

# Annual Report

For the year ended 31 March 2024



*Trustees and contractors at the new viewing area at the Wairaki oxbow wetland, February 2023.*

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Front cover: new Home Creek footbridge.

## Executive Summary

This year, the Waiau Habitat Trust celebrated 27 years of operation. The Trust, alongside landowners, has protected an additional 4.4 km of stream and 28.53 ha of wetland and riparian habitat was achieved. 2.7 ha of this protected area is newly created open water habitat. Further work has progressed on the Wairaki Oxbow Wetland restoration project, alongside the Smith Family, with further planting, weed control and installation of a trap network undertaken. The Trust has also continued its predator trapping network and macroinvertebrate and bird monitoring programmes. The Trust completed construction of a second walking bridge at Home Creek, the walking track is now within the fenced area and no longer interacts with the neighbouring farm's lane way. The Trust values its ongoing relationships with QEII National Trust, Landcorp Farming, the community of the Waiau Catchment, Environment Southland and Meridian Energy, among others. The Trust spent \$423,823, with a trading surplus of \$27,970, or a surplus of 360,905 when including a revaluation of the investment portfolio, with a ROI of 7.7%.

## 1 Introduction

The Waiau Fisheries and Wildlife Habitat Enhancement Trust (Waiau Trust) is pleased to present the twenty-seventh Annual Report.

This report has been prepared in accordance with Public Benefit Entity (PBE) Accounting Tier Three standards issued by the External Reporting Board. This includes a "Statement of Service Performance" of non-financial information. The Statement of Service Performance documents Outputs and Outcomes in relation to established projects and new projects that arose during the year. The Output categories are derived from the Trust Deed and Supplementary Deed of Variation Objects and Purposes. It includes the mandatory Statement of Financial Performance.

Similarly, these documents determine the Outcomes, around habitat enhancement, public access, education and advocacy for the environment. These, combined with the Strategic Plan, drive the Trust's activities and determine progress toward achieving short, medium and long term Outcomes.

This Annual Report also performs the important role of being a historic record of all Trust activities since inception in 1997.

### 1.1 History

The Waiau Habitat Trust was established in late 1996. In 1990 ECNZ (now Meridian Energy Ltd) began the process of renewing the Resource Consents for the Manapouri Power Scheme. Between 1990 and 1996 the power company and the Southland community (through the Waiau Working Party community consultative group) worked together to address the adverse effects of the Manapouri Power Scheme on the Waiau catchment, and in particular the Lower Waiau River. The establishment of the Waiau Trust was one of the negotiated outcomes of the Resource Consent renewal process.

### 1.2 People

The Trustees of the Waiau Habitat Trust for the 2023/24 year were:

**Mr C.A. McCulloch (Chairman)** – Cam is retired from a career as a Chartered Accountant in Public Practice.

His involvement in the environment started as Secretary of the Southland Acclimatisation Society (now Fish and Game) a position he held for 17 years. Cam specialised in the Fishing Industry during his time in public practice. This involved setting up processing and marketing facilities for inshore fishing plus setting up a deep-water Fishing Company which involved negotiating with Korean and Japanese deep water fishing companies. He was also involved in setting up a live Lobster processing and marketing company which involved travelling

throughout Asia setting up markets over a significant period. Cam held Directorships in the Health Industry, the Banking Industry and the Electricity Industry over a long period of time.

Cams' community involvement included a period as a Trustee in The Community Trust of Southland, Chairman of Invercargill Rotary Club and life membership of Bluff Coastguard as a result of his involvement in their fund raising for a new Vessel.

Cam has been Chairman of Waiau Trust for 18 years and is a joint nominee of the Fish and Game New Zealand, Southland Region and the Department of Conservation.

**Mrs G. Dickson** – Glenys is a retired farmer with experience in Central and local Government which gives her strong skills in policies and legislation, particularly Resource Management where she is a certified RMA commissioner.

She has a background in accounting practises and has owned a successful business.

She has sound experience in Governance being the Chair of Southern REAP a director of REAP Aotearoa, Director of Gore Health, Chair of Forest Hill Foundation Trust, a trustee of Mid Dome Wilding Pine Trust and presently a Gore District Councillor.

Glenys was a past member and Chair of the Southland Conservation Board and has a keen interest in Conservation and the environment.

Having a residence in Te Anau gives Glenys the opportunities to enjoy and experience outdoor recreation, with particular interests in water quality and predator control.

Making a positive change to protect and enhance the environment for future generations to enjoy is her motivation.

Glenys is a nominee of the Department of Conservation.

**Mr J.D. Whitehead** – John is a retired farmer. He is experienced in negotiating environmental outcomes and consensus building and has a sound understanding of governance issues and conservation laws and policies. His lifelong interest is in natural history and conservation, in particular, high-country issues, rivers, and indigenous fisheries management and Predator Free 2050.

John is Chair of the Pomona Island Charitable Trust (an Island restoration project), a trustee on the Waiau Fisheries & Wildlife Habitat Enhancement Trust, a trustee on the Mid Dome Wilding Pine Trust, and a member of the Whenua Hou Management Committee. His outdoor recreation interests are tramping and predator control.

John is a nominee of the Department of Conservation.

**Mr A Feierabend** – Andrew is a qualified resource management planner and has held a number of different roles within local government before joining Meridian Energy Limited in 2010. Andrew brings a wealth of management experience to the Trust as well as his understanding of resource management and plan making processes.

Andrew enjoys his connection to Southland which has become a second home via his statutory advocacy and stakeholder role he holds with Meridian. He has a keen interest in the natural environment and enjoys tramping, mountain biking and fishing when his spare time allows.

Andrew is the Statutory and Compliance Strategy Manager, Meridian Energy, nominee of Meridian Energy Ltd.

**Mr G Watson** - Graeme is involved with farming, fly fishing guiding tourism and is a Trustee of the Whakatipu Wilding Conifer Trust. He is a former Chairman of Southland Fish & Game and was the Southland representative of the QEII National Trust for 8 years.

Graeme is a nominee of Fish and Game New Zealand, Southland Region.

**Mr P Sutton** – Peter is a keen hunter and angler and was a Fish and Game Councillor for over 10 years. During that time he was a Southland representative on the National Fish and Game Council, and the Chairperson of Fish and Game Southland.

Peter is a nominee of the Fish and Game New Zealand, Southland Region.

**Mr M. O'Brien** – Farmer of Monowai, joint nominee of the Fish and Game New Zealand, Southland Region and the Department of Conservation representing the rural community in the Waiau Catchment.

**Mr Nathan Cruickshank** – Nathan joined the Trust in 2023. Nathan has extensive experience in managing and advising in on-farm biodiversity, both on his own property and in Environment Southland's Land Sustainability Team for 15 years. This includes water quality testing, riparian management, winter grazing plans, rule interpretation, investigating constructed wetlands and producing farm plans. The Trust is excited to welcome Nathan as a Trustee.

All Trustees were reappointed for a further 3 years in June 2022. Nathan Cruickshank was appointed in 2023.

The Trust's operations are managed by a team of independent contractors:

**Roger Hodson** – Roger is the Trust's field operations manager. Roger has a background in water resource management experience including hydrology, freshwater ecology, and water quality, having worked as senior environmental scientist for Environment Southland for many years.

**Kristy Nind** – Kristy looks after the Trust's financial and administrative functions. Kristy is a chartered accountant, who joined the Trust in 2021. Kristy lives with her family in the Waiau Catchment.

**Claire Jordan** – Claire has a background in environmental science and resource management planning. Claire undertakes planning, consents, compliance and strategic policy work for the Trust. Claire has been with the Trust since 2019, and calls the Waiau Catchment home.

This annual report has been prepared by the three contractors. Photographs featured in this Annual Report are taken by Roger Hodson unless stated otherwise.

## **Contacts:**

Postal Address:

Waiau Fisheries and Wildlife Habitat Enhancement Trust  
P O Box 159  
Invercargill 9840

Telephone: 03 2159117

Email: [claire.jordan@waiautrust.org.nz](mailto:claire.jordan@waiautrust.org.nz) Website: [www.waiautrust.org.nz](http://www.waiautrust.org.nz)

### 1.3 The Trust's work

The key focus of the Trust's mahi is riparian and wetland habitat protection and enhancement. This primarily involves wetland creation and riparian fencing. The Trust also provides opportunities for the community to engage with the Waiau River through providing river accessways throughout the catchment.

While the Trust owns and manages some project sites, the majority of its work is undertaken on the land of others, and the Trust is incredibly grateful to those landowners for their commitment and contribution to habitat restoration and enhancement.

The Trust's activities are governed by the Trust Deed and Supplementary Deed of Variation, in particular the Objects and Purposes of these Deeds, which are provided in Appendix A. The Trust's Strategic Plan 2020 also provides direction to the Trust's activities, and is available on request.

The following maps give a sense of the geographic spread of the Trust's projects across its workstreams.

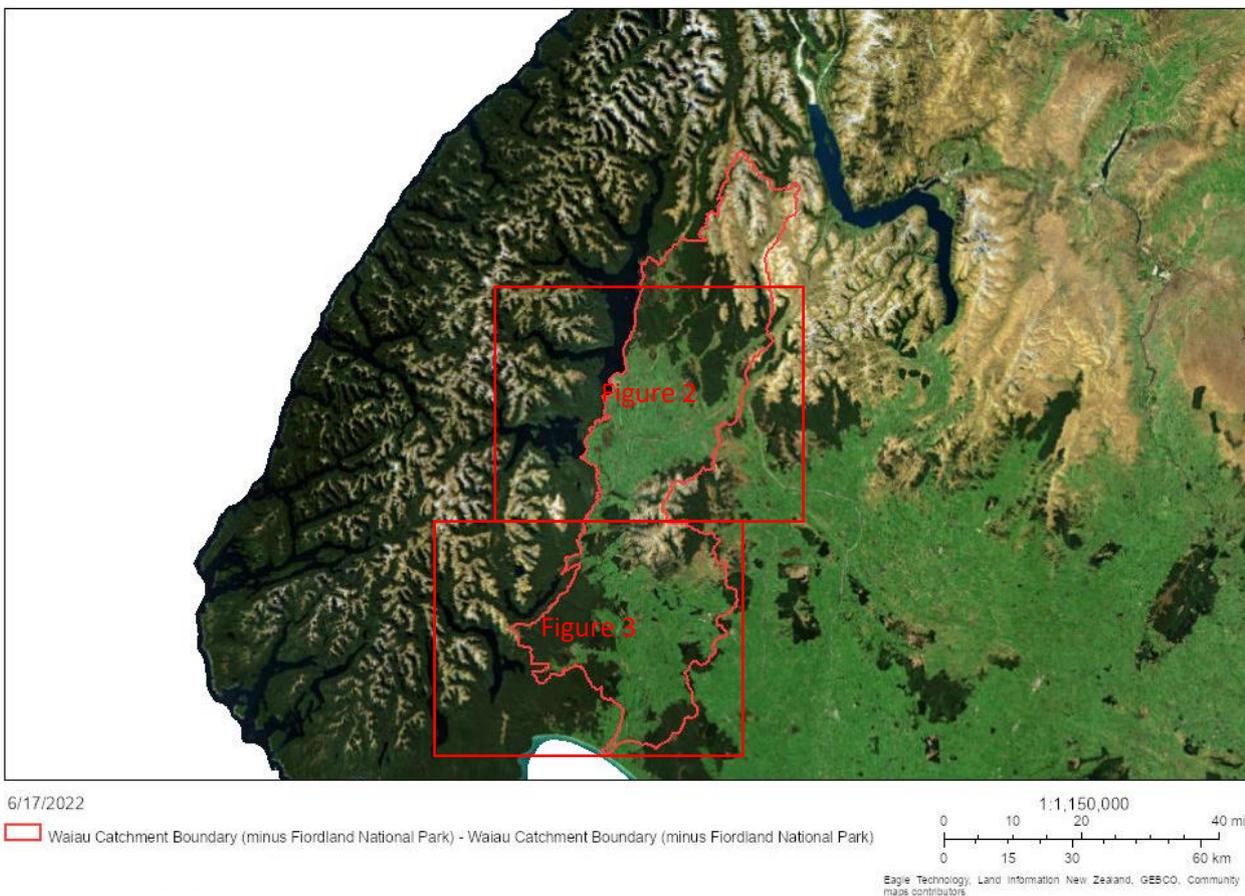


Figure 1: Waiau Catchment excluding Fiordland National Park, which is outside the Trust's work programme.

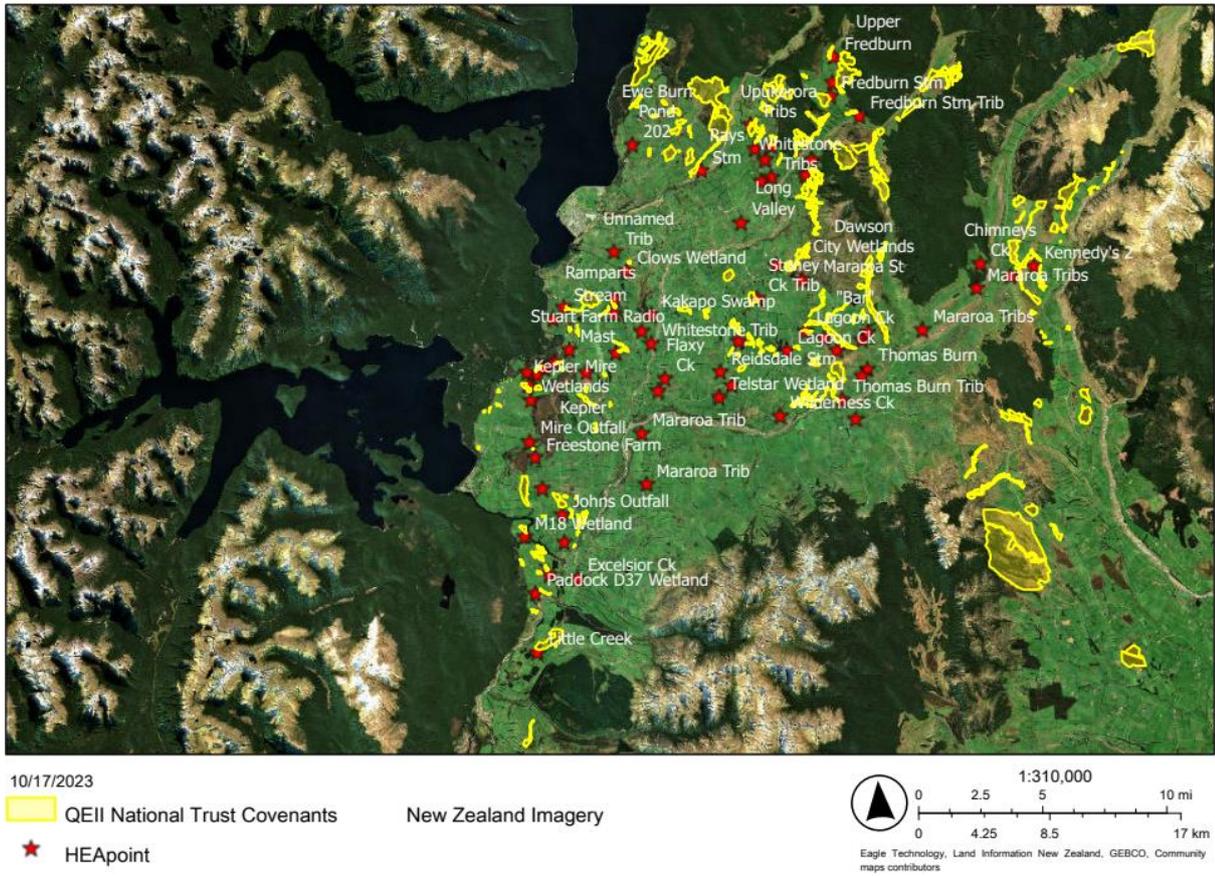


Figure 2: Habitat Enhancement Agreements and Joint QEII Projects, Te Anau Basin.

