Crown debtor balance is expected to reach \$58.3 million in 2006/07 and then be progressively reduced until 2021/22 when the balance will be cleared to zero.

The following table shows the effects of the Cabinet decision on the department's cash flows and the Crown debtor. All figures are in \$ million.

Year	Operating cash inflow incl GST	Operating cash outflow incl GST	Net GST (Payable)/ Receivable	Capital expenditure incl GST	Cash injections from Crown	Net Cash inflow/ (outflow)	Debtor Crown
2002/03	14.739	(10.239)	(1.650)	(9.000)	4.000	(2.150)	19.353
2002/03	27.412	22.912	1.650	9.000	4.000	(2.150)	19.353
2003/04	30.881	23.131	1.502	10.332	2.295	(1.789)	35.456
2004/05	35.351	23.351	1.030	14.582	2.295	(1.317)	47.309
2005/06	42.820	26.570	0.558	18.832	2.295	(0.845)	54.912
2006/07	50.290	29.790	0.086	23.082	2.295	(0.373)	58.265
2007/08	62.235	34.389	(2.534)	46.663	16.726	0.444	54.272
2008/09	66.835	38.988	(2.534)	46.663	16.726	0.444	50.279
2009/10	71.434	43.588	(2.534)	46.663	16.726	0.444	46.286
2010/11	76.034	48.187	(2.534)	46.663	16.726	0.444	42.292
2011/12	80.633	52.787	(2.534)	46.663	16.726	0.444	38.299
2012/13	85.013	57.167	(2.248)	44.082	14.432	0.444	34.306
2013/14	86.393	58.547	(2.248)	44.082	14.432	0.444	30.313
2014/15	87.773	59.927	(2.248)	44.082	14.432	0.444	26.320
2015/16	89.153	61.307	(2.248)	44.082	14.432	0.444	22.327
2016/17	90.533	62.687	(2.248)	44.082	14.432	0.444	18.333
2017/18	91.587	64.067	(2.211)	43.755	14.432	0.407	14.667
2018/19	92.967	65.447	(2.211)	43.755	14.432	0.407	11.000
2019/20	94.347	66.827	(2.211)	43.755	14.432	0.407	7.333
2020/21	95.727	68.207	(2.211)	43.755	14.432	0.407	3.667
2021/22	97.107	69.587	(2.211)	43.755	14.432	0.407	0.000
2022/23 and outyears	93.440	69.587	0.000	23.853	0.000	0.000	0.000

B) When assets are revalued, any movement in accumulated depreciation is not funded by the Crown. These unfunded depreciation balances are captured in the revaluation reserve.

The unfunded depreciation for this financial year is \$3,239,000.

This unfunded balance will be accumulated and reported in the Notes in future years. The department's cash available for replacement is effectively reduced unless there is an equivalent capital injection by the Crown.

Performance of Reserve Boards as at 30 June 2002

Reserve Board	Type	Revenue	Expenditure	Net Assets
Awakapanga	Hall	1,950	7,022	177,847
Bruce Bay	Hall	1,778	1,840	64,624
Charleston*	Hall	2,800	2,760	88,000
Glorit**	Hall	12,066	7,021	7,910
Haast	Hall	2,205	3,031	69,554
Homewood	Hall	386	2,829	85,996
Kokatahi *	Hall	10,900	13,900	412,000
Millerton	Hall	5,497	4,191	25,153
Okuru	Hall	27,815	28,325	66,502
Papanui	Hall	706	1,840	14,138
Ruakaka Central	Hall	9,190	8,700	170,000
Ruawhata	Hall	939	1,061	27,903
Taurikura	Hall	19,500	2,400	142,000
Tiriraukawa	Hall	709	1,330	36,318
Waitaha	Hall	870	426	29,869
Granity	Recreation	13,714	13,563	50,412
Horowhenua	Recreation	1,431	993	36,024
Kaiteriteri	Recreation	2,453,292	2,178,491	2,587,239
Matata	Recreation	29,275	26,918	39,897
Nelson Creek*	Recreation	2,790	3,300	23,000
Ngunguru	Recreation	6,570	7,072	270,000
Oakura	Recreation	2,194	8,087	1,043,742
Poukiore	Recreation	5,752	5,438	57,345
Ruakaka	Recreation	216,300	167,900	394,200
Tamaeterau*	Recreation	877	4,035	196,824
Waikeikei	Recreation	5,609	5,424	123,391
Waipu Cove	Recreation	371,351	357,958	1,230,618
Whatitiri	Recreation	13,200	5,100	122,800
Whitireia Park	Recreation	55,883	32,940	177,328
Coates Memorial Church	Local purpose	130	5,100	132,500
Lake Rotoiti	Scenic	12,625	5,367	18,882

Notes

The details above are as at 30 June 2002 because they are based on reports submitted for audit and the present years figures are often not available until after the deadline for the preparation of the annual report.

* These figures are estimates. The revenue and expenditure figures for the Kokatahi Reserves Board are much lower than last year because the previous figures included significant receipts and payments associate with work on a squash court.

** The figures for the Glorit board are as at April 2003.

The Moutoa Gardens Historic Reserves Board was appointed in January 2002, however no revenue or expenditure was recorded up to 30 June 2002. Figures for the following year will be included in the next annual report.



Part Six
Other
Information

ABOUT THE DEPARTMENT OF CONSERVATION

Statutory Mandate

The Department of Conservation is the leading central government agency responsible for the conservation of New Zealand's natural and historic heritage. Its legislative mandate is the Conservation Act 1987 and other key statutes such as the National Parks Act 1980 and Reserves Act 1977. Like other government departments, the department is responsible for advising Ministers and the Government and for implementing government policy.

The department's key functions as set out in the Conservation Act are to:

- manage land and other natural and historic resources
- preserve as far as practicable all indigenous freshwater fisheries, protect recreational fisheries and freshwater habitats
- advocate conservation of natural and historic resources
- promote the benefits of conservation (including Antarctica and internationally)
- provide conservation information
- foster recreation and allow tourism, to the extent that use is not inconsistent with the conservation of any natural or historic resource.

The department has a particular responsibility under section 4 of the Conservation Act to interpret and administer the act so as to give effect to the principles of the Treaty of Waitangi. This includes building and supporting effective conservation partnerships with tangata whenua at the local level.

The department also contributes to the conservation and sustainable management of natural and historic heritage in areas for which it is not directly responsible. It does this through its roles under other statutes including:

- Resource Management Act 1991
- Fisheries Acts 1983 and 1996
- Biosecurity Act 1993
- Forest and Rural Fires Act 1977
- Crown Pastoral Land Act 1998.

Conservation management and the work of the department are characterised by a high level of public input. Conservation is based on societal support and on the concept that conservation land is the common heritage of all New Zealanders. As such, conservation land is public land. These principles are inherent in all conservation legislation. This legislation also establishes a hierarchy of conservation boards and the New Zealand Conservation Authority, an independent body appointed by the Minister. The Authority has powers to approve formal management plans binding the department and also serves to advise the Minister.

Rod Morris



C Rudge



Stephen Moore



The Department's Structure

To facilitate the work carried out by the department, the organisational structure is decentralised. Central management of core functions such as finance, information systems and policy development is provided by Head Office. The operational side of the department is managed through a regional structure which is responsible for the conservation work that is carried out in the field.

HEAD OFFICE

Conservation Policy Division

The objective of the Conservation Policy Division (CPD) is to ensure that the department has a clear and comprehensive strategic direction for its conservation work. Where required, it is also responsible for preparing functional plans and priority setting systems sufficient to achieve the strategic direction. In addition it is also involved with fixing yearly and day-to-day priorities. Key accountabilities of CPD are to:

- produce general policy through the Conservation Act statutory process
- develop the department's Statement of Intent
- produce national strategies for strategic directions covering all the department's conservation work
- produce policy to guide legislation development.

Science, Technology and Information

The objective of the Science, Technology and Information Services Division (STIS) is to improve conservation management by providing quality services, or access to these, in the areas of science and research, biodiversity, quality conservation management systems and information management. The division is made up of three units – Science and Research, Biodiversity Recovery and Information Management. The work covered includes:

- provision of infrastructure support systems, business management systems, conservation management asset management systems and visitor information systems
- national co-ordination, technical direction and support of programmes for the management, protection, threat mitigation and recovery of biodiversity
- operational research and knowledge transfer in support of the improvement of conservation management.

Business Management Division

The work of the Business Management Division (BMD) is to contribute to conservation management by ensuring adequate financial resources and business performance is achieved. It is also responsible for co-ordinating the department's business planning system. The division is made up of four units:

- National Finance
- Business Systems
- National Revenue
- Legal Services

The division ensures appropriate legal services are delivered and revenue generation and other business opportunities are undertaken.

Human Resources and Organisation Division

The Human Resources and Organisation Division (HR & O) covers a range of functions. It works to:

- ensure the department is meeting its statutory obligations in terms of employment related legislation
- improve and manage human resources and organisation strategy, policy and procedures
- oversee the Health and Safety strategy, policy and procedures
- contribute to whole-of-Government Human Resources Framework development and implementation, and other Government strategic directions as appropriate
- ensure effective management of payroll services.

It achieves this through the provision of strategic human resources policy, support and administration, as well as payroll and processing services. It also facilitates internal communication and is involved with the provision of audit capacity.

External Relations Division

The External Relations Division (ERD) is made up of seven units:

- strategic issues
- Treaty settlements
- conservation awareness
- Ministerial servicing
- statutory bodies
- land conservation
- international relations.

ERD's focus is to ensure strong advocacy of conservation and its contribution to the environmental, social and economic health of New Zealand. It supports the department by managing issues of immediate and strategic significance, as well as building community support for conservation efforts. In addition, ERD is involved with developing and maintaining good working relationships with national and international conservation interests.

Tumuaki Kaupapa Atawhai

The focus of the Tumuaki, Kaupapa Atawhai is to provide effective advice to support the department to achieve its responsibilities to Māori under section 4 of the Conservation Act and to sustain and improve the management of conservation assets.

The model provides for Kaupapa Atawhai advice, support and perspectives as follows:

- responsibility for incorporating Kaupapa Atawhai perspectives in the department's work rests with the general managers.

The role of Tumuaki is to:

- provide high quality advice to the Director-General on Kaupapa Atawhai issues and approaches
- monitor progress in integrating Kaupapa Atawhai into the work of the department and in achieving positive working relationships with iwi, particularly in association with general managers.

The Kaupapa Atawhai managers are accountable for providing Kaupapa Atawhai advice and support to conservators to sustain the delivery of conservation outputs.