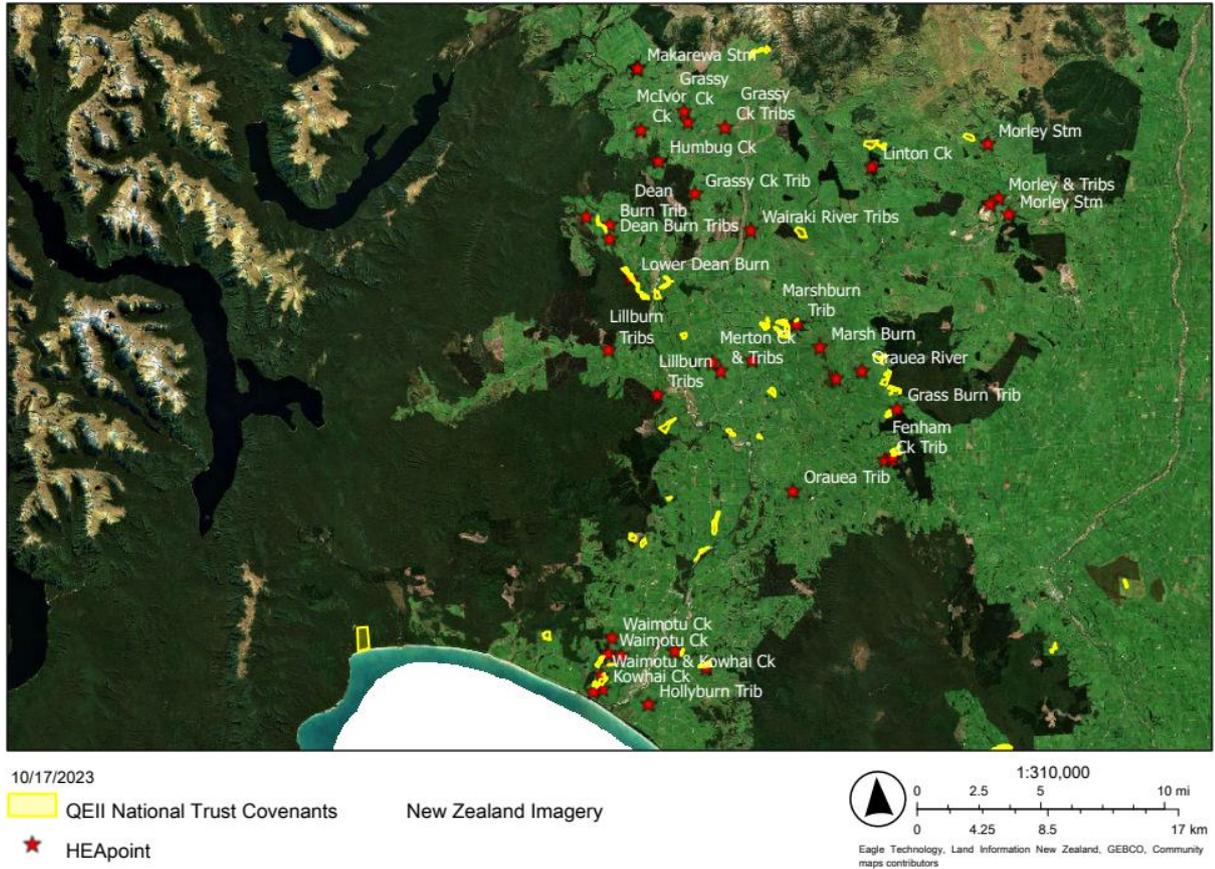


Figure 3: Habitat Enhancement Agreements and Joint QEII Projects. Lower Waiau Catchment.

## 2 Summary of income and expenditure

Detailed financial statements for 2023/24 are presented in Section 5 of this report.

### 2.1 Investment of the Trust fund

The Trust has developed a Statement of Investment Policy and Objectives (SIPO) to manage and monitor the Trust Fund. The fundamental principles of investment of the Trust Fund to create cash flow for the Trust in the short-term, and growth of the Fund in the long-term. It has clear objectives and operational parameters around both the fixed income and equity assets investments. The SIPO is reviewed regularly, most recently in 2019/20.

From time to time the Trust independently reviews the management of the portfolio and the performance of the Fund Managers. Currently, three Fund Managers - Craigs Investment Partners, Jarden's and Milford Asset Management manage the Fund. A breakdown of the funds managed by each Fund Manager is given in Section 3.2.1.2 and 5 of this report.

### 2.2 Investment results

Investment of the Trust Fund produced a positive return this year, after a difficult 2022/23 year. The return from all 3 Fund Managers was 7.7%.

### 2.3 Summary of expenditure

Project by project expenditure is outlined in Section 3(A) of this report.

For the year 2023/2024 the Trust budgeted to spend **\$645,759**. Adjustments were made to project targets during the year and priorities changed as the year progressed. Actual expenditure for the year was **\$423,823**. The Trust's expenditure since inception now totals **\$8,911,314**. This compares to total revenue for the same period of **\$12,435,761**.

## 3 Statement of service performance

### 3.1 Project expenditure and achievements (inputs and outputs)

#### 3.1.1 Output A – Main Stem Wetland habitat enhancement projects

Habitat enhancement projects are the Trust's flagship projects. They typically involve riparian wetland restoration or creation near the main stem of the Waiau River. These projects seek to restore parts of the extensive riparian wetland systems that was present along the Waiau River prior to diversion.

##### 3.1.1.1 A3 Home Creek Riparian Habitat

###### 3.1.1.1.1 Expenditure

Budgeted **\$22,800**, Actual **\$18,313**

###### 3.1.1.1.2 Key outputs/measures this year

*Maintenance: Annual pest plant spray programme focusing on gorse and broom across the site and spraying of the walking track.*

*Capital: Installation of a second footbridge and board walk approach to complete the loop track without accessing the adjacent farm lane was completed.*

###### 3.1.1.1.3 Description of the project

This 14 ha project is located 1 km east of Manapouri and is accessible via a sign-posted public road from the Manapouri-Hillside Road. The permanent protection, through fencing (1997) and removal of grazing animals, continues to benefit this unique meandering stream and its riparian habitat.

The 1.6km circular walking track around the lower part of the property, is popular with local people and visitors to the area; being an integral part of the Manapouri community “green belt”. The track is maintained to a high standard.

Native restoration planting at the site has been underway for 20 years. Over 25,000 plants have been planted since 1998. It is a difficult site for plant establishment. Summer droughts and late spring frosts can impact new plantings.

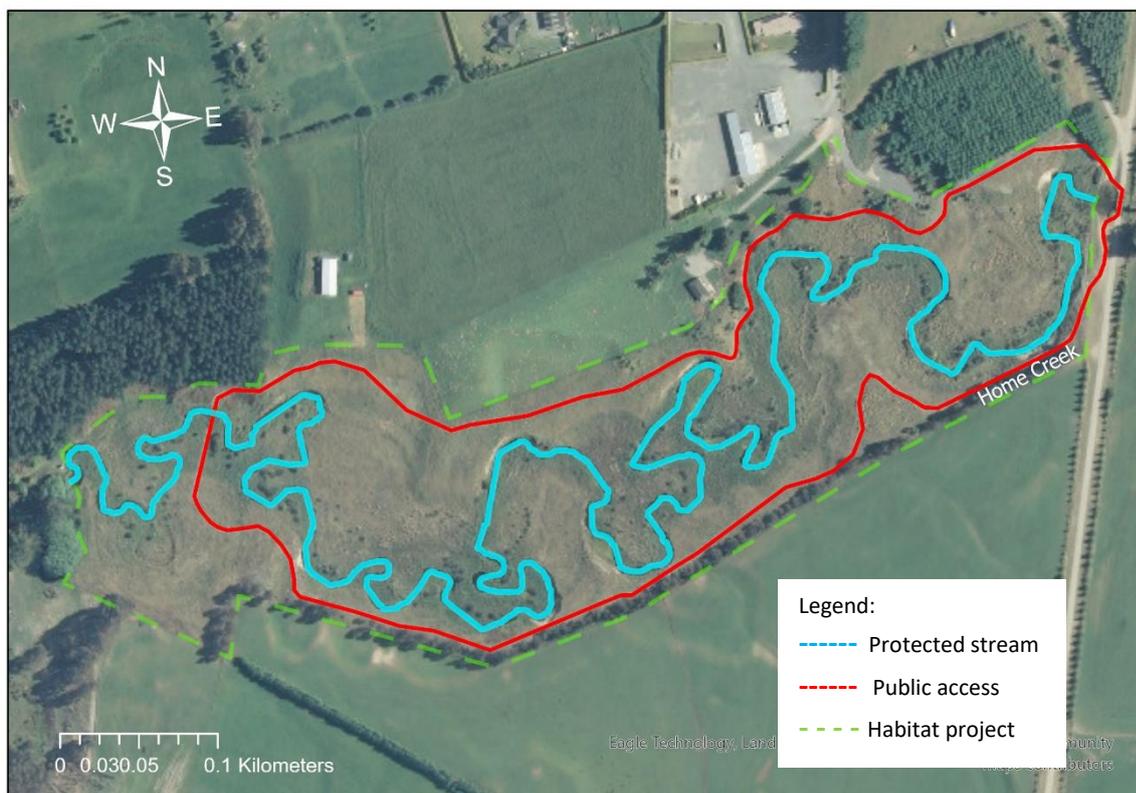


Figure 4: Home Creek Habitat Project.



Figure 5: New foot bridge and board walk installed at the upstream end of the Home Creek Walkway.

#### 3.1.1.1.4 Achievements and progress

##### 3.1.1.1.4.1 Maintenance

Annual pest plant spray programme, focusing on spraying the emergent broom seedlings throughout the area and the walking track.

##### 3.1.1.1.4.2 Capital

The Home Creek Project has become increasingly popular with members of the New Zealand Motor Caravan Association, which has a holiday park adjacent to the Project. In response to concerns about the hazard to pedestrians from the road bridge, at the eastern end of the loop track, a new footbridge was installed. This removed the need for walkers to pass through a gate onto a farm track, cross the bridge, and back through a gate on the other side to complete the loop. Removing the potential for interactions between pedestrians, stock and farm machinery. The New Zealand Motor Caravan Association provided \$20,000 towards the bridge through its Greenfund initiative, and Cam and Wendy McDonald, who own the adjacent farm, contributed \$5,000 towards the cost. The Trust is extremely grateful to both the NZ Motor Caravan Association and the McDonalds for their contributions to the bridge installation.

#### 3.1.1.2 Inanga Waiau Mouth Habitat Project

##### 3.1.1.2.1 Expenditure

Budgeted **\$63,300**, Actual **\$46,680**

##### 3.1.1.2.2 Key outputs/measures this year

*Administration: Application to change resource consent, including compliance reporting requirements approved.*

*Maintenance: Pest plant spray, wetland infrastructure, diversion channel inflows, footbridge repairs.*

*Monitoring: Bird surveys, wetland inflow recordings, pest trap monitoring.*

*Capital: additional Flax fields established with flax removed from NZTA highways near buy*

#### 3.1.1.2.3 Vision

The Trust vision for the project is to enhance whitebait (predominantly inanga) habitat in the vicinity of the Waiau Lagoon and maximise opportunity for successful spawning and rearing of inanga, to benefit the whitebait fishery in the Waiau catchment.

In addition, maximise habitat benefits for other fish and wildlife species, as far as possible without detracting from the primary purpose. To also provide visitor facilities to enhance public use of the area and increase public understanding and appreciation of the habitat enhancement work at the site.

#### 3.1.1.2.4 Description of the project

This project is located on Meridian Energy Ltd (MEL) land and DOC administered land, adjacent to the Waiau Lagoon, at the mouth of the Waiau River. Between 1999 and 2004 the Trust carried out whitebait habitat enhancement in the area on a small, experimental scale, creating 6 ha of open water whitebait (*inanga*) rearing habitat. Monitoring of the ecological outcomes of that work and expert advice received gave the Trust confidence to expand the scale of this project. This expansion involved the creation of large open water wetlands (30 ha in total), hydrologically linked to the Waiau River and Waiau Lagoon, on the low-lying flat paddocks adjacent to the Lagoon.

The below map shows the project site, comprising three 'suites' of wetlands, each approximately 10 ha in size. The Whitehead suite was constructed in March 2009. Originally water was pumped from the Holly Burn to supply the wetlands. Wetland water levels fluctuated with the seasons and the volume of water pumped, but they provided valuable fish and bird habitat. The McCulloch Suite followed in 2012, which is gravity-fed by a diversion channel from the main stem of the Waiau. 2015 saw the Inder Suite constructed, gravity-fed by another diversion channel 300 m upstream. As shown in the map below, the Inder Suite discharges into the McCulloch when full, and then into the Waiau Lagoon. Since 2016, the Inder Suite has also supplied the Whitehead Suite via a syphon, making the pump obsolete.

These wetlands has been hugely successful from a fisheries and wildlife perspective.



Figure 6: Waiau Mouth Habitat Project.

### 3.1.1.2.5 Achievements and progress

Maintenance activities included pest animal trapping, pest plant spraying, and maintaining wetland infrastructure and the integrity of the diversion channels. We undertook spring bird counts, recorded wetland inflows and monitored the number and species of pests caught.

#### 3.1.1.2.5.1 Resource consents

The Trust holds four resource consents at the Waiau Mouth Wetlands. RC 205792 was for the diversion of water from the Holly Burn, which is no longer undertaken.

Resource consents for the diversion from the Waiau River into the wetlands (AUTH-20211137-01) and discharge into the Waiau Lagoon from the wetlands (AUTH-20211137-02) were obtained in 2021 for a duration of 35 years. The Trust was not compliant with AUTH-20211137-01 in the 2022/23 year due to a change in interpretation of the conditions by Environment Southland Compliance, i.e. the operation of the wetlands was the same as previous years which had been deemed fully compliant.

In response to this, the Trust sought to change the offending condition, and used the consent review process to rationalise the compliance reporting at the same time. The Trust was successful in having the condition

deleted and was subsequently fully compliant in 2023/24. The annual compliance reporting component has also been removed from the consents.

There is also a land use consent AUTH-20158428 to disturb the bed of the Waiau River side-braids. These 'dry cuts' are required periodically to maintain water supply into the diversion channels. Large floods change the river bed and channel pattern, while low flows (<50m<sup>3</sup>/s) can cut off flows down side-braids supplying the wetlands. This consent was used during this financial year. Consent compliance requirements involve reporting to Environment Southland before and after each time the consent is exercised. These requirements were met.

#### **3.1.1.2.5.2 Maintenance**

The nature of this project and its location, in a highly dynamic environment, means maintenance is an ongoing task.

Ground spraying of gorse/broom occurred in March 2024 - along the wetland dams, around the shorelines of the wetlands, the Inder diversion channel banks and regrowth at previous spray sites. This is an annual programme.

As a result of the change in the bed of the Waiau, and the resulting increases in wetland inflows, the wetlands have been full for the whole reporting period.

#### **3.1.1.2.5.3 Monitoring**

##### **3.1.1.2.5.3.1 Bird Surveys**

Two bird counts were completed this year, results shown in Table 1. All wetlands were counted, which can be difficult, so numbers should be treated as a minimum. Wetland water levels were at design (full) on the days of all counts. When the wetlands are a 'full' capacity the available feeding habitat for wading species such as dotterel is reduced.

This year Australasian Bittern have been observed, this is likely a reflection of their ability to travel vast distances meaning their absence during counts may not mean they have not utilised the habitat over the course of the year.

Table 1: Results of Bird Surveys 2023/24. Greyed species have been observed in past surveys, but were not observed in 2023/24

Waterfowl	Water Associated Species		International Migrants	Other Species
 120 132 Mallard Duck	 35 0 Black-billed Gull	 South Is Pied Oystercatcher	 Bar-tailed Godwit	 4 0 Welcome Swallow
 52 21 NZ Scaup	 18 0 Pied Stilt	 Australasian Bittern	 Banded Dotterel	 1 1 Harrier Hawk
 13 0 Shoveler Duck	 4 2 Little Shag	 White Heron	 Asiatic Tern/Little Tern	 NZ Falcon
 1 0 Black Swan	 4 0 Royal Spoonbill	 Southern Skua	 White-winged Black Tern	 South Island Fern Bird
 Grey Teal	 3 0 White-fronted Tern	 Black-fronted Dotterel	 Sanderling	
 Canada Geese	 3 0 Black-backed Gull	 NZ Dotterel	 Glossy Ibis	
 Paradise Duck	 2 2 Pukeko	 Caspian Tern		
	 0 2 Spur Winged Plover	 Wrybill Plover (juvenile)		
	 0 1 Black Shag	 Marsh Crake		
	 1 0 White-faced Heron	 Black-fronted Tern		

Photos sourced from Birds Online NZ, reproduced with permission as follows: Adam Clark - White-faced Heron, Asiatic Tern/Little Tern, Chaffinch; Alan Tennyson - Grey Heron, House Sparrow, White-fronted Tern, Sanderling, Feral Goose; Andrew Thomas - White-winged Black Tern; Con Duyvestyn, Glossy Ibis; Craig Martin - Marsh Crake; Craig McKenzie - NZ Falcon, Tui, Bellbird, Grey Warbler; Diana Womersley - Australian Mountain Duck; Duncan Watson - Spur-winged Plover; Glenda Rees - Bittern, Bar-tailed Godwit; Imogen Warren - Harrier Hawk; James Russell - Southern Skua; John Flux - Black-billed Gull; Les Feasey - Caspian Tern, Magpie; Neil Fitzgerald - Canada Goose, Black-fronted Dotterel, Banded Dotterel, Blackbird, Grey Duck; Ormond Torr - Pukeko, Paradise Duck, Shoveler Duck, Black Shag, White Heron, Welcome Swallow, Coot, NZ Pipit, Song Thrush, Kereru; Oscar Thomas - South Is. Fern Bird, Dunnock, Skylark, Red-billed Gull; Paul Sorrell - Redpoll; Phillip Griffin - Starling; Raewyn Adams - Scaup; Rebecca Bowater - Black-fronted Tern, South Is Pied Oystercatcher, Black-backed Gull, Kingfisher; Rob Lynch - Wrybill Plover, Greenfinch, Fantail; Sonja Ross - Yellowhammer; Steve Attwood - Royal Spoonbill; Tony Whitehead - Mallard, Grey Teal, Black Swan, Pied Stilt, Little Shag, NZ Dotterel, Goldfinch, Wax Eye.

3.1.1.2.5.3.2 Pest control

The pest trapping programme is an ongoing commitment for the Trust, involving 22 DOC 200 traps, 5 DOC 250 traps (designed for ferrets and feral cats) and 3 Timms traps (feral cats and possums). The trap network is shown in Figure 7 below. During the 2023-2024 financial year, the traps were checked on 9 occasions, while visiting the area for other purposes. Results from the permanent trapping programme are shown in Figure 8. Stoats, rats and cats are the main predators. While the stoat numbers are down on last year, their numbers are still of concern and a larger number of Weasels than previous have been caught. The pest control is an important aspect of this project.



Figure 7: Map of the Inanga Project showing the trapping network.