Pou Whakapiripiri

- Provides support to the Tumuaki.
- Provides a national focus on Section 4 issues.
- Co-ordinates Kaupapa Atawhai managers in national Kaupapa Atawhai issues.

Iwi Relationships

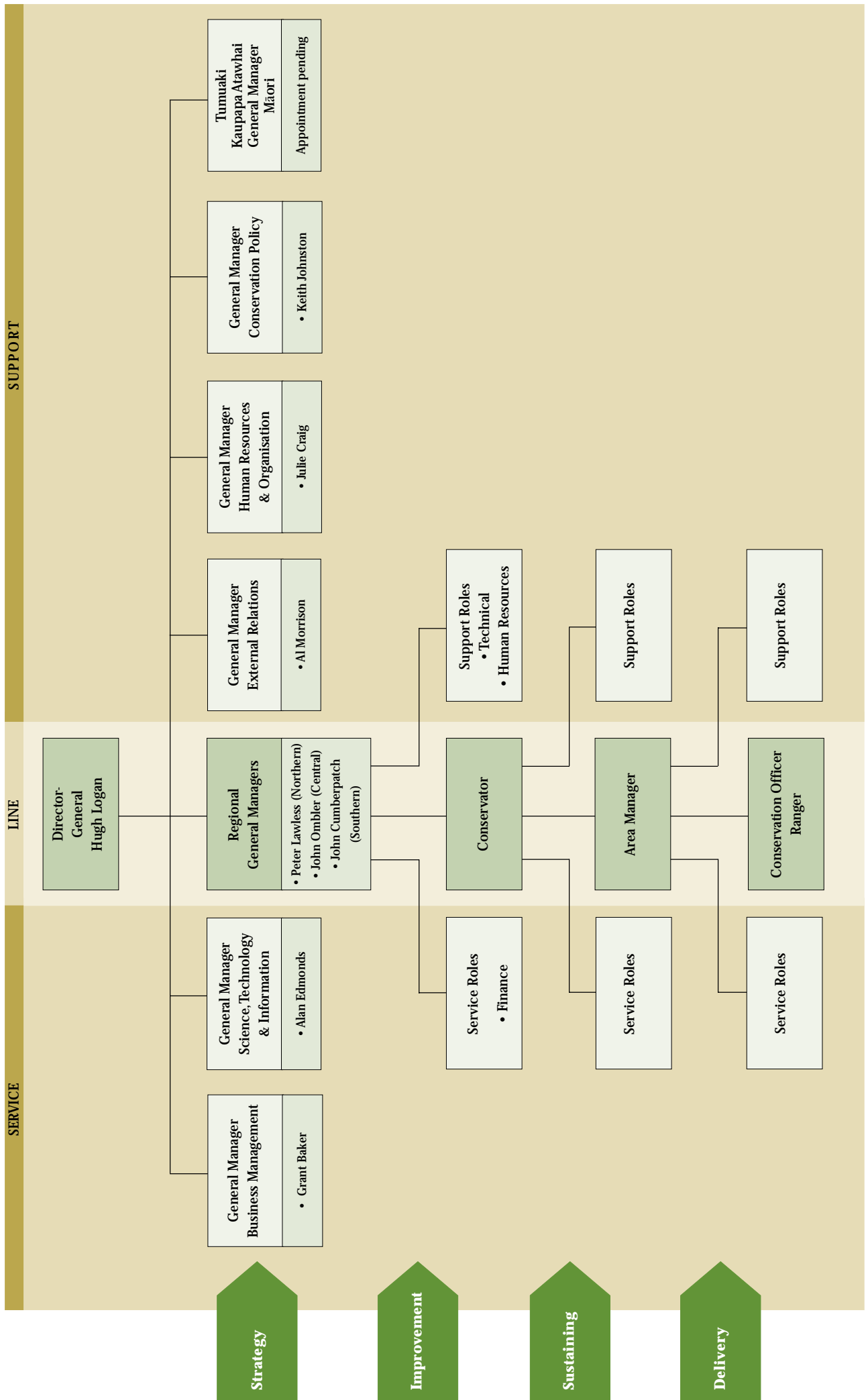
- Provide the general managers with advice on issues relevant to the department on which iwi may or can be expected to, have an interest.
- Work with other staff on managing relationships and national issues to ensure the department adequately considers iwi perspectives.

Ngā Whenua Rahui Unit

The functions of the Ngā Whenua Rahui are to:

- service an independent ministerial committee that facilitates formal protection of indigenous areas on Māori-owned land
- provide support to Māori landowners in the management of formally protected areas on Māori-owned land
- establish effective consultation with Māori landowners, iwi Māori, Māori Trust Boards, regions, regional and local government and private landowners
- provide effective liaison between the Ngā Whenua Rahui Fund Committee and the Minister of Conservation's office
- administer the Matauranga Kura Taiao (Traditional Knowledge) Fund by supporting iwi/hapu initiatives that utilise and protect traditional knowledge in the management of biodiversity.

Diagram 1: Department of Conservation - organisation structure



REGIONAL OFFICES

The role of the department's three regional offices is to support regional general managers to:

- build conservancy capacity by improving systems and practices, developing staff capability and overseeing succession management
- identify the need for Quality Conservation Management systems, and develop, implement and maintain them
- construct and maintain networks of functional specialists to identify and communicate best practice, quality delivery and a learning environment
- ensure that there is sound science and information management, and external relationships to support operational work in conservancies.

Regional offices are based in Hamilton (Northern), Wellington (Central) and Christchurch (Southern).

The Northern region comprises the following conservancies:

- Northland
- Auckland
- Waikato
- Bay of Plenty
- Tongariro/Taupo

Central:

- East Coast/Hawke's Bay
- Wanganui
- Wellington
- Nelson/Marlborough

Southern:

- Canterbury
- West Coast
- Otago
- Southland

CONSERVANCIES

Conservancy offices provide technical support and advice to area offices. Their sustaining work is in planning and in implementation of systems and procedures. Conservancy offices also identify, document and implement 3–10 year strategies that align conservancy work with the Statement of Intent and help achieve the department's conservation priorities.

Support to the line within conservancy offices is provided by the:

- Technical Services Unit
- Community Relations Unit
- Human Resources Adviser
- Kaupapa Atawhai manager
- Conservancy solicitor
- Business Services manager.

AREA OFFICES

Area offices are the main deliverers of conservation outputs. The number and size of areas is determined by their ability to deliver quality conservation management systems efficiently and effectively on the ground.

FIELD CENTRES

Field centres are a site of field delivery, remote from the area office – they are not administrative units and do not have service staff.

REGIONS, CONSERVANCIES AND AREAS

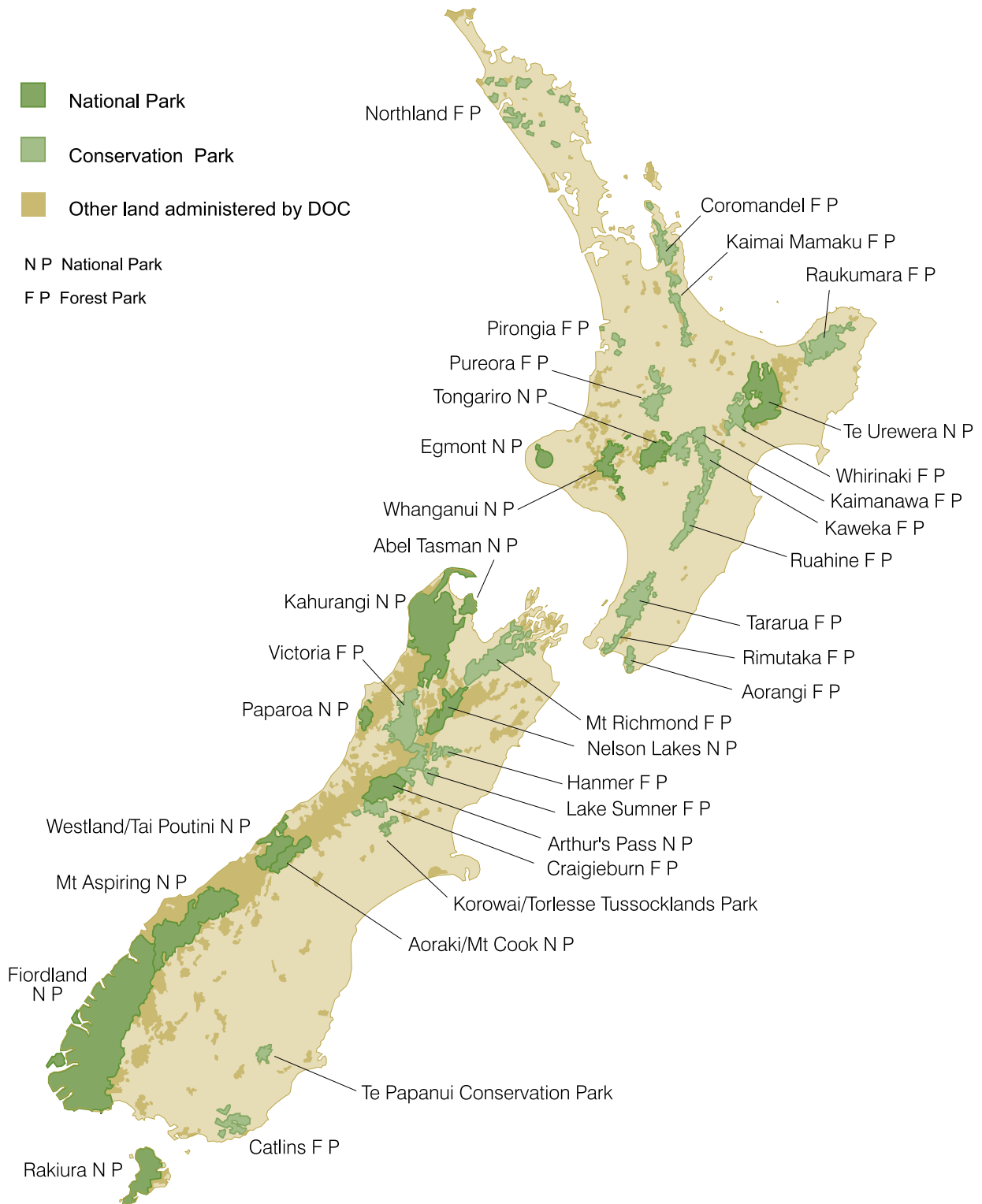


Contribution to Key Government Goals

As illustrated below, each key step in the department's Statement of Intent contributes to the achievement of the Government's key goals. The most direct linkages are listed below. It should be noted that biodiversity and historic protection, for example, also contribute to national identity and economic performance. Capability and iwi and community engagement in turn contribute to the protection of the environment.