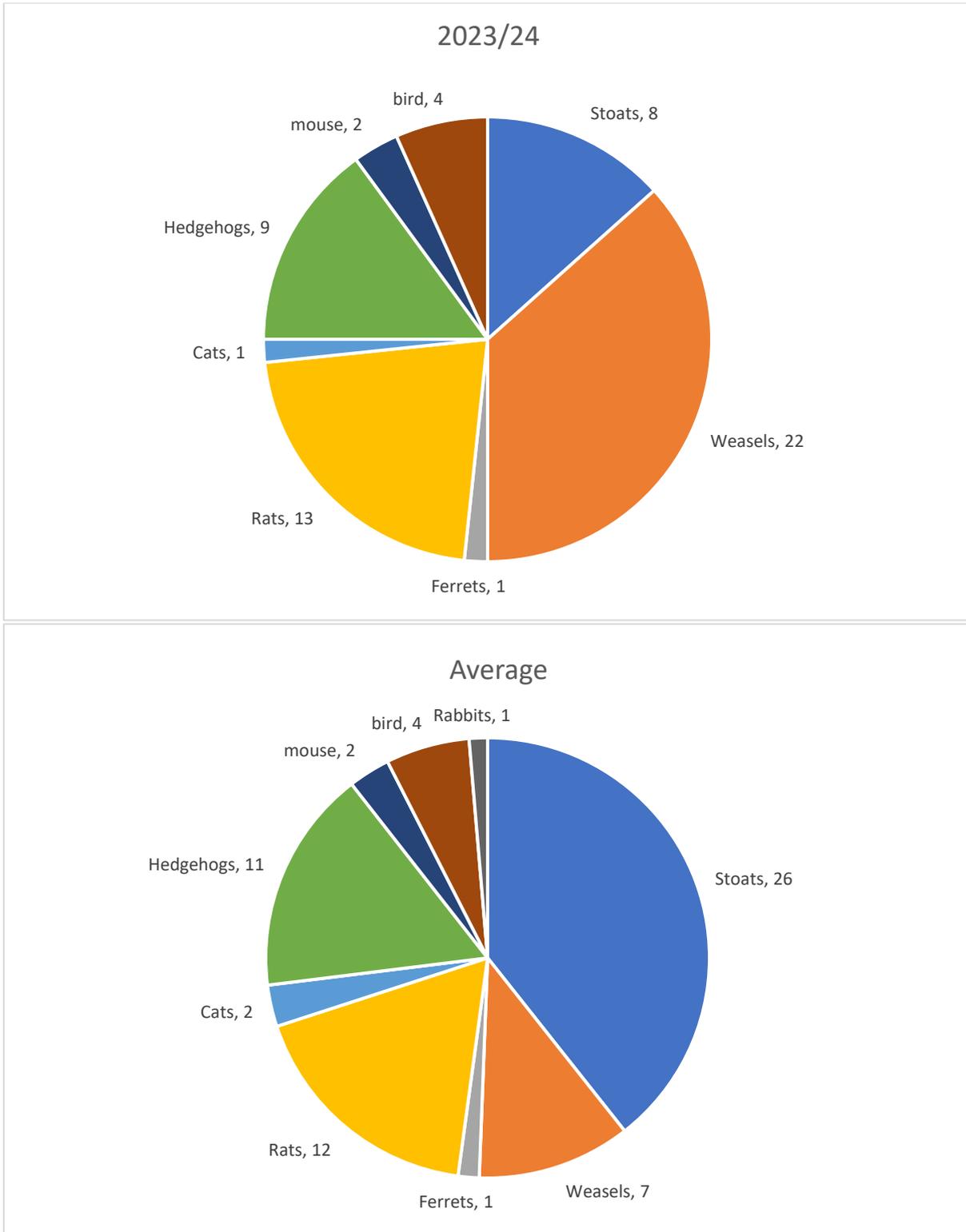


Figure 8. Pests Caught at the Inanga Project in 2023/24 compared to the annual average over the lifetime of the trapping programme.

### 3.1.1.2.6 Land management

Fowle Contracting of Orawia continue to harvest the standing grass at the project site, on areas of the project site not required for wetland creation. Baleage is cut, usually two to three times per year, on the 12 ha of higher terrace and some larger areas adjacent to the main wetlands. The Trust regrassed the higher terrace in December 2022. The Trust remains responsible for soil testing and fertiliser application on the higher terrace.

### 3.1.1.3 Lower Waiau Whitebait Habitat – Papatotara

#### 3.1.1.3.1 Expenditure

Budgeted \$ 13,000, Actual \$13,275

#### 3.1.1.3.2 Key outputs/measures this year

*Administration and Planning: Completed compliance reporting to ES*

*Monitoring: Monitored performance of new dams and wetlands, Carried bird surveys on new wetlands.*

*Maintenance: Minor outlet channel maintenance was completed to remove macrophyte growth and maintain water levels at design height. Following the September flooding event, relocation and repairs to fences were carried out with support from the Tuatapere Lions Club.*

#### 3.1.1.3.3 Description of the project

This project is located 1.5km upstream of the Waiau River mouth on the Papatotara (west) side of the Waiau River. The habitat enhancement project has a number of elements including:

- damming of 2 spring-fed streams to create 4ha of open water habitat.
- maintaining permanent fish passage between the wetlands, the “Blue Hole” (a known whitebait spawning site) and the Waiau River.
- permanent fencing of the new wetlands and their riparian margins
- permanent fencing of the streams and their riparian margins supplying the wetlands.
- Permanent fencing of remnant kahikatea forest.

The project site is Stewardship land, under Section 62 of the Conservation Act 1987. It is administered and managed by DOC. Currently this parcel of Stewardship land (149ha) is under a Grazing Concession to the Erskine family who have grazed the area for many years. The Trust has worked very closely with the Erskine’s and DOC. The project is located on about 9 ha of the parcel of Stewardship land. The Resource Consent “to dam and use surface water for the purpose of creating two open water wetlands” expires in 2053. A Variation of Management Agreement with DOC, which enables to Trust to create the wetlands, was signed by both parties in February 2019.

It is not possible to access these wetlands from the Papatotara Road. Public access to the wetlands is possible by walking up the floodplain of the Waiau River from the Lagoon, via public land.



Figure 9: Location of the Papatotara Wetland. Photo by Erin Garrick.

#### 3.1.1.3.4 Achievements and progress

##### 3.1.1.3.4.1 Maintenance

Ongoing gorse and broom control has been required at this project site during the year.

Following a flood which peaked at over 2,000 m<sup>3</sup> in Tuatapere, there was significant damage to fences at the site. The fences have been replaced and repaired, with a redesign to make them more resilient to future events. The Erskine family and the Tuatapere Lions Club were among those who assisted in the clean-up, with the Trust providing a donation to the Club. The Trust gratefully acknowledges the support of the Tuatapere Lions Club.



Figure 10: damage and debris accumulated on fence lines at Papatotara following the September floods.

### 3.1.1.3.4.2 Monitoring

#### 3.1.1.3.4.2.1 Bird surveys

The Water Permit required fish surveys for the first 3 years after completion of the wetlands. The last of these was completed in 2021. Future fish surveys at Papatotara will be undertaken when fish surveys are undertaken at other Habitat Projects in the future.

The survey results and observations to date show that the wetlands are meeting our original objectives for this project – creation of habitat for eel and inanga.

Spring bird counts are ongoing. Table 2 documents the results of bird surveys this year, and notes the birds which have been observed in previous surveys but not in 2023/24.

This year's results show continued bird presence at the wetlands, not only of waterfowl, but also passerine and forest species. The wetlands are located at the base of the high terrace, as are sheltered from the prevailing SW wind. This fact may contribute to the high use by many bird species.

Of particular note is the increasing use of the dead willows on the Terrace Wetland by Royal Spoonbills and Little Shags. The nesting colony of both species continues to expand with Royal Spoonbills having 20 nests and Little Shags 6 nests. This season the Wetlands have also become a Paradise Shelduck moulting site with up to 500 of this species present for a three week period.

Table 2: Results of Bird Surveys 2023/24. Greyed species have been observed in past surveys.

Waterfowl	Water Associated Species	Other Species
 <p>80 9</p> <p>Paradise Duck</p>	 <p>22 12</p> <p>Royal Spoonbill</p>	 <p>0 2</p> <p>Black-fronted Dotterel</p>
 <p>8 50</p> <p>Mallard Duck</p>	 <p>0 7</p> <p>Red-Billed Gull</p>	 <p>0 1</p> <p>Magpie</p>
 <p>0 9</p> <p>NZ Scaup</p>	 <p>4 0</p> <p>Black Shag</p>	 <p>0 1</p> <p>Grey Warbler</p>
 <p>4 0</p> <p>Shoveler Duck</p>	 <p>0 3</p> <p>Little Shag</p>	 <p>0 1</p> <p>Fantail</p>
 <p>0 3</p> <p>Grey Teal</p>	 <p>2 2</p> <p>Spur-winged plover</p>	 <p>1 0</p> <p>Harrier Hawk</p>
 <p>0 3</p> <p>Black Swan</p>	 <p>1 0</p> <p>White-faced Heron</p>	 <p>0 1</p> <p>Bellbird</p>
 <p>0 1</p> <p>Canada Geese</p>	 <p>0 1</p> <p>Pied Stilt</p>	 <p>0 1</p> <p>Tui</p>
 <p>1 0</p> <p>Grey Duck</p>	 <p>1 0</p> <p>Pukeko</p>	 <p>0 1</p> <p>Wax Eye</p>
	 <p>Black-fronted Tern</p>	 <p>Kereru</p>
		 <p>Welcome Swallow</p>

Photos sourced from Birds Online NZ, reproduced with permission as follows: Adam Clark - White-faced Heron, Asiatic Tern/Little Tern, Chaffinch; Alan Tennyson - Grey Heron, House Sparrow, White-fronted Tern, Sanderling, Feral Goose; Andrew Thomas - White-winged Black Tern; Con Duyvestyn, Glossy Ibis; Craig Martin - Marsh Crake; Craig McKenzie - NZ Falcon, Tui, Bellbird, Grey Warbler; Diana Womersley - Australian Mountain Duck; Duncan Watson - Spur-winged Plover; Glenda Rees – Bittern, Bar-tailed Godwit; Imogen Warren - Harrier Hawk; James Russell - Southern Skua; John Flux - Black-billed Gull; Les Feasey - Caspian Tern, Magpie; Neil Fitzgerald - Canada Goose, Black-fronted Dotterel, Banded Dotterel, Blackbird, Grey Duck; Ormond Torr - Pukeko, Paradise Duck, Shoveler Duck, Black Shag, White Heron, Welcome Swallow, Coot, NZ Pipit, Song Thrush, Kereru; Oscar Thomas - South Is. Fern Bird, Dunnock, Skylark, Red-billed Gull; Paul Sorrell – Redpoll; Phillip Griffin – Starling; Raewyn Adams - Scaup ; Rebecca Bowater - Black-fronted Tern, South Is Pied Oystercatcher, Black-backed Gull, Kingfisher; Rob Lynch - Wrybill Plover, Greenfinch, Fantail; Sonja Ross – Yellowhammer; Steve Attwood - Royal Spoonbill; Tony Whitehead – Mallard, Grey Teal, Black Swan, Pied Stilt, Little Shag, NZ Dotterel, Goldfinch, Wax Eye.

### 3.1.1.4 A10 Rakatu Wetlands

#### 3.1.1.4.1 Expenditure

Budgeted - **\$43,100**, Actual - **\$30,632**

#### 3.1.1.4.2 Key outputs/measures this year

*Maintenance: Pest plant programme*

*Pest animal trap network*

*Walking track maintenance*

*Dam wall maintenance*

*Wetland spillways and secondary outfalls maintained.*

*Monitoring: Spring bird counts*

#### 3.1.1.4.3 Vision

The Trust’s vision for the 278ha Rakatu property is:

To create an ecologically sustainable wetland/small stream ecosystem complex, for the benefit of fisheries and wildlife in the Rakatu/Redcliff area of the Lower Waiau River catchment. The complex will incorporate and link with the existing Redcliff Wildlife Reserve.

To provide public access to facilitate the public’s enjoyment, recreational use and aesthetic appreciation of the resources, and to educate and enhance the public understanding of the fisheries and wildlife habitat and the Waiau Trust’s objectives.

#### 3.1.1.4.4 Description of the project

Rakatu Wetlands, purchased in 2000, has been open to the public since March 2006.

The property is located adjacent to the Lower Waiau River along the Clifden - Blackmount Road, 17 km from Manapouri Township and 7 km downstream of the Manapouri Lake Control Structure (Mararoa Weir).

Key elements of the project are set out in the table below.

**Table 3: The Rakatu Project**

<b>Actions</b>	<b>Details</b>
<b>Natural wetland protection</b>	4 wetlands, totalling 65.5 ha de-stocked and protected allowing natural regeneration processes to re-establish. These natural areas link with, and incorporate, created wetlands.
<b>Wetland creation</b>	20 interconnected open water habitats created, totalling 49 ha, with 18km of shoreline. All fenced.

<b>Stream protection</b>	13.3 km of small stream habitat protected or incorporated into new wetlands.
<b>Forestry</b>	15.5 ha of forestry managed to provide ongoing income for the project.
<b>Native vegetation restoration</b>	Small areas to be trailed using natural regeneration processes, seed scattering techniques, native plantings and exotic plantings under planted by natives. Some amenity planting completed. Manuka trial.  Direct seeding trial of native species.
<b>Visitor facilities</b>	1.4km road and car park. 9.8 km of walking tracks, offering 4 different walking options, with stiles, bridges, toilet, lunch shelter, lookouts, signage and interpretative panels built.
<b>Pest Plant Control</b>	Annual spray programme to prevent spread on dry lands, wetland margins, access tracks and dams. Wetland water level design incorporates gorse/broom patches. Public walking tracks to be sprayed up to 3 times per year.
<b>Pest Animal Control</b>	Network of 58 DOC-200 and 6 DOC-250 traps set around Rakatu and the neighbouring Redcliff wetlands – installed 2011-2017. All are checked on a regular basis. Animal captures recorded.
<b>Ecosystem Monitoring</b>	Fish surveys – 5 yearly intervals  Spring bird counts - annual



Figure 11: Rakatu Wetlands.

3.1.1.4.5 Achievements and progress

3.1.1.4.5.1 Maintenance

Maintenance expenditure this year included:

- Pest plant control (walking tracks, fences lines, gorse and broom)
- Regular cleaning contract (for toilets and Look Out).
- Maintenance of water damage to the walking track
- Maintenance of minor scour on the Rakatu wetland dam face
- Maintenance of a slip on the vehicle track through the property

#### **3.1.1.4.5.2 Monitoring**

##### *3.1.1.4.5.2.1 Bird surveys*

The Trust has now been undertaking spring bird counts at Rakatu for 14 years. Table 4 is the summary of data from spring bird counts conducted during 2023 and all the species observed over the last 13 years (greyed out). Two separate wetland habitats were sampled. One count were completed. A total of 5 waterfowl species and 2 water associated species were recorded, including broods of NZ Scaup, Mallard duck, and Black Swan.

The data shows a good diversity of species is resident, resident and breeding or visiting the wetlands. Waterfowl tend to dominate the wildlife population in terms of numbers of birds recorded, but numbers of individual species do vary from year to year. All waterfowl species have been recorded as breeding on site, over the 13 year sampling period.

The diversity of water associated species at Rakatu reflects the scale and types of habitat available. Shallow shorelines and pasture margins suit the waders. Regenerating native wetland vegetation suit S.Is Fernbird, plus the secretive Australasian Bittern and Marsh Crake (and chicks) both of which have been observed outside the official survey times. The shag species and White-faced Herons are clearly finding a food source within the open water habitats.

The wetlands and their margins provide additional habitat and food source for the bush birds living in the wider area, including Fiordland National Park. The regeneration of wetland vegetation, particularly the flaxes and shrub lands, are now visually noticeable and add to the biodiversity values of the wetland complex.

Table 4: Results of 2022 Bird Counts at Rakatu – Species Present and Numbers.

Waterfowl	Water Associated Species		International Migrants	Other Species	
 60	 13			 1	
Mallard Duck	Pied Stilt	Marsh Crake	Bar-tailed Godwit	South Island Fern Bird	Skylark
 38	 6			 1	
Grey Duck	Little Shag	Coot	Banded Dotterel	Grey Warbler	House Sparrow
 32				 1	
NZ Scaup	South Is Pied Oystercatcher	Black-backed Gull	Asiatic Tern/Little Tern	Tui	Chaffinch
 18					
Paradise Duck	Australasian Bittern		White-winged Black Tern	Harrier Hawk	Redpoll
 8					
Canada Geese	Spur Winged Plover		Sanderling	NZ Falcon	Goldfinch
 2					
Black Swan	Black Shag		Glossy Ibis	Welcome Swallow	Starling
					
Shoveler Duck	Black-billed Gull			Wax Eye	Yellowhammer
					
Australian Shelduck	Pukeko			NZ Pipit	Greenfinch
					
Feral Goose	Black-fronted Tern			Blackbird	Dunnock
					
Grey Teal	White-faced Heron			Song Thrush	

Photos sourced from Birds Online NZ, reproduced with permission as follows: Adam Clark - White-faced Heron, Asiatic Tern/Little Tern, Chaffinch; Alan Tennyson - Grey Heron, House Sparrow, White-fronted Tern, Sanderling, Feral Goose; Andrew Thomas - White-winged Black Tern; Con Duyvestyn, Glossy Ibis; Craig Martin - Marsh Crake; Craig McKenzie - NZ Falcon, Tui, Bellbird, Grey Warbler; Diana Womersley - Australian Mountain Duck; Duncan Watson - Spur-winged Plover; Glenda Rees – Bittern, Bar-tailed Godwit; Imogen Warren - Harrier Hawk; James Russell - Southern Skua; John Flux - Black-billed Gull; Les Feasey - Caspian Tern, Magpie; Neil Fitzgerald - Canada Goose, Black-fronted Dotterel, Banded Dotterel, Blackbird, Grey Duck; Ormond Torr - Pukeko, Paradise Duck, Shoveler Duck, Black Shag, White Heron, Welcome Swallow, Coot, NZ Pipit, Song Thrush, Kereru; Oscar Thomas - South Is. Fern Bird, Dunnock, Skylark, Red-billed Gull; Paul Sorrell – Redpoll; Phillip Griffin – Starling; Raewyn Adams - Scaup; Rebecca

Bowater - Black-fronted Tern, South Is Pied Oystercatcher, Black-backed Gull, Kingfisher; Rob Lynch - Wrybill Plover, Greenfinch, Fantail; Sonja Ross – Yellowhammer; Steve Attwood - Royal Spoonbill; Tony Whitehead – Mallard, Grey Teal, Black Swan, Pied Stilt, Little Shag, NZ Dotterel, Goldfinch, Wax Eye.