Government Goals	Department's SOI Key Steps	Output Classes
Protect and enhance the environment.	<p><i>Key Step 1</i> Protect and restore New Zealand's natural heritage.</p> <p><i>Key Step 2</i> Minimise biosecurity risks.</p>	<p>D1 Management of Natural Heritage</p> <p>D7 Biosecurity Policy Advice</p> <p>D8 Indigenous Forest Biosecurity protection</p> <p>D9 Crown Pest/Weed Exacerbator Costs</p> <p>D10 Specific Pest and Disease Responses</p>
Strengthen national identity and uphold the principles of the Treaty of Waitangi.	<p><i>Key Step 3</i> Increase emphasis on historic and cultural values.</p> <p><i>Key Step 5</i> Engage the community in conservation.</p> <p><i>Key Step 6</i> Promote effective partnerships with tangata whenua.</p>	<p>D2 Management of Historic Heritage</p> <p>D4 Conservation with the Community</p>
Grow an inclusive, innovative economy for the benefit of all.	<p><i>Key Step 4</i> Promote recreation and increase public enjoyment of places.</p> <p><i>Key Step 5</i> Engage the community in conservation.</p>	<p>D3 Management of Recreational Opportunities</p>
Improve New Zealanders' skills.	<p><i>Key Step 7</i> Improve our capability.</p>	

PUBLIC CONSERVATION LANDS



JOINT OUTCOMES WITH OTHER DEPARTMENTS TO WHICH THE DEPARTMENT OF CONSERVATION CONTRIBUTES

Joint Outcomes	Other Contributing Departments
<p>Implementation of the New Zealand Biodiversity Strategy All New Zealanders contribute to sustaining the full range of indigenous biodiversity, and share in its benefits.</p>	Ministry of Agriculture and Forestry, Ministry of Fisheries, Ministry for the Environment
<p>Indigenous Biodiversity on Private Land The Government's policies for protecting indigenous biodiversity from the effects of private land management are implemented efficiently, effectively and sustainably.</p>	Ministry for the Environment
<p>Sustainable Forest Management Privately-owned natural indigenous forests managed for extractive purposes provide a full range of products and amenities in perpetuity while retaining the forests' natural values.</p>	Ministry of Agriculture and Forestry
<p>Freshwater Ecosystems The Government's goals for the preservation of the natural character of lakes, rivers and wetlands and their indigenous biodiversity are achieved in a co-ordinated and accountable manner.</p>	Ministry for the Environment
<p>Oceans Strategy The Government's strategic goals and policies for marine management are clearly established and effectively co-ordinated and implemented.</p>	Ministry of Fisheries, Ministry for the Environment
<p>Coastal Management The Government's goals and policies for the protection and management of the coastal environment and coastal resources are effectively co-ordinated and implemented.</p>	Ministry for the Environment
<p>Conservation Services Levy and Fisheries Interactions with Protected Species Incidental capture of protected species is avoided, remedied or mitigated to levels which do not adversely affect them and do not prevent their recovery to a less threatened status.</p>	Ministry of Fisheries
<p>Biosecurity The Government's biosecurity policies are implemented efficiently and effectively.</p>	Ministry of Agriculture and Forestry
<p>Historic Heritage The historic and cultural heritage of New Zealand is valued, respected and preserved.</p>	Ministry for Culture and Heritage

<p>Recreation and Tourism The Government's policies for sustainable recreation and tourism in New Zealand are implemented efficiently and effectively.</p>	<p>Ministry of Tourism</p>
<p>Treaty of Waitangi Policy Settlements of historical Treaty grievances are transparent, durable and fair, and restore the Treaty relationship.</p>	<p>Office of Treaty Settlements</p>
<p>Research, Science and Technology Knowledge increases of the environment and of the biological, physical, social, economic and cultural factors that affect it, in order to maintain a healthy environment that sustains nature and people.</p>	<p>Ministry of Research, Science and Technology</p>

Committees

NEW ZEALAND CONSERVATION AUTHORITY AND BOARDS

The New Zealand Conservation Authority and Conservation Boards were established in 1990. The functions of the Authority include the provision of advice on conservation matters of national importance, making proposals for changes in the status of areas of national or international importance, advising on the effectiveness of conservation policies and on annual expenditure priorities, and approving national park management plans and conservation management strategies.

The Authority is responsible for oversight of the administration and management of the entire conservation estate. To this end, the Authority approves statements of general policy and management plans for national parks and conservation management strategies.

Fourteen conservation boards carry out comparable functions at a regional level in respect of a wide variety of parks, reserves and conservation areas.

THE NEW ZEALAND FISH AND GAME COUNCIL

This Council is established to represent nationally the interests of anglers and hunters and provide co-ordination of the management, enhancement and maintenance of sports fish and game. The Council may give advice to the Minister and develop, together with regional fish and game councils, national policies for carrying out its functions. It oversees the effective implementation of any general policies established by the Minister. Other functions include an advocacy role in statutory planning processes and the fair distribution of revenues between regional fish and game councils. Membership consists of one member from each regional fish and game council.

REGIONAL FISH AND GAME COUNCILS

These councils are established for the purposes of management, maintenance and enhancement of sports fish and game.

Functions include assessments and monitoring, promotion and education, and planning including the preparation of draft sports fish and game management plans for the Minister's approval, representing the interests of anglers and hunters in statutory planning processes, the issue of fishing conditions and the issue of licences to fish or hunt. There are 12 regional fish and game councils. Members are elected by fishing or game licence holders and councils consist of not more than 12 members.

All councils submit annual reports to the Minister and their financial accounts are audited by the Audit Office.

THE TAUPO FISHERY ADVISORY COMMITTEE

This Committee is established by regulations under the Conservation Law Reform Act 1990 to provide advice to the department and Minister on the day-to-day management of the Taupo Fishing District and on the allocation and expenditure of money. The Committee may regulate its own conduct. Its 10 members are elected by anglers through angling clubs in or associated with the Taupo Fishing District, or are nominated to represent national or Māori interests.

THE QUEEN ELIZABETH II NATIONAL TRUST

The Trust is a Crown-owned entity established to offer protection to private land of conservation or landscape value, mainly by way of protective covenants.

NEW ZEALAND HISTORIC PLACES TRUST

The Historic Places Trust Pouhere Taonga is a Crown entity responsible for the protection of sites and buildings in New Zealand that are of historic and cultural significance.

WAITANGI NATIONAL TRUST BOARD

The Waitangi National Trust Board Act 1932 established a Board which administers the Treaty House and Trust Board property. The Minister of Conservation is Administrator of the Trust and is an ex officio member of the Board. Other members are the Governor-General (Chairperson), the Prime Minister, the Minister of Māori Affairs, and nine members representing various families having a close association with the Treaty of Waitangi.

LAKE ROTOITI SCENIC RESERVE BOARD

This Board administers scenic reserves around Lake Rotoiti gifted by Māori owners.

LAKE OKATAINA SCENIC RESERVE BOARD

This Board administers scenic reserves around Lake Okataina gifted by Māori owners.

GUARDIANS OF LAKES MANAPOURI, MONOWAI AND TE ANAU

The Guardians make recommendations to the Minister of Energy on operating levels for the lakes and monitor the results.

GUARDIANS OF LAKE WANAKA

The Guardians control developments which may impact on the conservation values of Lake Wanaka.

WHITIREIA PARK BOARD

This Board administers Whitireia Park adjoining Porirua Harbour.

TE ROROA-WAIPOUA ARCHAEOLOGICAL ADVISORY COMMITTEE

This Committee assists with the management of conservation aspects of the Waipoua River Valley.

NATURE HERITAGE FUND COMMITTEE

The Nature Heritage Fund Committee was established to advise the Minister on proposals to acquire or otherwise protect indigenous forest on private land.

NGĀ WHENUA RAHUI COMMITTEE

The Ngā Whenua Rahui Committee was established to advise the Minister on proposals to assist in the voluntary protection of Māori indigenous forests.

TERMS AND DEFINITIONS

Term	Definition
Conservation estate/ Public conservation land	Lands administered by the Department of Conservation for conservation purposes
CMP	Conservation Management Plan
CMS	Conservation Management Strategy
Crown as exacerbator	This term describes situations where activity on Crown-owned land exacerbates problems that an adjoining owner may be experiencing. A common example is when a farmer controls possums but they continue to access the property from the reserve next door.
Department	Department of Conservation unless otherwise stated
NHF	Nature Heritage Fund
NZCA	New Zealand Conservation Authority
NWR	Ngā Whenua Rahui
Ramsar	The Convention on Wetlands of International Importance (Ramsar, Iran 1971)
RAP	Recommended Area(s) for Protection
RCA	Restricted Coastal Activity
RCP	Regional Coastal Plan
RPMS	Regional Pest Management Strategy
VAMS	Visitor Asset Management System

GLOSSARY

The following definitions apply to usage within this document.

Biodiversity: the variety of all New Zealand's indigenous biological life and ecosystems.

Biosecurity: protection from unwanted organisms that pose significant risks to New Zealand's indigenous biodiversity.

Capability: the appropriate combination of competent people, knowledge, money, technology, physical assets, systems and structures necessary to deliver a specified level of performance in pursuit of the organisation's objectives, now and/or in the future.

Community: used in its human and social rather than its biological meaning.

Comprehensive: the extent to which the full range of the diversity of natural or historic heritage is incorporated within the protected area network or selected for conservation management.

Conservation: all the processes of caring for natural and historic heritage, including providing for appreciation and recreational enjoyment and safeguarding the options of future generations.

Ecosystem: a biological system comprising a community of living organisms and its associated non-living environment, interacting as an ecological unit.

Exacerbator: this term describes situations where activity on Crown-owned land exacerbates problems that an adjoining owner may be experiencing. A common example is when a farmer controls possums but they saunter over from the reserve next door.

Habitat: the place or type of area in which an organism naturally occurs.

Historic heritage: any area or place that forms part of the historical and cultural heritage of New Zealand, including archaeological sites, historic buildings and structures, historic areas and landscapes, and sites of significance to Māori including wāhi tapu. It includes both tangible and intangible heritage values including Māori heritage values.

Indigenous: occurring naturally in New Zealand, including self-introduced species but not human-introduced ones.

Indigenous natural character: recognisable dominance of indigenous species, habitats and ecosystems, and recognisable integrity of geological and physiographical elements, features and systems.

Outcome: an end result of conservation action which is consistent with the role of the department, is consistent with the Government's Key Goals, and is a national priority.

Natural habitats and ecosystems: containing predominantly spontaneous indigenous flora and fauna only to a small extent influenced by human impact.

Natural heritage: includes indigenous species, habitats and ecosystems, and geological and physiographical elements, features and systems.