3.1.1.4.5.2.2 Fish surveys

A fish survey was not undertaken this year. Survey are typically undertaken approximately once every five years.

3.1.1.4.5.2.3 Trap network

The predator trap network around Rakatu and the neighbouring Redcliff Wetlands consists of 70 traps, 58 DOC 200 traps. Six DOC 250 traps, two timms traps, and included four AT220's on loan from Environment Southland. . The traps were checked and rebaited on 8 occasions during the year.

The trapping network has grown over time, it started in 2011 with 35 traps, then 57 in 2014, then growing to the current network of 70 in 2023/24.



Figure 12: Trap locations of the Rakatu trapping network.

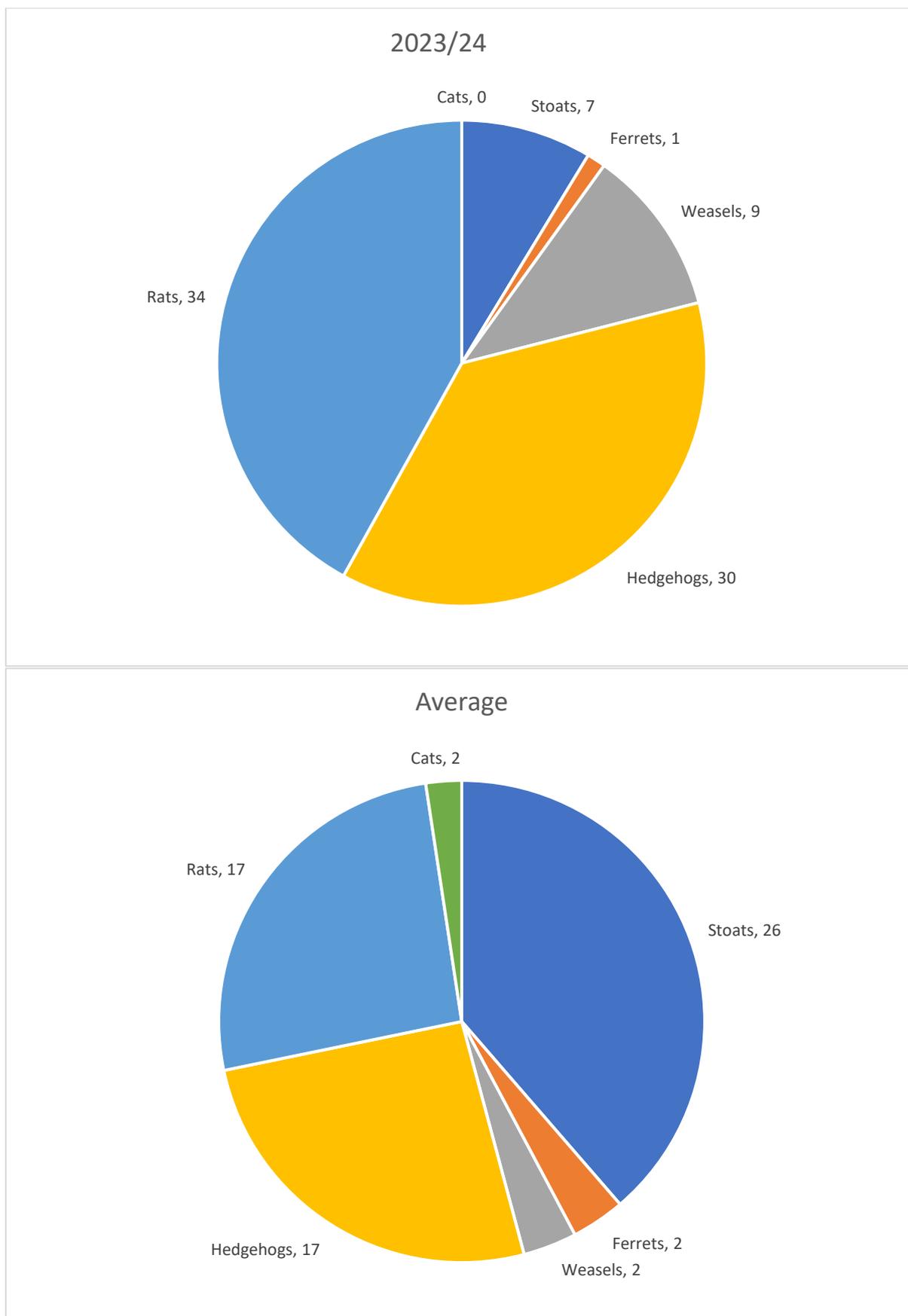


Figure 13: Trapping Results for 2022/23 compared with the annual mean results over the lifetime of the trapping programme.

Predators are an ongoing problem at Rakatu and Redcliff. Stoats, rats and hedgehogs are the most numerous and problematic pests at the site. Numbers of stoats and rats fluctuate from year to year and are linked to the beech mast years. Beech masts occurred in 2016/17 and again in 2018/19. High numbers of stoats and rats typically occur in the following year. Reduction in pest animals should result in less predator pressure on bird species, particularly the ground nesting species.

*3.1.1.4.5.2.4 Vehicle and visitor numbers*

The vehicle counter stopped working over the 2023 winter. The Trust has decided not to replace it at this stage as the Trust now have several years of use data. Confirming that spring and summer are the busiest period.

**3.1.1.5 A5 Stony Creek/Whitestone Habitat Enhancement**

**3.1.1.5.1 Expenditure**

Budgeted - **\$1,500**, Actual - **\$221**

**3.1.1.5.2 Key outputs/measures this year**

*Maintenance: Spraying if required.*

**3.1.1.5.3 Achievements and progress**

This Trust owned project is located in the mid-reaches of the Whitestone Catchment. Our objectives for this property include restoration of the natural river meander processes of the Whitestone River, wetland creation, protection of a small stream (Stony Creek) and protection of the native vegetation on the terrace escarpment. Two shallow water wetlands were constructed in Dec 2006. As expected these wetlands are largely seasonal, filling over the winter months or during large floods and drying out over summer and autumn. They are built on free draining soils and underlying alluvial sediments. Seasonal wetlands provide valuable habitat for specific wildlife species (waterfowl and waders) and provide diversity of habitat type. Seasonal wetlands are of lesser fishery value. When full, these wetlands have a combined open water area of 2.6 ha and shoreline length of 1160m.

No spraying was undertaken at the site this year.

The Trust is of the view that the purchase of this 17.6 ha property has met its original objectives, in that the floodplain section of the property is again part of the Whitestone River berm, negating the need for ongoing expenditure on the maintenance of the adjacent stop banks.

The surrounding property has recently changed hands, the Trust has negotiated access with the new owners to continue easy access to the wetland area.

**3.1.1.6 A7 Dean Burn Kowhai Riparian Habitat:**

**3.1.1.6.1 Expenditure**

Budgeted - **\$0**, Actual - **\$287**

**3.1.1.6.2 Key outputs/measures this year**

*Maintenance: Willow control if necessary.*

**3.1.1.6.3 Achievements and progress**

The Dean Burn is a tributary of the Waiau River. It arises in Fiordland National Park and the Dean Forest and flows in a southeasterly direction before joining the Waiau River on the true right bank, 1.5km downstream of the Wairaki River.

This reach of the Dean Burn (1.5km) and the adjacent riparian habitat (5.9 ha) is protected, in perpetuity, by a QE II National Trust Covenant.

Under the QE II National Trust's Management Statement for the covenanted area, the Waiiau Trust has an ongoing obligation to "progressively control or eradicate" the crack willow within the area, after consultation with the landowner. The 2008 willow removal work plus the 2009 follow up spray work has been successful. Further follow up spray of willow regrowth occurred in the spring of 2014, and February 2022.

### 3.1.1.7 A15 Ramparts Road Wetland and Riparian Habitat:

#### 3.1.1.7.1 Expenditure

Budgeted - **\$4,200**, Actual - **\$1,747**

#### 3.1.1.7.2 Key outputs/measures this year

*Maintenance: Pest plant spray programme.*

#### 3.1.1.7.3 Achievements and progress

This wetland property is located 9km northeast of Manapouri, along the Hillside-Manapouri Road. It is accessible to the public from Ramparts Road, via two easements and one main access road has been created on the easement at the lower end of the property.

The Trust has owned this 44ha property of wetland habitat and associated riparian margins, including 0.4km of outlet stream, since September 2000. This wetland complex is located immediately downstream, and connected to, the 16 ha DOC administered Steven's tributary wetland. A second wetland of 8 ha, on Landcorp's Stuart Farm also lies upstream of the Ramparts Road wetland. This Trust project contributes significantly to habitat protection within this sub-catchment. The wetland complexes, lying in the valley floor of this small catchment, are significant habitats and play an important role in sustaining stream flows.

Since the purchase of this property a number of areas in the same catchment, upstream of this wetland, have been fenced and protected by QEII Covenant or part of the Trust's Habitat Enhancement Agreement project.

The wetland had been subject to fire, grazing and drainage over the years, resulting in considerable disruption to the ecosystem. Under Trust ownership, these activities no longer take place, so the natural restoration processes occur undisturbed. The native vegetation continues to flourish in the absence of grazing animals.

In 2011 a 1 ha open water wetland at the lower end of the property was constructed. Spring bird counts were carried out in 2011 and 2012, and annually from 2015-2021.

The pest plant control programme, designed to maintain the integrity of the wetland and the indigenous vegetation cover, continued this year. The access track was also sprayed.

The replanted forestry block on the southern escarpment continues to flourish. It is undecided at this time whether intensive silviculture will be required.

### 3.1.1.8 A2 Wairaki Wetland

#### 3.1.1.8.1 Expenditure

Budgeted - **\$57,400** Actual - **\$43,921**

#### 3.1.1.8.2 Key outputs/measures this year

*Capital: Implementing the project, over a two year period.*

*Monitoring: Bird counts.*

*Maintenance: Weed spraying, public access and restoration planting.*

#### 3.1.1.8.3 Description of the project

The Wairaki Wetland is listed as 'Regional Significant' in Environment Southland's Water and Land Plan. But despite this regulatory protection, the Wairaki Wetland has gradually degraded over time. We are fortunate

that the current owners, the Smith Family, are keen to work with the Waiau Trust and QEII to restore it. This includes not only protecting what is there but reinstating almost 2 ha of harakeke swamp at the southwestern corner of the Wetland and planting on the terrace whose springs feed into the Wetland. The wetland includes approximately 4 ha of open water and the total area protected is approximately 14 ha.



Figure 14. Extent of the Wairaki Wetland Habitat Project. The open water portion covers approximately 6 ha within the protected area. The red line is the foot access path to a viewing platform at the top of the terrace looking out over the wetland. The carpark will be located at the corner of the road where the proposed footpath meets the road. The Main Stem of the Waiau River is immediately to the west and the Wairaki River is immediately to the north.



Figure 15: Wairaki Wetland trapping network.

#### 3.1.1.8.4 Achievements and progress

This year has been the first year with the public access open. It has been well used, with anecdotal reports of multiple cars often being parked there. The planting and weed control work continued, including planting on the escarpment above the wetland and a pest animal trap network has also been installed, it will be reported on in future once it has been operating for a full year. This work was supported by Environment Southland's Environmental Enhancement Fund again, although given its June financial year-end, the Trust will receive the funds in the Trust/s 2024/25 financial year.

##### 3.1.1.8.4.1 Monitoring

Bird counts are undertaken each year and fish surveys undertaken periodically to assess any changes overtime.

Table 5: Wairaki Wetland bird count.

Waterfowl	Water Associated Species	Other Species
 <p>48</p> <p>Canada Goose</p>	 <p>Royal Spoonbill</p>	 <p>2</p> <p>Welcome Swallow</p>
 <p>42</p> <p>NZ Scaup</p>	 <p>Coot</p>	 <p>3</p> <p>Fantail</p>
 <p>16</p> <p>Mallard Duck</p>	 <p>Black Shag</p>	 <p>1</p> <p>Bellbird</p>
 <p>5</p> <p>Paradise Duck</p>		 <p>1</p> <p>Grey Warbler</p>
 <p>2</p> <p>Black Swan</p>		
 <p>Shoveler Duck</p>		
 <p>Grey Teal</p>		

Photos sourced from Birds Online NZ, reproduced with permission as follows: Adam Clark - White-faced Heron, Asiatic Tern/Little Tern, Chaffinch; Alan Tennyson - Grey Heron, House Sparrow, White-fronted Tern, Sanderling, Feral Goose; Andrew Thomas - White-winged Black Tern; Con Duyvestyn, Glossy Ibis; Craig Martin - Marsh Crake; Craig McKenzie - NZ Falcon, Tui, Bellbird, Grey Warbler; Diana Womersley - Australian Mountain Duck; Duncan

Watson - Spur-winged Plover; Glenda Rees – Bittern, Bar-tailed Godwit; Imogen Warren - Harrier Hawk; James Russell - Southern Skua; John Flux - Black-billed Gull; Les Feasey - Caspian Tern, Magpie; Neil Fitzgerald - Canada Goose, Black-fronted Dotterel, Banded Dotterel, Blackbird, Grey Duck; Ormond Torr - Pukeko, Paradise Duck, Shoveler Duck, Black Shag, White Heron, Welcome Swallow, Coot, NZ Pipit, Song Thrush, Kereru; Oscar Thomas - South Is. Fern Bird, Dunnock, Skylark, Red-billed Gull; Paul Sorrell – Redpoll; Phillip Griffin – Starling; Raewyn Adams - Scaup ; Rebecca Bowater - Black-fronted Tern, South Is Pied Oystercatcher, Black-backed Gull, Kingfisher; Rob Lynch - Wrybill Plover, Greenfinch, Fantail; Sonja Ross – Yellowhammer; Steve Attwood - Royal Spoonbill; Tony Whitehead – Mallard, Grey Teal, Black Swan, Pied Stilt, Little Shag, NZ Dotterel, Goldfinch, Wax Eye.

### 3.1.2 Output A – Habitat Enhancement Agreements and Joint Waiau Trust/QEII National Trust Projects

#### 3.1.2.1.1 Expenditure

Budgeted - \$ 192,614 Actual - \$104,849

#### 3.1.2.1.2 Key outputs/measures this year

*Capital: HEA projects completed (6)*

*Joint Waiau Trust/QEII Trust projects completed (1).*

*Monitoring: On going photographic record of project site restoration*

*Year 5 of the ecosystem response monitoring programme -Macroinvertebrate and fine sediment.*

#### 3.1.2.1.3 Background

The philosophy behind this aspect of the Trust's work is to progressively achieve sub-catchment by sub-catchment wetland, gully and stream enhancement from the headwaters to the confluence with main stem waterways. This results in restoring longitudinal (upstream to downstream) and lateral (riparian) ecological linkages and enhancing habitat for the benefit of fisheries and wildlife.

This project work is split into two parts.

a). The first relates to the Trust's **Habitat Enhancement Agreements** (HEA). This Agreement is designed to provide grant monies to landowners for the fencing of stream and wetland habitats and their riparian margins. The signing of the Agreement by the landowner provides a degree of long-term security for the Trust's investment and security and protection for the enhanced habitat.

The Habitat Enhancement Agreement provides grant money as an interest free loan for a term of 20 years. At the 20 year point the grant money will be written off, if the Agreement has been complied with. The penalty for non-compliance during the 20year period requires the repayment of the capital sum, plus interest. If the land changes hands within the 20-year time frame, then the existing landowner must arrange for the new landowner to enter into a replacement agreement with the Waiau Trust. The 20-year term applies from the date of signing by the original landowner. The Trust has adopted the 20-year term, taking the view that riparian fencing will be standard practice within that time frame. Grants vary between 25 and 50% of the total cost of the fence, depending on the assessed ecological value of the habitat.

b). The second part of this work is the **Joint Projects** we undertake with the QEII National Trust and landowners. The joint approach of the Waiau Trust and QE II National Trust is an efficient use of resources, resulting in covenants over parcels of land with high conservation values and opportunities for fisheries and wildlife habitat enhancement.

In practice the joint approach means parcels of land that meet QE II criteria are covenanted, while those wetlands/streams/riparian margins with specific fisheries and wildlife values continue to be protected by the Waiau Trust's Habitat Enhancement Agreement. From a financial perspective, the Waiau Trust has contributed to the fencing of a number of QE II Covenants, at a grant rate of 25% of the value of the fence. In these cases the Trust does not require the landowner to sign a Habitat Enhancement Agreement, as we are of

the view that the QE II Covenant also secures the Trust’s interests in protecting the habitat in perpetuity. This arrangement works well.

**Achievements and Progress:**

This area of work remains a key focus for the Trust. Progress continued to be made during the year. It was a very busy year for this project.

This year 6 Habitat Enhancement Agreement projects and 1 Joint Waiau Trust/QE II Trust projects were completed. The total funding provided to landowners was \$58,250.10. A further 11 potential new projects were investigated, under Output J. These are at various stages of planning by landowners.

Time to completion of these projects can take from a few months to 2 years, which complicates our annual budgeting. Those not completed in a current financial year are often carried over to the following year.

**HEA Projects:**

Table 6 documents the 6 projects completed under the HEA category during the year. Protection of 4.4 km of stream and 18.6 ha of wetland and riparian habitat was achieved. Additionally 1.1 ha of open water habitat was created. The Trust now has 136 such agreements on its books. It should be noted, riparian fencing projects are often completed section by section, over a number of years. HEAs are signed at the completion of each section and once the whole project is complete.

Table 6: Habitat Enhancement Agreements (HEAs) Signed This Year.

Landowner	Catchment/ Stream	Fence Length (m)	Stream Length (m)	Riparian Area (ha)	Open Water Habitat Creation (ha)
Grassy Downs Farm Ltd. P. Cassells	Merton Creek	150	0	0.13	
Willanda Downs - Landcorp	Unnamed tributary of Morley Stream	260	175	0.83	
Brunnel Peaks – N. Robertson,	unnamed tributary of Ligar Creek	2560	1510	4.77	
Duncraigen Station - Landcorp	Unnamed tributary of Waiau River	1381	815	2.45	
Mararoa Station - Landcorp	Unnamed tributary of Lagoon Creek	2136	1300	5.7	1.1
Mararoa Station Landcorp	Unnamed tributary of Lagoon Creek	700	606	4.78	
<b>TOTAL</b>		<b>7187</b>	<b>4406</b>	<b>18.66</b>	<b>1.1</b>

NB: The measurements of fence length, stream length and area are not based on formal surveys and are measured off aerial photos. They are therefore less accurate.

**Joint Waiau Trust/QEII Trust Projects:**

Table 7 details the 1 Joint Waiau Trust/QEII National Trust projects completed this year, protecting **9.8 ha** of habitat (subject to final survey), 1.55 km of stream and creating an additional 1.6 ha of open water habitat. These are mainly headwater wetlands, gullies and stream systems with significant native vegetation cover; hence they met the QEII National Trust criteria. The Trust now has **129** Joint projects on the books.

Table 7: Joint Waiau Trust/QEII National Trust Projects Funded this Year.

Landowner and General Location	Description and Catchment	Fence Length (m) Area Protected (ha)*
Landcorp Mararoa	Anita's extension	2900 m 9.87 ha (including 1.6 ha created open water habitat)

\* The areas and fence lengths are subject to final survey and may change.

**Waiau River Liaison Committee:**

The Waiau River Liaison Committee, administered by Environment Southland, also runs a stream riparian fencing programme. This programme and the Trust stream protection work are complementary. Consultation from time to time ensures best use is made of limited resources and good environmental outcomes are achieved.

**Macroinvertebrate Monitoring:**

This year the Trust engaged its own contractors to undertake the Macroinvertebrate monitoring having previously, in 2017 approached Environment Southland to support the trust in the implementation of ecological monitoring a six sites where habitat enhancement including riparian fencing to exclude stock had been undertaken. The program includes three aspects of fresh water ecosystem health: Macroinvertebrates; Habitat Quality; and fine sediment in an on the stream bed. While a formal analysis of the data will be possible after 10 years, it is encouraging to observe a positive (although not significant) change in habitat quality which is generally consistent with the anticipated response to restoration via fencing and stock exclusion. It is relevant to note that the anticipated time frame for meaningful recovery is generally 10-15 years or greater depending on the nature of issues driving ecological degradation and scale of restoration activities undertaken.

**3.1.3 Output B – Access projects**

**3.1.3.1.1 Expenditure**

Total for all Accesses: Budgeted - **\$7,900**, Actual - **\$5,047**

**3.1.3.1.2 Key outputs/measures this year**

*Maintenance: Annual maintenance programme.*

**3.1.3.1.3 Description of the project**

Access projects are about reconnecting people with the Waiau River. When the Waiau River was diverted for electricity generation, the recreational and cultural values of the River changed, and the places and ways people were able to access and interact with the River changed too. Through this workstream the Trust has created 13 public accessways to enable people to physically get to the main stem of the Waiau River and its

tributaries. They comprise a mixture of pedestrian and vehicular accessways, distributed throughout the catchment, providing a range of opportunities for the community to engage with the River.

The access projects fulfill Purposes (b), (c), (g) and (l) of the Supplementary Deed.

### 3.1.3.1.4 Achievements and progress

The Trust’s efforts to provide public access to the Waiau River and its tributaries continues to be a priority and all accesses are fully operational. Public access to the resources is a broad concept and includes access for specific water based activities such as angling and harvesting the game bird resource, where appropriate. Important also is access for passive recreational pursuits, and in the case of our wetland properties, for education purposes.

The total number of Access Projects, open for public use is 13. The budgets for 4 of these (Rakatu, Ramparts, Wairaki Wetland and Home Creek) are associated with, and therefore accounted for under, Habitat Projects. Key expenditure relates to the maintenance of the other 9 accesses, which involves grading, maintenance graveling and spraying of the carriage-way, road side verges and walking tracks from the car parks to the river, as required.

This year maintenance expenditure (in the form of road spraying and grading and style hand rails) occurred at the Whare Creek, Rakatu, Jericho and Sunnyside/Monowai accesses. Styles at the Dean Burn and Sunnyside/Monowai access were maintained. Maintenance costs for the other accesses were slightly less than expected, as spraying and grading is not always needed at every access, every year.

Table 8 provides location details for the 13 accesses.

Table 8: Waiau Trust Access Projects.

Access	Location	To Where	Type	Purpose
<b>Whare Creek</b>	Lower Waiau, Blackmount-Redcliff Road, 4.2km d/s Mararoa Weir	Waiau River	1.5km gravel road to car park	Anglers, general recreation.
<b>Dean Burn</b>	Lower Waiau, west side, 25km upstream of Tuatapere	Dean Burn & Waiau River	0.5 km gravel road to car park	Anglers, general recreation.
<b>Wairaki</b>	Lower Waiau, east side, 25km upstream of Tuatapere	Waiau & Wairaki River	1km gravel road to car park	Anglers, general recreation.
<b>Wairaki Wetland</b>	Lower Waiau, east side, 25km upstream of Tuatapere	Viewing platform over the Wairaki Lagoon	300 m gravel walking track from roadside carpark.	General recreation, education.
<b>Redcliff/Jericho</b>	Waiau, Blackmount Redcliff Road, 12.6 km downstream of Mararoa Weir	Waiau River	1.62km gravel road to car park.	Anglers, general recreation.
<b>Princhester Creek</b>	SH 94, 28 km east of Te Anau	Princhester Creek & Mararoa River	0.5km gravel road, then grassed walkway to river	Anglers, general recreation.
<b>Rakatu</b>	Lower Waiau Blackmount -Redcliff Road, 8.8km downstream of Mararoa Weir	Waiau River and Rakatu wetlands	1.4km gravel road to car park, 9 km walking tracks round wetlands and to the Waiau River	Anglers, general recreation, walking, bird spotting, education.
<b>Home Creek</b>	Manapouri- Hillside Road, 1.5km from Manapouri	Home Creek	0.8km gravel road, 1.6km circular walking track.	Anglers, general recreation, walking, education.
<b>Johnston Access</b>	Dale Road Off Kakapo Road, 16 km from Te Anau	Upukerora River	1.2 km gravel road to car park	Anglers, general recreation.

<b>Pump House Road</b>	Pump House road, off Lynwood Road, 14 km from Te Anau	Whitestone River	0.4 km gravel road to car park	Anglers, general recreation.
<b>Ramparts Wetland</b>	Ramparts Road, off Hillside -Manapouri Road, 11.5 km from Manapouri	Wetland	0.2km gravel road to car park, freedom walking around wetland	General recreation, botanical interest.
<b>Mararoa-Whitestone</b>	Off Hillside-Manapouri Road, 13km from Manapouri and 17.8 km from Te Anau	Whitestone River, Mararoa River and Flaxy Creek	0.75km gravel road to car park	Anglers, general recreation.
<b>Sunnyside-Monowai</b>	Off Sunnyside Road, 5km from Monowai Village	Lower Waiau River	0.32km gravel road to car park	Anglers, general recreation.

### 3.1.4 Output C – Research projects

The research projects fulfil Purposes (f) and (i) of the Supplementary Deed.

#### 3.1.4.1.1 Expenditure

Budgeted - **\$10,500**, Actual - **\$0**

#### 3.1.4.1.2 Key outputs/measures this year

No research projects were carried out in the 2023/24 financial year. The budgeted inanga habitat report has been deferred until the 2024/25 financial year to enable high resolution Lidar data to be used as it was being processed during the year. The scoping of a broad fish population monitoring programme, also budgeted for 2023/24, was not progressed as the organisations we needed to make it happen weren't able to resource support for it.

### 3.1.5 Output D – Consultation, partnerships, communication, community relationships and advocacy

This Output fulfills Purposes (g), (j), (k) and (l) of the Supplementary Deed.

**Expenditure:** Budgeted - **\$2,600**, Actual - **\$4,852**.

#### 3.1.5.1.1 Key outputs/measures this year

*Administration: Attend relevant field days/educational initiatives in the catchment.*

*Maintain and enhance good working relationships with all partners and stakeholders.*

*Implement aspects of the Communications Plan*

#### 3.1.5.1.2 Achievements and progress

Relationships within the community remain a high priority for the Trust. As part of the Strategic Plan review, this Output section was revamped. It is now separated into 4 categories:

**Consultation** – Formal consultation was required as part of the application to alter the consent for the Inanga Project this year. Consultation was undertaken with Te Ao Marama Inc., the Department of Conservation, Fish and Game Southland, and Meridian Energy Ltd. As an ongoing form of consultation the Trust provides a copy of its Annual Report to a number of relevant organisations, including the Te Waiau Mahinga Kai Trust and Tuatapere Amenities Trust.

**Partnerships**- these include formal partnerships with organisations/people with whom we have legally binding documents. The key partnership is with MEL, through the Trust Deed. Our relationship with Meridian Energy Ltd is of particular significance to the Trust, given the role the Trust has in terms of mitigating and remedying the adverse effects of the Manapouri Power Scheme on fisheries and wildlife habitat. It is important to keep

Meridian up to date with Trust projects and progress. The Trust is mindful of the fact the Resource Consents for the Manapouri Power Scheme will need to be renewed prior to 2031.

Partnerships can also be informal and are more appropriately defined as “working relationships”. There is no doubt that the most important of all the people the Trust works with are landowners and farm managers. These are the people with whom we work to protect streams and wetlands and provide public accesses to the resources. The Trust highly values the working relationships established between Landcorp Farming Ltd, QE II National Trust, DOC, Environment Southland and Fish and Game Southland – all of whom have helped us achieve enhancement and protection of wetlands and streams during the year. We continue to work with the Waiau River Liaison Committee, Te Anau River Liaison Committee, the Waiau Rivercare Group, Te Waiau Mahika Kai Trust, Te Ao Marama Inc, the Waiau Working Party, The Orauea Catchment Group, Thriving Southland, Southland District Council, and others as required.

**Communication, Public Awareness and Information Dissemination** – This involves a multifaceted approach including, implementing the Communication Plan, identifying targeted audiences, key messaging, media items, project site public events, circulation of monitoring data and reports and the website ([www.waiiaustrust.org.nz](http://www.waiiaustrust.org.nz), designed and maintained by Tim Mann of Te Anau). The Trust has ongoing relationships with Hauroko Valley Primary School and Waiau Area School, which includes planting days at some of the Trust’s sites. The Trust circulates 120 copies of the Annual Report to interested organisations and individuals in the community. Roger provides tours of the Trust’s major habitat projects to various groups, and presents on the Trust’s work on request. The Trust education policy initiative, of using contract students to carry out project monitoring/research work is viewed as an important aspect of Trust work under this Output. The Trust has a number of ecological monitoring reports available on request.

**Advocacy** –The national interest in freshwater issues and biodiversity has gained momentum in the last few years with a number of statutory documents under-development. The Trust has engaged in statutory submission processes on a number of these documents. The increased awareness of the value of habitat protection and enhancement has assisted the Trust’s work, with increasing numbers of landowners keen to fence streams and wetlands.

### 3.1.6 Output E – Databases

This Output fulfils Purposes (h) and (i) of the Supplementary Deed.

#### 3.1.6.1.1 Expenditure

Budgeted - **\$21,620**, Actual - **\$3,660**

#### 3.1.6.1.2 Key outputs/measures this year

*Administration and Planning: Update Photographic library*

*Maintain Databases*

*Develop catchment protection maps*

*Update HEA maps*

#### 3.1.6.1.3 Achievements and progress

The Habitat Enhancement Agreement and Joint Waiau Trust/QEII Trust Project databases have been maintained during the year. The integrity of our databases is important, as they provide a detailed record of all projects - GPS points, fence lengths, areas protected and expenditure.

The extensive photographic record the Trust now has for all projects continues to be added to in both digital and hard copy form, as required. During the year further effort went into ensuring our project photographic

reference library was fit for purpose, for the Trust's HEA projects. It is modelled on the QEII approach of reference photo points for each project.

Work continues on sub-catchment protection maps. These detail all the streams and wetlands the Trust has been involved in protecting.

The HEA project system has been running for more than 20 years now. Each agreement has an attached map showing streams and wetlands protected and fences funded. Hard copies of all HEA agreements are filed. A file (maps) of all the Joint projects completed with QEII National Trust is also maintained. A digital database of both types of HEA projects is also maintained.

The habitat enhancement ecological response monitoring reports commissioned or prepared by the Trust are also an important part of our information base.

### 3.1.7 Output G – Duncraigen Weir

This Output fulfills Purpose (e) of the Supplementary Deed.

#### 3.1.7.1.1 Expenditure

Budgeted - **\$0**, Actual - **\$0**

#### 3.1.7.1.2 Achievements and progress

No work was required at the Duncraigen Weir this year.

### 3.1.8 Output J – Project investigation and advice

This Output fulfills Purposes (a), (b), (c) of the Supplementary Deed.

#### 3.1.8.1.1 Expenditure

Budgeted-**\$15,500**, Actual- **\$18,026**

#### 3.1.8.1.2 Key outputs/measures this year

*Administration: Respond to landowner requests to investigate potential new projects.*

#### 3.1.8.1.3 Achievements and progress

This output category covers expenditure on investigating new habitat and access projects and providing advice on habitat enhancement and protection. 11 potential new projects were investigated during the year, involving a site visit. A number of phone call enquiries from landowners thinking about stream and wetland protection were responded to.

Initial project investigation involves a site visit, discussion with, and advice to, the landowner and assessment of the fisheries and wildlife habitat and conservation values. This then leads to a decision about proceeding with the project and if it is solely a Waiau Trust project, a QEII National Trust project or a joint project.

This work is very preliminary in nature and does not always result in a project coming to fruition. Such preliminary investigations are often confidential in nature and involve discussions with individual landowners, so it is considered appropriate that recording and reporting expenditure should be under this general category. The Trust is of the view that reporting this expenditure in this manner is a good balance between transparency and the privacy of the Trust and individual landowners.

When potential projects progress to the stage of becoming a certainty, they are assigned separate project numbers.

### 3.1.9 Output H – Project management

Expenditure

Budgeted - **\$27,000**, Actual – **\$19,431**

This output covers all general planning work, by Contract Planner Claire Jordan, which cannot be readily attributable to a specific project. A number of projects have been worked on this year, in addition to the project planning work. The Annual Plan and Budget come under this output category, as does preparation of meeting agendas, meeting attendance, other day-to-day planning/management issues and inquiries, and keeping abreast of advances and news in the field.

### 3.1.10 Output H – General field

#### 3.1.10.1.1 Expenditure

Budgeted – **\$35,000**, Actual – **\$16,433**

#### 3.1.10.1.2 Key outputs/measures this year

*Administration: Management oversight of all projects.*

#### 3.1.10.1.3 Achievements and progress

This output covers all project related work by Field Operations Manager Roger Hodson, which cannot be readily attributed to a specific project. The Annual Plan and Budget come under this output category as does meeting agenda preparation, meeting attendances, general enquiries and other day to day matters that arise.

### 3.1.11 Output H – Trust servicing

#### 3.1.11.1 General administration

##### 3.1.11.1.1 Expenditure

Budgeted – **\$38,825**, Actual – **\$33,656**

##### 3.1.11.1.2 Key outputs/measures this year

*Administration: Annual Report completed by 30 June.*

##### 3.1.11.1.3 Achievements and progress

All targets, including maintaining the Trust's financial accounts and records, securing a set of audited accounts for the Annual Report, coordinating Fund Manager reports, production and distribution of the Annual Report, negotiating contracts on behalf of the Trust, general office running and performing other administration/secretarial duties as required have been met. Insurance costs relating to public liability and statutory liability are accounted for under this output.

#### 3.1.11.2 H2 Trust Board

##### 3.1.11.2.1 Expenditure

Budgeted – **\$9,500**, Actual – **\$8,755**

##### 3.1.11.2.2 Key outputs/measures this year

*Administration: Hold 5 meetings of the Trust Board*

*Insurance – Trustees Professional Indemnity.*

##### 3.1.11.2.3 Achievements and progress

The Trust met on five occasions during the year, incorporating a field trip to the Wairaki Oxbow Wetland.