Natural heritage held or managed by the department: areas and resources held or managed by the Department of Conservation under the Conservation Act and the Acts listed in the First Schedule to that Act.

Ngā Whenua Rahui: a contestable fund to assist Māori landowners to protect indigenous forests and other habitats and ecosystems.

Outstanding: the extent to which areas selected for legal protection or conservation management are of exceptional interest, importance or significance from the point of view of the relevant community/communities of interest. For natural heritage, criteria include the perspectives of science, conservation, natural beauty and recreation. For historic heritage, criteria include historical, physical and cultural significance.

Principles of the Treaty of Waitangi: reference to the principles of the Treaty of Waitangi includes the rider established in the *Whales* case (Ngāi Tahu Māori Trust Board v Director-General of Conservation). The Court of Appeal ruled that section 4 to the Conservation Act (*This Act shall be so interpreted and administered as to give effect to the principles of the Treaty of Waitangi*) applied to all the Acts in the First Schedule to the Conservation Act to the extent that the provisions of section 4 were not inconsistent with the Acts in the First Schedule.

Protected area network/protected areas: terrestrial, freshwater and marine areas that are protected primarily for the purpose of the conservation of natural and/or historic heritage using a range of legal mechanisms that provide long-term security of tenure, status or land use purpose, either privately or publicly owned.

Representative: the extent to which areas selected for legal protection or conservation management represent or exemplify the diversity of natural or historic heritage (used in the New Zealand Biodiversity Strategy as a prioritising criterion).

Restoration: the active intervention and management of degraded ecosystems, habitats, landforms and landscapes in order to restore indigenous natural character, ecological and physical processes, and their cultural and visual qualities (New Zealand Biodiversity Strategy); or for historic heritage, to return a place as nearly as possible to a known earlier state (*ICOMOS New Zealand Charter for the Conservation of Places of Cultural Heritage Value*).

Species: a group of organisms which has evolved distinct common inheritable features and occupies a particular geographic range, and which is capable of interbreeding freely but usually not with members of other species.

Stakeholders: an inclusive term including allies, associates, customers, partners and staff.

Strategic direction: a particular targeted focus for conservation action to achieve a national priority outcome.

Sustainable management: in relation to areas and resources not held or managed by the department, management to sustain natural heritage and/or historic heritage values.

Tangata whenua: iwi, hapū and whanau with mana whenua or mana moana in a given rohe or locality.

Taonga: a very broad concept that includes tangible and intangible aspects of natural and historic resources of significance to Māori including wāhi tapu and intellectual property.

Unwanted organism: any organism capable or potentially capable of causing unwanted harm, or posing significant risks, to New Zealand's indigenous biodiversity.

LEGISLATION ADMINISTERED BY THE DEPARTMENT OF CONSERVATION

- Conservation Law Reform Act 1990
- Canterbury Provincial Buildings Vesting Act 1928
- Foreshore and Seabed Endowment Revesting Act 1991
- Harbour Boards Dry Land Endowment Revesting Act 1991
- Hauraki Gulf Marine Park Act 2000
- Kapiti Island Public Reserve Act 1897
- Lake Wanaka Preservation Act 1973
- Marine Mammals Protection Act 1978
- Marine Reserves Act 1971
- Mount Egmont Vesting Act 1978
- National Parks Act 1980
- Native Plants Protection Act 1934
- New Zealand Walkways Act 1990
- Ngāi Tahu (Tutaepatu Lagoon Vesting) Act 1998
- Queen Elizabeth II National Trust Act 1977
- Queenstown Reserves Vesting and Empowering Act 1971
- Reserves Act 1977
- Stewart Island Reserves Empowering Act 1976
- Sugar Loaf Islands Marine Protected Area Act 1991
- Trade In Endangered Species Act 1989
- Tutae-Ka-Wetoweto Forest Act 2001
- Waitangi Endowment Act 1932-33
- Waitangi National Trust Board Act 1932
- Waitutu Block Settlement Act 1997
- Wild Animal Control Act 1977
- Wildlife Act 1953.

REGULATIONS AND BYLAWS ADMINISTERED BY THE DEPARTMENT OF CONSERVATION

- Abel Tasman National Park Bylaws 1981
- Abel Tasman National Park Waters Control Bylaws 1990
- Anaura Bay Recreation Reserve Bylaws 1999
- Arthur's Pass National Park Bylaws 1981
- Cape Rodney – Okakari Point Marine Reserve Order 1975
- Cape Rodney – Okakari Point Marine Reserve Bylaws 1989
- Chatham Islands Wildlife Notice 1997
- Christchurch City (Reserves) Empowering Act (Ministerial Responsibility) Order 1989
- Egmont National Park Bylaws 1981
- Fiordland National Park Bylaws 1981
- Grey-Faced Petrel (Northern Muttonbird) Notice 1979.