Trustees are of the view that this frequency of meetings enables them to keep abreast of project developments and maintain an appropriate level of continuity. The capped reimbursement scheme continued this year.

#### 3.1.11.3 H7 Financial management

##### 3.1.11.3.1 Expenditure

Budgeted – **\$70,000**, Actual – **\$53,444**

### 3.1.11.3.2 Achievements and progress

The fund management system, involving three Fund Managers, continued.

## 3.2 Compliance, outcomes and long-term performance

The Annual Reporting process provides an opportunity for the Trust to critically review, assess and evaluate its performance, for the financial year. Section 3 (A) of the report does this in terms of Outputs. Over the longer time frame, it is an opportunity to assess our performance in terms of whether Outcomes are being achieved. The ecological monitoring programme the Trust has in place for major projects is a key component for determining if Outcomes are being achieved.

The requirement to report non-financial information, under the financial reporting requirements for Registered Charities/PBE's (effective from 1 April 2015), formalises and complements the practice, the Trust has adopted for some years.

Other aspects of the Trust's internal audit of activities, relate to compliance with the Charitable Trusts Act 1957, the Trustees Act 1956, the Trustee Amendment Act 1988 and the Charities Act 2005. An Outcome audit also needs to look at compliance and performance with the Trust Deed, Variation of Deed and the Strategic Plan.

The annual financial position of the Trust is subject to independent audit and the results of this are included in Section 5 of this report.

### 3.2.1 Compliance with relevant legislation

The legislation governing the operation of Trusts provides the basis for measuring the compliance of Trust activities and business practices. These statutes are: Charitable Trusts Act (1957), Trustees Act (1956), Trustees Amendment Act (1988), Charities Act 2005 and Health and Safety at Work Act (2015).

#### 3.2.1.1 Charitable Purposes

The first matter of compliance is around the activities of the Trust being charitable. "Charitable purposes" is defined in Section 38 of the Charitable Trusts Act 1957 and the activities of the Trust comply with (g) and (k) of that section. The Trust is registered with Charities Services (Charities Act 2005) to ensure the continuance of the Trust "charitable-purpose tax exempt status". A requirement of the registration and the retention of the "charitable status" is to report to Charities Services on an annual basis. This requirement has been met.

Under the Financial Reporting Requirements for Charities, the Trust reports under Tier 3, which requires accrual accounting, but no independent audit. The Trust continues with an independent audit, as required by the Trust Deed and in line with the high standard of transparency and accountability adopted in the past. The more complex fund management arrangements now in place also influenced the decision to continue with a full independent audit.

#### 3.2.1.2 Prudent Financial Management

The second matter relates to Part II, Investment, of the Trustee Amendment Act 1988, which provides key business and investment management compliance measures. Section 13 of the Act is of particular relevance, and places emphasis on prudent management.

The primary source of income for the Trust is from the returns on investment of the Trust Fund. Currently three Fund Managers manage the fund. Table 9 details each Managers opening balance, the balance at 31 March 2024 and the investment return for the year (based on interest, dividends and revaluations, less withdrawals, fees and brokerage). The balance as at 31 March 2024 for the 3 Fund Managers represents an average 8% investment return for the 2023/24 year.

The Trust’s Statement of Investment Policy and Objectives (SIPO) provides direction to the 3 Fund Managers. An independent review of the Investments and SIPO, commenced in 2019. It was debated in detail over subsequent months. In April 2020 a revised SIPO was adopted by the Trust.

Table 10 is the breakdown of investment types for each Fund Manager and the percentage (asset allocations) of the fund in each investment type. It also shows how the asset allocations relate to the agreed asset allocation limits (targets) for each Fund Manager, as at 31 March 2024. It is important to emphasize that because each Fund Manager has different asset allocation targets, each Manager’s investment returns are not directly comparable. On occasions Fund Managers seek the approval of the Trust to deviate from the SIPO and in particular the asset allocation limits.

Reporting, by Fund Managers, to the Trust is very specific in terms of time, content and performance. Detailed quarterly reports were produced, plus the end of year report. Each Fund Manager came to at least one Board meeting during the year, on a rotational basis. Issues that arose between meetings or quarterly reporting dates, were discussed with the Trust Chairman.

The SIPO, and adherence to it, ensures the Trust continues to meet the key business and investment management compliance obligations set out in Section 13E of the Trustees Amendment Act 1988.

All the above processes enable informed decision- making.

Table 9: Fund Managers and Investment Fund Values.

	<b>Craigs Investment Partners</b>	<b>Milford Income Fund</b>	<b>Jarden (FNZC)</b>	<b>Total/ Ave % return</b>
Investment value 31 March 2024	3,469,336	2,267,131	1,610,929	7,347,396
Balance at 31 March 2024	3,563,807	2,741,429	1,716,884	8,022,121
Annual Net Investment return after withdrawals, fees & brokerage - 31 March 2024	8.06%	8.00%	10.28%	7.70%

Table 10: Waiau Trust investments as at 31 March 2024

<b>Waiau Trust Investments as at 31st March 2024</b>						
<b>Table 10:</b>						
	<b>Craigs Investment Partners</b>	<b>Milford Income Fund</b>	<b>Jarden</b>	<b>Total</b>	<b>% of fund</b>	<b>Target %</b>
Cash	\$63,798	\$237,414	\$25,083	<b>\$326,295</b>	19%	5%
<b>Total Cash (I)</b>	<b>\$63,798</b>	<b>\$237,414</b>	<b>\$25,083</b>	<b>\$326,295</b>	<b>19%</b>	<b>5%</b>
NZ Fixed Interest	\$1,360,475	\$407,208	\$712,199	<b>\$2,479,882</b>	38%	55%
Australia & Global Fixed Interest	\$15,823	\$1,343,459	\$0	<b>\$1,359,282</b>	9%	
<b>Total Fixed Interest (I)</b>	<b>\$1,376,298</b>	<b>\$1,750,667</b>	<b>\$712,199</b>	<b>\$3,839,164</b>	<b>47%</b>	<b>55%</b>
NZ Properties	\$172,725	\$138,516	\$112,094	<b>\$423,335</b>	5%	10%
Aust Properties	\$98,268			<b>\$98,268</b>	1%	
<b>Total Properties (G)</b>	<b>\$270,993</b>	<b>\$138,516</b>	<b>\$112,094</b>	<b>\$521,603</b>	<b>6%</b>	<b>10%</b>
NZ Equities	\$696,375	\$195,710	\$376,455	<b>\$1,268,540</b>	14%	15%
Australia Equities	\$581,005	\$198,391	\$146,733	<b>\$926,129</b>	7%	13%
International Equities	\$639,135	\$458,146	\$369,404	<b>\$1,466,685</b>	7%	2%
<b>Total Equities (G)</b>	<b>\$1,916,515</b>	<b>\$852,247</b>	<b>\$892,592</b>	<b>\$3,661,354</b>	<b>28%</b>	<b>30%</b>
<b>Other</b>						
<b>Total portfolio</b>	<b>\$3,627,605</b>	<b>\$2,978,843</b>	<b>\$1,741,967</b>	<b>\$8,348,415</b>	<b>100%</b>	<b>100%</b>

The Trust is mindful that our mandate is to produce ecological outcomes and though it is difficult to put a dollar value on ecological assets, the Trust is of the view that these enhanced ecological assets also go some way toward inflation proofing the Fund.

The long-term horizon drives Trust thinking. Enhanced habitats need to operate in perpetuity to ensure permanent environmental outcomes and ongoing resources are required for the Trust to continue with its valuable habitat enhancement and other project work.

### 3.2.1.3 Other Income Sources

The Trust received \$80,945 of total income from sources other than the investment of the Trust Fund. The Trust owns or leases a number of properties that have the ability to produce income from grazing, production forestry (plus the Emissions Trading Scheme) and harvesting grass for silage/baleage/hay, without jeopardizing the primary purpose of habitat enhancement. This also includes the grant from the NZ Motor Caravan Association’s Greenfund towards the Home Creek footbridge, the contribution towards the footbridge from Cam and Wendy McDonald, and donations received at donation boxes at the major projects.

### 3.2.1.4 General Financial Management

The Trust sees itself operating in perpetuity and is now thinking strategically out to 2031 when the Meridian Energy Ltd, Resource Consents for the Manapouri Power Scheme expire and will need to be renewed. The Trust will continue to work with Meridian Energy to promote a shared vision of the catchment from a natural

ecosystem perspective and how it might look beyond 2031. This will include continuing with the current habitat enhancement work including habitat enhancement agreements. In addition, the Trust intends to identify a series of new flagship projects as part of its strategic programme of works which will require new levels of funding into the future.

The Trust continues to look for efficiencies and effectiveness in the expenditure of the Trust Fund, in terms of project management, implementation and administrative structures. Reviews of expenditure and reassessment of project priorities throughout the year, depending on investment performance, are considered to be a prudent management approach. Contracts for the provision of secretarial/administration, field and planning services remain cost effective. Records of hours each contractor spends on Waiau Trust work are kept.

Trust costs continue to increase and management of resources will be an ongoing challenge. Habitat and access projects have been established in perpetuity. This will require the permanent provision of resources to manage and maintain such projects. As time moves on, the number of operative projects will increase as will the resources required to maintain the larger number of projects. Operationally this means providing for pest plant and animal control, road maintenance, fence maintenance and other habitat maintenance in the Annual Plan, as required. Financially this means ensuring the returns from investment of the capital fund are sufficient to provide income necessary to meet the ongoing costs of projects created by the Trust, long term. This is an issue of sustainability for the Trust and will require further thought in the future. In 2023/2024 project maintenance costs were \$53,499 (12.6% of expenditure and 11.8% of income). Monitoring costs in 2023/2024 were \$29,475 (7.0% of expenditure and 6.5% of revenue).

The provision of additional services, such as legal, surveying, valuation, audit, construction, fencing and pest plant control, some infrastructure design and installation are contracted as required. The Trust has a portfolio of such service providers, who provide efficient and effective service to the Trust. From time to time a selective tendering process is used to test the market or enable a number of contractors to compete for work. Local contractors are used if possible, so that Trust money stays within the local community.

#### 3.2.1.5 Health and Safety

The Waiau Trust's current health and safety policy states:

"The Waiau Fisheries and Wildlife Habitat Enhancement Trust is committed to maintaining a safe and healthy working environment for our contractors in the workplace. Some of our projects enable public access for recreational purposes, so the Health and Safety Plan also applies to visitors to project sites."

The Health and Safety at Work Act (2015) came in to affect in April 2016. Governance responsibilities for health and safety require rigorous process and reporting on health and safety and implementation of Plans. The revised Health and Safety Plan was last updated and approved by the Board on 13 May 2020 due to Covid-19.

Currently, at each Trust meeting, Trustees receive a health and safety report, documenting the change in status of known hazards, any new hazards that have arisen at project sites and any incidents. Focus is particularly on the project sites where the public have access.

### 3.2.2 Compliance with the Trust Deed and Supplementary Deed of Variation

#### 3.2.2.1 Objects and Purposes of the Trust

The major compliance elements in the Trust Deed "*Objects of Trust*" and the Supplementary Deed of Variation "*Objects and Purposes*", provide the reporting framework. For simplicity the level of compliance focusses on the Supplementary Deed of Variation *Objects and Purposes* as they encompass all the original Deed *Objects*. The emphasis is on enhancement of fisheries and wildlife habitat, facilitation of public access to the enhanced Waiau River, fisheries research, databases, consultation, partnerships, communication, and advocacy.

Meeting the *Objects and Purposes* of the Trust is reported in terms of Outputs, on an annual basis, and project by project, as per section 3 of this report. All habitat enhancement, access and research projects comply. Each new project is assessed to ensure compliance.

There has been activity on 9 of the 12 *Objects and Purposes* this year. The Trust has actively investigated new projects, particularly those suitable for Habitat Enhancement Agreements (Purposes a, b & d). The ongoing maintenance and monitoring at the two whitebait projects meet Purpose d.

There are 13 public access roads to the Waiau River and tributaries and wetlands, with their maintenance remaining a focus (Purpose c). The 9 km of walking tracks at Rakatu Wetlands and the 1.6 km circular track at Home Creek add significantly to the public access facilities provided by the Trust. These projects continue to meet Purpose c. Trust habitat enhancement work on private land always presents a dilemma for the Trust in terms of our purpose of providing public access to resources. The reality is that it is not always possible or desirable to provide such access.

The Trust has 16 major habitat enhancement projects on the books, 4 of which are also accounted for as joint Waiau Trust/QEII National Trust projects. There are 126 completed Habitat Enhancement Agreement projects (A100) for stream riparian and wetland habitat, plus 129 completed joint Waiau Trust/QEII National Trust projects. These 249 habitat projects come under Purposes a, b and d.

The maintenance of the Duncraigen Weir, (Purpose e) did not incur any costs this year and no further expenditure is anticipated in the medium term.

Provision of public access and interpretative signage at Trust project sites promotes public understanding of the values for which the Trust was established (Purpose g). The Rakatu project contributes substantially to the meeting of Purpose g. The work with Hauoko Valley Primary School and Waiau Area School also contributes to Purpose g.

Visitor numbers to Rakatu Wetlands continue at a reasonable level and we consistently receive positive feedback from visitors. Public access and interpretative panels about whitebait, their lifecycle and habitat requirements are an integral part of the Inanga Project at the Waiau Mouth.

Purposes h (Databases) and i (Monitoring) have long been part of the Trust's "business as usual". Consultation, partnerships and communication (Purposes g, j, and k) are similarly ongoing, but now more clearly defined in the Strategic Plan. The Trust continues to advocate (Purpose i) for ecosystem health, conservation, wetland and stream protection and sustainable riparian management in the national, regional and local flora.

### **3.2.2.2 Other Trust Deed and Supplementary Deed of Variation Compliance Matters**

The Trust Deed directs Trustees to "consult at least annually" with the Trustees of the Te Waiau Mahika Kai Trust and the Tuatapere Amenities Trust and to provide them with a copy of the minutes of Board meetings within one month of the date of each meeting. Supply of our Annual Report has been found to be the most efficient and practical way to communicate. Any day-to-day issues are dealt with on an as required basis. The Trust is particularly supportive of the Te Waiau Mahika Kai Trust's protection initiatives at their Jericho property, which is in close proximity to Rakatu Wetlands and the Redcliff Reserve. Consultation with the Tuatapere Amenities Trust has occurred between individual Trustees and Contractors, usually at Waiau Working Party meetings.

The Trust is required to recognise and have regard to the traditional relationship of the tangata whenua with the resources of the Waiau River and in particular their interest in the native fishery. The enhancement of habitat for native species continues to be a significant part of all our habitat enhancement projects. We are particularly concerned about the state of New Zealand's eel fishery and view our habitat enhancement work as a significant contribution to sustaining populations of this and other native fish species, particularly in the

Lower Waiau catchment. We have a good relationship with Te Ao Marama Inc, and Oraka Aparima Runaka who are very supportive of our habitat enhancement work.

The Trust Deed has specific requirements with respect to the Annual Report and Accounts. The first is the keeping of true and fair accounts of all money received and expended. This is covered elsewhere in this report. The second is the publication and circulation of the Annual Report and Financial Statement to the nominating organisations and Meridian Energy Ltd and any other person or organisation requesting a copy. These obligations have been met.

### **3.2.3 Outcomes – Performance in relation to Deed Objects and Purposes and the Strategic Plan**

This section provides an assessment and evaluation of the annually reported Outputs in relation to the Trust Deed and Supplementary Deed of Variation Objects and Purposes and the Strategic Plan and expresses the Trust performance over time in terms of Outcomes.

The Strategic Plan covers a large number of topics, including legislative framework, land matters, conservation ethics, project security, community relationships, habitat enhancement principles, access principles, visitor facilities, etc. All strategies are designed to aid the smooth running of the Trust. All strategies have specific associated outcomes.

Outcomes, for the purpose of performance reporting, are the long-term cumulative expression of project outputs. They are broad in nature and measure the positive impacts of the Trust's work. Outcomes have quantity and quality elements over time and place. They need to be measured in order to assess performance.

#### **3.2.3.1 Key Trust Outcomes**

- a). Increasing the number and areas of **enhanced habitats** for a wide variety of fishery and wildlife species, in the modified areas of the Waiau catchment.
- b). **Improving ecosystem health** in the Waiau catchment by enhancing networks of connected habitats.
- c). Creating **awareness** and building strong **relationships with the community** to advance the Trust's work.
- d). Provision of facilities so the community can **access the river resources** in the Waiau Catchment for recreational and educational purposes.

#### **3.2.3.2 Outcome Performance Measures**

##### **3.2.3.2.1 Enhanced Habitats**

The quantity and types of habitat created and enhanced shows good progress over time. The Trust has 256 habitat projects, enhancing a total of **3,429** ha of habitat.

The quality of the enhanced habitats is measured through the monitoring programmes the Trust has developed for projects, based on the Trust Monitoring Strategy (2011).

The Monitoring Strategy is very focused, with emphasis on the ecological response and benefits to fisheries and wildlife at major projects. It is not possible, or necessary, to monitor every aspect of every project. The cost would be prohibitive. The ecological benefits of riparian fencing of streams and wetlands are well established and reported widely in the national and international literature. Preventing animal access to streams has benefits for stream bed and bank stability as well reducing direct sediment, faecal and nutrient inputs to streams. Protected riparian margins allow vegetation recovery and often regeneration of native species. Healthy swards of riparian vegetation improve the uptake of nutrients and sediment and improve the filtering ability of these margins, thus reducing all contaminant inputs to streams. These are all positive benefits for stream ecosystem health. Our monitoring programmes therefore reflect the type and scale of

each project and provide information to indicate progress with the enhancement of the habitat and assist management of the enhanced habitat.

As reported earlier a macroinvertebrate, fine sediment and electric fishing monitoring programme is in place at 6 sites in the Te Anau basin, where the Trust has completed on-farm stream and wetland protection. This long-term programme is run in conjunction with Environment Southland. All results will be provided to the relevant landowners.

With each passing year more data becomes available for the monitored projects. Ecological outcomes of particular note are the fishery and bird monitoring results at the Whitebait habitats. This project site started with grass paddocks. The creation of wetlands has produced productive fishery and wildlife habitats, linked to the Waiau Lagoon and the Waiau River. This response occurred within a very short time frame.

The Trust has extensive photographic library of all projects. Comparisons of sites over time is a good visual measure of ecosystem restoration and health.

Table 11: Habitat Enhancement Project data bases and monitoring information.

Habitat Enhancement Project	Types of Data Available.
Home Creek Riparian Habitat	Baseline fisheries data, Baseline vegetation survey, Permanent photograph points and monitoring of re-vegetation sites.
Lower Waiau Whitebait Habitat, Waiau Mouth	Pond physical properties, Colonization – macrophytes and fish, fish biomass, (4 reports, 1999-2003). Photograph records Spring bird counts and preliminary fish surveys on new habitat -2011-2020. Analysis of water flow volumes into wetlands, up to 2024 Baseline fisheries surveys of Whitehead and McCulloch Wetlands – 2013 and 2014. Pest animal trap lines installed and maintained. Pest tallies Fish distribution, life history and re-establishment PhD study 2017 - 2020
Lower Waiau Whitebait Habitat, Papatotara.	Pre- dam construction- bird surveys Pre- dam construction – fish surveys, Terrace Creek and Erskine Stream Post wetland construction - annual fish and bird surveys from 2020. Pest animal trap lines data– from 2020
Dean Burn Kowhai Riparian Habitat	Occasional spring native bird counts, Monitoring of kowhai vegetation and willow control, Permanent photograph points.
Wairaki Wetland	Spring native bird counts Baseline fish and macroinvertebrate survey 2022.
Rakatu	Baseline reconnaissance survey of natural wetland vegetation, Baseline stream hydrology, Fisheries and wildlife surveys and comparisons with other habitats, Photographic records.

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	<p>M.Sc. project funded, includes baseline fish community surveys</p> <p>Fish Survey, (J Futter 2008)</p> <p>Fish Survey, 2014</p> <p>Fish Survey, 2021</p> <p>Spring Bird counts completed 2010 – 2020.</p> <p>Predator trap network installed 2011 and expanded and maintained. Pest tallies.</p> <p>Vehicle and visitor numbers (2006-2020).</p>
Upukerora Wetland	<p>Baseline vegetation survey,</p> <p>Permanent photograph points,</p> <p>Baseline fisheries survey, wildlife counts – pre and post wetland construction</p>
Ramparts Wetland	<p>Baseline vegetation survey,</p> <p>Permanent photograph points,</p> <p>Anecdotal monitoring of wetland water levels for forward planning</p> <p>Spring bird counts 2011, 2012, 2013,2014,2015, 2016, 2017, 2018, 2019, 2020</p>
Flaxy Creek	<p>Water quality data above and below fenced stream,</p> <p>Photographic records</p>
A100 Projects	<p>Photographic records of all projects.</p> <p>Water Quality data - Dale Farm,</p> <p>Baseline fishery surveys of a number of streams 2010.</p> <p>Annual inspections as per QEII Trust requirements</p> <p>Macroinvertebrate/electric fishing programme. – 6 sites</p>

**QEII/Waiau Trust Joint Projects photos**



*Figure 16: Anita's QEII extension on Pamu Farms NZ - Mararoa Station.*



*Figure 17: Anita's QEII extension on Pamu Farms NZ - Mararoa Station.*

**HEA Project photos**



*Figure 18: HEA area on Mararoa Station incorporating 1.1 ha constructed wetland habitat.*



Figure 19: HEA works on unnamed tributary of the Ligar, on the Robertson's Brunel Peaks Station.



Figure 20: Kowhai trees within the HEA area on the unnamed tributary of the Ligar.



Figure 21: HEA work on unnamed tributaries of the Waiau River on Pamu Farms NZ - Duncraigen Farm.



Figure 22: HEA work on unnamed tributaries of the Waiau River on Duncraigen Farm.

### 3.2.3.2.2 Improved ecosystem health

The Waiau community, as expressed through the Waiau Working Party and the Waiau Rivercare Group, is focused on improving ecosystem health of the Waiau River and catchment. The Trust's habitat enhancement strategies and their implementation will produce long-term positive outcomes for ecosystem health. An ecosystems approach to habitat enhancement has been adopted. This means understanding past disruption to stream and wetland ecosystem processes. We take a sub-catchment by sub-catchment approach and restore longitudinal (headwaters to confluence) and latitudinal (riparian) linkages. In practice it results in enhanced habitats and enhanced ecosystem connectedness and networks. The Trust has now achieved the complete protection of wetlands and streams in a number of sub-catchments, particularly in the Te Anau basin. The new macroinvertebrate/electric fishing programme will quantify ecosystem health within the catchments sampled.

Ecosystem restoration, through habitat enhancement is a complex process, but often there are immediate, measurable results. The regeneration and re-establishment of native vegetation takes decades but is faster where seed sources exist. The colonisation of created wetland habitats by wildlife can occur within a matter of months; establishment of sustainable fisheries takes longer. We have seen the beginnings of a recovery of remnant native vegetation at Home Creek (in wet areas and along stream banks), aided by restoration plantings. The colonisation by macrophytes, inanga, eels and bullies in some of the original whitebait habitat enhancement ponds was rapid, as was the colonization of the "Whitehead", "McCulloch" and "Inder" wetlands at the same locality. The expansion of bird life into new habitats at Rakatu (early 2000's) was rapid and permanent. Likewise, the Papatotara wetlands rapidly provided valuable habitat for many bird species and Short and Long Fin Eel. Similar rapid colonisation of new smaller 1-2 ha open water habitats has been observed with waterfowl and wading species being some of the first to utilise new habitats.

The Trust is confident that over time the cumulative effect of all Trust projects will be very positive for the Waiau catchment ecosystem and its fisheries and wildlife values.

**Ecosystem restoration progress – before/after photos:**



*Figure 23: Dale Farm Fredburn Wetlands prior to protection and enhancement 2019.*



*Figure 24: Dale Farm Fredburn Wetlands QEII covenant completed wetland 2021.*



Figure 25: Duncraigen Roses Covenant 2013.



Figure 26: Duncraigen Roses covenant Oct 2021.



Figure 27: Duncraigen Tims covenant April 2013.



Figure 28: Duncraigen Tims covenant Nov 2021.



Figure 29: McCulloch Suite Whitebait Project May 2012.



Figure 30: McCulloch Suite Whitebait Project July 2021.



Figure 31: Whitebait Project direct seeding trial showing the growth of native plants after 15 months.



Figure 32: Whitebait Project direct seeding trial showing the growth of native plants as of February 2024.



Figure 33: Whitebait project planting flaxes with a digger 2021 a 5K further enhancement of the flax fields

#### 3.2.3.2.3 Community relationships and awareness

Community relationships and the Trust's identity within the Waiau Catchment and wider community are important aspects of our Strategic Plan. The Trust is well aware that habitat enhancement and access projects would not be possible without the co-operation of individual landowners and the wider community. In achieving the habitat enhancement and access projects, the Trust has worked with a large number of individual landowners and managers. All this work is carried out within a context of also considering the practicalities of every-day farming and other land use activities. This approach is working well, with mutual benefits for both landowners and fisheries and wildlife habitat being achieved.

The Trust has become established as an independent entity contributing to fisheries and wildlife habitat enhancement and management in the Waiau River catchment. Building and maintaining working relationships with individual landowners, Landcorp Farming Ltd, Department of Conservation, LINZ, Southland District Council, Environment Southland, QEII National Trust, Meridian Energy Ltd, Te Waiau Mahika Kai Trust, and Te Ao Marama Inc. remains a top priority. The outcome of this effort over time has resulted in some very good habitat enhancement and access projects. The co-operation of these people and their understanding and acceptance of the Trust's work is very important to the Trust.

The number of ongoing enquires the Trust receives from landowners and the number of new projects completed each year is testament to the high level of public awareness of the Trust and the good community relationships that have been established.

#### 3.2.3.2.4 Access to resources

Public access to habitat enhancement projects to encourage passive recreation, educate the public about fisheries and wildlife and promote the Trust's work is an important part of the Strategic Plan. The Trust has placed great emphasis on providing quality paths/roads (**13 in total**) and other visitor facilities at project sites; examples include the Rakatu Wetlands and the Whitebait Project.

Vehicle and/or walking access is available on land owned by the Trust, via easement (Right of Way) or across Crown land at 6 of the major projects. The other access projects provide access to various rivers in the catchment. Use of these facilities occurs at a steady, consistent level, where measured. Access, where provided is free to all.

The Habitat Enhancement Agreement places lesser importance on public access as many of these projects are on private land, often well away from public roads. Access is available at some of these project sites or upon request from the landowner.

## 4 Summary of the year's operation of the Trust

The twenty-sixth year of operation of the Waiau Fisheries and Wildlife Habitat Enhancement Trust has resulted in further advancement of the Trust's Objects. Project and administration expenditure for the year totalled **\$423,823**. The Trust had a trading surplus of **\$27,970**, or a surplus of **360,905** when including a revaluation of the investment portfolio, with a ROI of **7.70%**.

The Trust's Statement of Investment Policy and Objectives (SIPO) continues to focus on investment types designed to provide certainty of cash flow, as well as providing for long-term growth of the Fund. The return on the investment portfolio **7.70%**. Investment returns are estimated based on Investment Income received (including both realised and unrealised gains less fees and brokerage) divided by the opening portfolio balance less withdrawals for the year.

The following is a list of achievements the Trust considers to be the highlights for the year:

- Monitoring and Compliance reporting on the Papatotara whitebait habitat project.
- Ongoing monitoring and maintenance of the whitebait habitats -Whitehead Suite (built in March 2009), McCulloch Suite (constructed March 2012) and Inder Wetland (built February 2015), at the mouth of the Waiau River.
- Completion of 6 HEA projects protecting 4.4 km (18.66 ha) of streams, wetlands and their riparian margins, involving 7.2 km of fencing.
- Completion of 1 joint Waiau Trust/QEII Trust projects protecting 9.87 ha of wetlands, streams and bush habitat, involving 2.9 km of fencing.
- Investigation of 6 potential new wetland and stream riparian protection projects.
- Maintaining the predator trap network at Rakatu/Redcliff wetlands.
- Maintaining the predator trap network at the Whitebait project.
- The ongoing relationships between the Waiau Trust and the QEII National Trust, Landcorp Farming Ltd and Meridian Energy Ltd.
- The ongoing implementation of macroinvertebrate/electric fishing long-term monitoring programme in Te Anau basin sub-catchments in conjunction with Environment Southland.
- The third year of implementing the Wairaki Wetland project, primarily planting and weed control using contractors.

## 5 Performance report for the year ended 31 March 2024 (BDO)

# Performance Report

Waiau Fisheries And Wildlife Habitat Enhancement Trust  
For the year ended 31 March 2024

Prepared by BDO Invercargill

# Contents

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# Entity Information

## Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

### Nature of Business

As a charitable organisation. The objectives of the Trust are to enhance and develop fisheries and wildlife habitat in the Waiau River Catchment.

### Sources of Cash & Resources

The Trust's main source of revenue is derived from investment income.

### Trustees

- Cam McCulloch - Chairman
- Glenys Dickson - Dept of Conservation
- John Whitehead - Dept of Conservation
- Mike O'Brien - Rural Community Representative
- Peter Sutton - Southland Fish & Game Council
- Andrew Feierabend - Meridian Energy Ltd
- Graeme L Watson - Southland Fish & Game Council
- Nathan Cruickshank

### Secretary

Kristy Nind  
**INVERCARGILL**

### Solicitors

Preston Russell Law  
**INVERCARGILL**

### Investment Advisors

Craigs Investment Partners  
**INVERCARGILL**

Jarden (FNZC)  
**CHRISTCHURCH**

Milford Asset Management  
**AUCKLAND**

### Auditors

Crowe New Zealand Audit Partnership  
**INVERCARGILL**

### Charities Commission

Registration Number: CC20449



# Statement of Service Performance

## Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

The objectives of the Trust are to enhance and develop fisheries and wildlife habitat in the Waiau River Catchment these objectives are achieved via an annual plan focusing on the following.

### Description of the Entity's Outcome

1. Protection, restoration, creation and enhancement of fisheries and wildlife habitat in the Waiau Catchment, including whitebait habitat in the vicinity of the Waiau River mouth.
2. Provision and maintenance of public access to the resources of the Waiau River.
3. Provision of facilities and information to enhance the understanding of the public of the values for which the Waiau Fisheries and Wildlife Habitat Enhancement Trust was established.
4. Fund research and monitoring to measure habitat enhancement ecological outcomes.

Description and Quantification of Entity's Outputs	Actual \$ 2024	Budget \$ 2024	Actual \$ 2023
<b>Wairaki Wetland:</b> C: Planting, weed control, public access, fencing, signage. MON: Bird counts	43,876	57,400	69,094
<b>Whitebait Project, Waiau Mouth:</b> C: Rockwork. M: Pest plant control, fertiliser application, re-grassing, native seeding trial	44,775	63,300	46,038
<b>Whitebait Project, Papatotora:</b> C: Plants. M: Pest control. MON: Bird counts	12,824	13,000	4,864
<b>Rakatu Wetland</b> MON: Bird counts, pest animal control	30,397	43,100	34,908
<b>HEA Projects:</b> C: Joint QEII projects + HEA projects (1 and 6 respectively)	100,393	192,614	71,844
<b>Access Projects:</b> M: Spraying, grading, fence repairs, 13 sites (including new public access at Wairaki Wetland)	4,856	7,900	4,286
<b>Project Investigation and advice:</b> AP: 11 x Potential new projects	16,925	15,500	15,601

### Additional Output Measures:

**Total number of habitat projects completed (1997-2024): 265 projects protecting 3,371 ha of habitat.**

Over time, the cumulative number of habitat enhancement projects completed (and area protected) contributes to the ecosystem health of the Waiau catchment.

**Total number of Access projects completed (1997-2024): 13 created and open to the public. 4 habitat project sites have walking access and other facilities.**

The cumulative number of public access projects contributes to recreational use of resources and understanding of the natural values of the resources.

### Additional Information

The Trust intends to operate in perpetuity. Habitat and access projects will require ongoing maintenance and management to ensure their long term sustainability. AP = Administration & Planning, C = Capital, M= Maintenance, MON = Monitoring

# Approval of Financial Report

## Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

The Trustees are pleased to present the approved financial report including the historical financial statements of Waiau Fisheries And Wildlife Habitat Enhancement Trust for year ended 31 March 2024.

APPROVED



Cam McCulloch - Chairman  
Trustee

Date ..... 17/7/24 .....



Peter Sutton  
Trustee

Date ..... 17/07/24 .....

# Statement of Financial Performance

## Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

	NOTES	2024	2023
<b>Revenue</b>			
<b>Donations and Grants</b>			
Rakatu Wetland - Donation Box		174	357
Other Donations		25,000	20,000
<b>Total Donations and Grants</b>		<b>25,174</b>	<b>20,357</b>
<b>Sales of Goods and Services</b>			
Rakatu Wetland - Grazing Lease		20,000	20,000
Whitebait Habitat - Sale of Baleage		32,115	24,850
Rebate - Fertiliser		-	88
<b>Total Sales of Goods and Services</b>		<b>52,115</b>	<b>44,938</b>
<b>Interest and Dividends</b>			
BNZ Interest		3,656	834
Investment Interest & Dividends		370,848	229,475
<b>Total Interest and Dividends</b>		<b>374,504</b>	<b>230,309</b>
<b>Total Revenue</b>		<b>451,793</b>	<b>295,604</b>
<b>Expenses</b>			
<b>Project Costs</b>			
<b>Dean Burn Kohwai QE11</b>			
Admin & Planning		287	-
<b>Total Dean Burn Kohwai QE11</b>		<b>287</b>	<b>-</b>
<b>Home Creek Riparian Habitat</b>			
Admin & Planning		7,294	14,692
Capital Expenses		9,468	24,381
Ongoing Maintenance		1,551	768
<b>Total Home Creek Riparian Habitat</b>		<b>18,313</b>	<b>39,841</b>
<b>Lower Waiau Whitebait Habitat, Waiau Mouth</b>			
Admin & Planning		17,855	7,618
Capital Expenses		2,940	4,977
Monitoring		11,025	4,567
Ongoing Maintenance		14,860	28,876
<b>Total Lower Waiau Whitebait Habitat, Waiau Mouth</b>		<b>46,680</b>	<b>46,038</b>
<b>Lower Waiau Whitebait Habitat, Papatotora</b>			
Admin & Planning		5,257	2,912
Capital Expenses		390	350
Monitoring		2,163	1,602
Ongoing Maintenance		5,465	-
<b>Total Lower Waiau Whitebait Habitat, Papatotora</b>		<b>13,275</b>	<b>4,864</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.