- Fish and Game Council Elections Regulations 1990
- Freshwater Fisheries Regulations 1983
- Game Licences, Fees, and Forms Notice 2003
- Huka Falls Scenic Reserve Bylaws 1995
- Kaiteriteri Bay Grant of Control Bylaws 1977
- Lake Rotorua (Motutara) Wildlife Refuge Order 1993
- Marine Mammals Protection Regulations 1992
- Marine Mammals Protection (Auckland Islands Sanctuary) Notice 1993
- Marine Mammals Protection (Banks Peninsula Sanctuary) Notice 1988
- Marine Reserve (Kapiti) Order 1992
- Marine Reserve (Kermadec Islands) Order 1990
- Marine Reserve (Long Bay-Okura) Order 1995
- Marine Reserve (Long Island-Kokomohua) Order 1993
- Marine Reserve (Motu Manawa-Pollen Island) Order 1995
- Marine Reserve (Pohatu) Order 1999
- Marine Reserve (Poor Knights Islands) Order 1981
- Marine Reserve (Te Awaatu Channel, The Gut) Order 1993
- Marine Reserve (Te Tapuwae o Rongokako) Order 1999
- Marine Reserve (Piopiotahi (Milford Sound) Order 1993
- Marine Reserve (Te Angiangi) Order 1997
- Marine Reserve (Tuhua, Mayor Island) Order 1992
- Marine Reserve (Tonga Island) Order 1993
- Marine Reserve (Whanganui A Hei, Cathedral Cove) Order 1992
- Marine Reserve (Westhaven, Te Tai Tapu) Order 1994
- Marine Reserves Regulations 1993
- Mount Aspiring National Park Bylaws 1981
- Mount Cook National Park Bylaws 1981
- New Zealand Walkways Bylaws 1979
- New Zealand Game Bird Habitat Stamp Regulations 1993
- Noxious Animals in Captivity Regulations 1969
- Onekaka Inlet Scenic Reserve Bylaws 1995
- Palmerston North Showgrounds Order 1991
- Paynes Ford Scenic Reserve Bylaws 1995
- Poor Knights Islands Marine Reserve Bylaws 1989
- Rimutaka State Forest Park Traffic Bylaws 1981
- State Forest Parks and Forest Recreation Regulations 1979
- South East Otago Reserves Foreshore and Waters Control Bylaws 1984
- Sports Fish Licences, Fees, and Forms Notice 2002
- Taupo Fishing Regulations 1984
- Taupo Landing Reserve Regulations 1938
- Taupo District Trout Fishery Licences, Fees, and Forms Notice 2002
- Titi (Muttonbird) Islands Regulations 1978
- Tongariro Hatchery Anglers' Camping Ground Regulations 1954

- Tongariro National Park Bylaws 1981
- Trade in Endangered Species Order 2001
- Trade in Endangered Species Regulations 1991
- Tuhua (Mayor Island) Marine Reserve Notice 1993
- Urewera National Park Bylaws 1981
- Waitangi National Trust Board Bylaws 1981
- Whitebait Fishing Regulations 1994
- Whitebait Fishing (West Coast) Regulations 1994
- Wellington City Exhibition Grounds Act (Consent to Borrow) Order 1989
- Westland National Parks Bylaws 1981
- Wildlife (Farming of Unprotected Wildlife) Regulations 1985
- Wildlife Regulations 1955

LEGISLATION THAT IS JOINTLY ADMINISTERED BY THE DEPARTMENT OF CONSERVATION

- Agricultural Pests Destruction Act 1967
- Animal Welfare Act 1999
- Biosecurity Act 1993
- Building Act 1991
- Civil Aviation Rules made under Part 3 of the Civil Aviation Act 1990
- Crown Minerals Act 1991
- Fire Service Act 1975
- Fisheries Act 1983
- Forests Act 1949
- Forest and Rural Fires Act 1977
- Hazardous Substances and New Organisms Act 1996
- Health and Safety in Employment Act 1992
- Land Act 1948
- Land Transfer Act 1952
- Litter Act 1979
- Local Government Act 1974
- Manapouri-Te Anau Development Act 1963
- Māori Land Amendment and Māori Land Claims Adjustment Act 1926
- Māori Reserved Land Act 1955
- Marine Farming Act 1971
- New Zealand Bill of Rights Act 1990
- Ngāi Tahu Claims Settlement Act 1998
- Noxious Plants Act 1978
- Pesticides (Vertebrate Pest Control) Regulations 1983
- Privacy Act 1993
- Public Finance Act 1989
- Public Works Act 1981
- Reserves and Other Lands Disposal Act 1956

- Reserves and Other Lands Disposal Act 1993
- Resource Management Act 1991
- Resource Management (Forms) Regulations 1991
- Resource Management (Transitional Fees, Rents and Royalties) Regulations 1991

INTERNATIONAL ENVIRONMENTAL AGREEMENTS

- Apia Convention on the Conservation of Nature in the South Pacific
- CITES: Convention on International Trade in Endangered Species of Wild Flora and Fauna
- Convention on Biological Diversity
- International Convention for the Regulation of Whaling
- Ramsar Convention on Wetlands of International Importance
- The Convention on the Conservation of Migratory Species of Wild Animals
- World Heritage Convention

PUBLICATIONS

Strategies, Policies and Plans Guiding the Department's Activities

- General Policy on National Parks
- New Zealand Walkways Policy
- New Zealand Coastal Policy Statement
- Conservation management strategies (for each conservancy)
- National park plans (for each national park)
- Conservation management plans (for specific natural and historic places)
- New Zealand Biodiversity Strategy
- Visitor Strategy
- Kaupapa Atawhai Strategy (under revision)
- Conservation with Communities Strategy (draft)
- Historic Heritage Strategy (under revision)
- People Diversity Strategy
- Information Management Strategy
- Science Strategy
- Deer Policy Statement
- Weed Strategy
- Himalayan Thar Policy
- Possum Operational Plan
- Threatened Species Classification System
- Species Recovery Plans
- General Managers' Handbook

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