	NOTES	2024	2023
<b>Stony Creek / Whitestone Habitat</b>			
Admin & Planning		221	659
<b>Total Stony Creek / Whitestone Habitat</b>		<b>221</b>	<b>659</b>
<b>Dean Burn Wetlands</b>			
Admin & Planning		360	-
<b>Total Dean Burn Wetlands</b>		<b>360</b>	<b>-</b>
<b>Kepler Trig Wetland</b>			
Admin & Planning		235	51
<b>Total Kepler Trig Wetland</b>		<b>235</b>	<b>51</b>
<b>Rakatu Wetland</b>			
Admin & Planning		9,876	7,728
Capital Expenses		-	8,569
Monitoring		6,898	6,143
Ongoing Maintenance		13,182	11,742
Ongoing Maintenance Withholding Tax		676	725
<b>Total Rakatu Wetland</b>		<b>30,632</b>	<b>34,908</b>
<b>Ramparts Road Wetland</b>			
Admin & Planning		401	502
Monitoring		420	58
Ongoing Maintenance		926	897
<b>Total Ramparts Road Wetland</b>		<b>1,747</b>	<b>1,456</b>
<b>Habitat Enhancement Agreements</b>			
Admin & Planning		26,568	14,457
Capital Expenses		67,532	52,411
Monitoring		8,969	3,206
Ongoing Maintenance		1,780	1,770
<b>Total Habitat Enhancement Agreements</b>		<b>104,849</b>	<b>71,844</b>
<b>Whare Creek Access</b>			
Admin & Planning		279	329
Ongoing Maintenance		1,072	963
<b>Total Whare Creek Access</b>		<b>1,352</b>	<b>1,291</b>
<b>Motu / Lower Dean Burn</b>			
Admin & Planning		240	97
<b>Total Motu / Lower Dean Burn</b>		<b>240</b>	<b>97</b>
<b>Princhester Creek Access</b>			
Admin & Planning		-	121
<b>Total Princhester Creek Access</b>		<b>-</b>	<b>121</b>
<b>Redcliff / Jericho Access</b>			
Admin & Planning		180	404
Ongoing Maintenance		1,333	1,486
<b>Total Redcliff / Jericho Access</b>		<b>1,513</b>	<b>1,890</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.

	NOTES	2024	2023
<b>Johnson Access</b>			
Admin & Planning		225	156
<b>Total Johnson Access</b>		<b>225</b>	<b>156</b>
<b>Mararoa Whitestone Access</b>			
Admin & Planning		-	120
<b>Total Mararoa Whitestone Access</b>		<b>-</b>	<b>120</b>
<b>Sunny Side / Monowai Access</b>			
Admin & Planning		593	57
Ongoing Maintenance		900	555
<b>Total Sunny Side / Monowai Access</b>		<b>1,493</b>	<b>611</b>
<b>Wairaki Access</b>			
Admin & Planning		124	-
<b>Total Wairaki Access</b>		<b>124</b>	<b>-</b>
<b>Soper Access Pumphouse Road</b>			
Admin & Planning		100	-
<b>Total Soper Access Pumphouse Road</b>		<b>100</b>	<b>-</b>
<b>Wairaki Lagoon Oxbow</b>			
Admin & Planning		7,128	12,036
Capital Expenses		25,389	56,417
A2O Wairaki Oxbow Lagoon - Ongoing Maintenance		11,404	642
<b>Total Wairaki Lagoon Oxbow</b>		<b>43,921</b>	<b>69,094</b>
<b>Databases</b>			
Admin & Planning		2,685	2,908
Capital Expenses		625	990
Ongoing Maintenance		350	525
<b>Total Databases</b>		<b>3,660</b>	<b>4,423</b>
<b>Education and Public Awareness</b>			
Admin & Planning		4,726	5,648
Website Design		126	303
<b>Total Education and Public Awareness</b>		<b>4,852</b>	<b>5,951</b>
<b>Land &amp; Water Science</b>			
Admin & Planning		-	67,500
<b>Total Land &amp; Water Science</b>		<b>-</b>	<b>67,500</b>
<b>Project Investigation and Facilitation</b>			
Possible Future Projects and Facilitations		18,026	15,601
<b>Total Project Investigation and Facilitation</b>		<b>18,026</b>	<b>15,601</b>
<b>General Field</b>			
General Field (Roger Hodson)		16,433	45,477
<b>Total General Field</b>		<b>16,433</b>	<b>45,477</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.



	NOTES	2024	2023
<b>General Planning</b>			
General Planning Claire Jordan		18,720	16,313
Travel Expenses Claire Jordan		711	725
<b>Total General Planning</b>		<b>19,431</b>	<b>17,037</b>
<b>Total Project Costs</b>		<b>327,969</b>	<b>429,031</b>
<b>Administration Expenses</b>			
Accounting Fees		6,035	6,261
Annual Report		2,244	2,764
Audit Fees		5,500	4,660
Bank Fees		27	39
Depreciation		3,070	1,743
General		14,828	12,744
General Equipment		372	-
Insurance		1,070	815
Legal Fees		-	1,252
Printing, Stamps & Stationery		510	625
<b>Trust Board Expenses</b>			
Board Meeting Expenses		1,298	7,445
Board Mileage		4,750	4,650
Insurance		2,707	2,465
<b>Total Trust Board Expenses</b>		<b>8,755</b>	<b>14,560</b>
<b>Financial Planning</b>			
Brokerage	4	5,236	5,286
Investment Management Fees	4	48,208	47,364
<b>Total Financial Planning</b>		<b>53,444</b>	<b>52,650</b>
<b>Total Administration Expenses</b>		<b>95,855</b>	<b>98,113</b>
<b>Total Expenses</b>		<b>423,823</b>	<b>527,144</b>
<b>Trading Surplus / (Deficit)</b>		<b>27,970</b>	<b>(231,540)</b>
<b>Revaluation of Investments</b>			
Revaluation of Investments		332,936	(297,018)
<b>Total Revaluation of Investments</b>		<b>332,936</b>	<b>(297,018)</b>
<b>Operating Surplus</b>		<b>360,905</b>	<b>(528,558)</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.

# Statement of Financial Position

## Waiau Fisheries And Wildlife Habitat Enhancement Trust As at 31 March 2024

	NOTES	31 MAR 2024	31 MAR 2023
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	2	430,433	782,744
Accounts Receivable		9,375	174
Goods & Services Tax		10,608	12,391
Accrued Income		9,100	24,850
<b>Total Current Assets</b>		<b>459,517</b>	<b>820,159</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	463,320	464,927
Investments	3	8,022,121	7,347,396
<b>Total Non-Current Assets</b>		<b>8,485,441</b>	<b>7,812,323</b>
<b>Total Assets</b>		<b>8,944,958</b>	<b>8,632,482</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accrued Expenses		11,104	12,380
Accounts Payable		5,857	53,010
<b>Total Current Liabilities</b>		<b>16,961</b>	<b>65,390</b>
<b>Total Liabilities</b>		<b>16,961</b>	<b>65,390</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>8,927,997</b>	<b>8,567,092</b>
<b>Accumulated Funds at the Beginning of the Year</b>			
Opening Balance		8,567,092	9,095,650
Net Surplus / (Deficit) For The Year		360,905	(528,558)
<b>Total Accumulated Funds at the Beginning of the Year</b>		<b>8,927,997</b>	<b>8,567,092</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.



# Statement of Cash Flows

Waiau Fisheries And Wildlife Habitat Enhancement Trust  
For the year ended 31 March 2024

<b>Cash Flows from Operating Activities</b>	NOTES	2024	2023
<b>Cash was received from:</b>			
Receipts from providing goods or services		59,920	31,363
Interest, dividends and other investment receipts		374,439	230,135
Donations or grants paid		25,174	20,357
GST		-	3,264
<b>Cash was applied to:</b>			
Payments to suppliers and employees		(463,033)	(498,497)
GST		(5,560)	-
<b>Total Cash Flows from Operating Activities</b>		<b>(9,060)</b>	<b>(213,379)</b>
<b>Cash Flows from Investing and Financing Activities</b>			
<b>Cash was received from:</b>			
Receipts from financial assets		-	202,017
<b>Cash was applied to:</b>			
Withdrawals from financial assets		(341,789)	-
Payments to acquire property, plant and equipment		(1,463)	-
<b>Total Cash Flows from Investing &amp; Financing Activities</b>		<b>(343,252)</b>	<b>202,017</b>
<b>Net Increase/ (Decrease) in Cash</b>		<b>(352,311)</b>	<b>(11,362)</b>
<b>Bank Accounts and Cash</b>			
Opening cash		782,744	794,106
Closing cash		430,433	782,744
<b>Net change in cash for period</b>		<b>352,311</b>	<b>11,362</b>



# Statement of Accounting Policies

## Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

### Reporting Entity and Basis of Preparation

Waiau Fisheries and Wildlife Habitat Enhancement Trust is a charitable trust and has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting Accrual (Not For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$5,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

The Trustees have also elected to adopt PBE NFP IPSAS 41, with reduced disclosure Requirements applied, in its accounting for Financial Instruments. This is an allowable departure from PBE SFR-A (NFP).

### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis are followed, except for Investments that are reported at current market value.

### Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

### Revenue Recognition

#### **Donations and Grants**

Donation Revenue is recorded when the cash is received. Grant revenue is recognised when received unless a use or return condition is attached in which any unused portion is recorded as a liability.

#### **Goods**

Revenue is recorded when the goods are sold to the purchaser.

#### **Lease Income**

Revenue is recorded on a straight line basis over the term of the agreement.

#### **Interest & Dividends**

Revenue is recorded as it is earned during the period.

#### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

### Accounts Receivable

Accounts Receivable are stated at expected realisable value.



## Fixed Assets & Depreciation

All assets are stated at cost less depreciation. Depreciation has been calculated on a diminishing value basis over the estimated useful life of the asset using depreciation rates published by Inland Revenue.

Buildings	3 - 4%
Land	0%
Land Development	6.3%
Office Equipment	39.6 - 48%
Plant	12 - 100%
Rakatu Forestry Blocks	0%

## Investments

Investments have been valued at current market value. All interest due is recorded as owing to the Trust.

Current investments represent funds invested with an original maturity between 3 and 12 months. Term investments represent funds invested with an original maturity exceeding 12 months.

## Financial Instruments

The Trust initially recognises financial instruments when the Trust becomes a party to the contractual provisions of the instrument. The Trust derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the group is recognised as a separate asset or liability.

The Trust derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Trust also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Trust has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The entity classifies financial assets into the following categories:

Financial assets Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost, or fair value through surplus or deficit (FVTSD).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD:

- i. it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- ii. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTSD. This includes the investment portfolios (see note 3).

1. Craigs Investment Partners
2. Jarden (FNZC)
3. Milford Asset Management

Financial Instruments classified as fair value through surplus or deficit are subsequently measured at fair value with gains or losses being recognised in surplus or deficit.



### Amortised cost financial liabilities

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified as amortised cost comprise payables.

### Financial assets – Management model assessment

The Trust makes an assessment of the objective of the management model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

The information considered includes:

- i. the stated policies and objectives of the portfolio.
- ii. how the performance of the portfolio is evaluated and reported to the group's management.
- iii. the risks that affect the performance of the management model (and the financial assets held within that management model) and how those risks are managed; and
- iv. the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTSD.

### Financial assets – Subsequent measurement and gains and losses

Financial assets at FVSD - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in surplus or deficit.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

### Financial liabilities – Classification, subsequent measurement and gains and losses

The Trust classifies all its financial liabilities at amortised cost. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

### Impairment of non-derivative financial assets

The Trust recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Trust measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- i. bonds and term deposits that are determined to have low credit risk at the reporting date; and
- ii. other bonds and term deposits and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Trust considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the entity in full, without recourse by the group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Trust is exposed to credit risk.

### Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the group in accordance with the contract and the cash flows that the group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.



### **Credit-impaired financial assets**

At each reporting date, the Trust assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The Trust considers bonds and term deposits to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

### **Taxation**

As a Charitable Trust all investment and other income is not liable for income tax.

### **Goods & Services Tax**

The Trust is registered for Goods & Services Tax.

The financial statements have been prepared on a basis exclusive of Goods & Services Tax.

### **Accounts Payable**

The total value of Accounts Payable is represented by trade creditors.

### **Statement of Cash Flows**

For the purposes of the statement of cash flows, cash is considered to be cash on hand, in banks and cash equivalents, net of bank overdrafts and highly liquid investments that are readily convertible to known amounts of cash within 90 days that are subject to an insignificant risk of changes in values.

### **Changes in Accounting Policies**

#### **(i) PBE IPSAS 41 Financial Instruments**

PBE IPSAS 41 Financial Instruments replaces parts of IPSAS 29 Financial Instruments: Recognition and Measurement, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

PBE IPSAS 41 Financial Instruments is effective from 1 January 2022 and was adopted by the Trust on that date.

PBE IPSAS 41 introduces new recognition and measurement requirements for financial assets and restricts the ability to measure financial assets at amortised cost to only those assets that are held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In addition, measurement of financial assets at fair value through other comprehensive revenue and expense is also restricted.

#### **(i) Impairment**

The adoption of PBE IPSAS 41 has changed the Trust's accounting for impairment losses for financial assets by replacing PBE IPSAS 29's incurred loss approach with a forward-looking expected credit loss (ECL) approach. PBE IPSAS 41 requires the Trust to recognise an allowance for ECL's for all debt instruments not held at fair value through surplus and deficit.

Upon the adoption of IPSAS 41 on 1 January 2022, the Trust did not recognise any additional impairment.

The above standards and interpretations were applied for the first time in 2023. The adoption of PBE IPSAS 41 Financial Instruments, which introduces new recognition and measurement requirements for financial assets, did not have a material impact on the performance report.



# Notes to the Performance Report

## Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

### 1. Nature of Business

The principal business activity of Waiau Fisheries and Wildlife Habitat is that of developing fisheries and wildlife habitat in the Waiau River catchment.

	2024	2023
<b>2. Cash and Cash Equivalents</b>		
BNZ	104,139	103,632
Craigs Investment Partners - Cash on Call	63,798	67,705
Jarden (FNZC) - Cash on Call	25,083	16,721
Milford Fund Cash	237,414	594,686
<b>Total Cash and Cash Equivalents</b>	<b>430,433</b>	<b>782,744</b>

	2024	2023
<b>3. Investments - Fair Value through Surplus or Deficit</b>		
<b>Craigs Investment Partners</b>		
Craigs Investment Portfolio	3,563,807	3,469,336
<b>Total Craigs Investment Partners</b>	<b>3,563,807</b>	<b>3,469,336</b>
Withdrawals for the Year	180,000	180,000
Net Investment Return after Withdrawals, Fees & Brokerage	8	(2)
<b>Jarden (FNZC)</b>		
Jarden (FNZC) Portfolio	1,716,884	1,610,929
<b>Total Jarden (FNZC)</b>	<b>1,716,884</b>	<b>1,610,929</b>
Withdrawals for the Year	48,000	48,000
Net Investment Return after Withdrawals, Fees & Brokerage	10	(3)
<b>Milford Income Fund</b>		
Milford Income Fund Portfolio	2,741,429	2,267,131
<b>Total Milford Income Fund</b>	<b>2,741,429</b>	<b>2,267,131</b>
Withdrawals for the Year	96,000	96,000
Net Investment Return after Withdrawals, Fees & Brokerage	8	(1)
<b>Total Portfolio Investments</b>	<b>8,022,121</b>	<b>7,347,396</b>
Net Investment Return after Withdrawals, Fees & Brokerage	8	(2)

Investment returns are estimated based on Investment Income received (including both realised and unrealised gains less fees and brokerage) divided by the opening portfolio balance less withdrawals for the year.



### Realised and Unrealised Gains

	2024	2024	2023	2023
	Realised	Unrealised	Realised	Unrealised
	\$	\$	\$	\$
Craigs Investment Partners	76,569	81,809	10,788	(180,830)
Milford Asset Management	-	55,701	-	(46,201)
Jarden (FNZ)	15,211	103,645	(4,767)	(76,008)
	91,780	241,155	6,021	(303,039)
<b>Total (Realised + Unrealised)</b>	<b>332,935</b>		<b>(\$297,018)</b>	

2024                      2023

#### 4. Investment Management Fees and Brokerage

H7 Craigs Investment Partners Brokerage	5,236	5,286
H7 Craigs Investment Partners - Fees	15,414	15,487
H7 Jarden (FNZC) - Investment Fees	14,137	13,001
H7 Milford Income Fund - Fees	18,656	18,876
<b>Total Investment Management Fees and Brokerage</b>	<b>53,444</b>	<b>52,650</b>

Milford Asset Management Fund is a PIE investment with fees calculated on a management and administration expenses ratio which includes a base administration fee and a performance based fee (if performance exceeds a benchmark).



## 5. Fixed Assets

2024	Cost	Opening Book Value	Additions / (Disposals)	Depreciation	Closing Book Value
Plant	26,776	5,170	869	1,523	4,516
Land	403,369	403,369	-	-	403,369
Office Equipment	9,761	19	594	601	12
Buildings	43,340	25,566	-	771	24,795
Forestry Blocks	28,048	28,048	-	-	28,048
Land Development	9,230	2,755	-	174	2,581
	\$520,524	\$464,927	\$1,463	\$3,069	\$463,321

2023	Cost	Opening Book Value	Additions / (Disposals)	Depreciation	Closing Book Value
Plant	26,776		-	751	5,170
Land	403,369	403,369	-	-	403,369
Office Equipment	9,761	52	-	12	19
Buildings	43,340	27,180	-	795	25,566
Forestry Blocks	28,048	28,048	-	-	28,048
Land Development	9,230	2,940	-	185	2,755
	\$520,524	\$466,670	-	\$1,743	\$464,927

Fixed Assets are recorded at cost.

Depreciation has been charged on assets at rates allowed by the Inland Revenue Department.

### Heritage Assets

Waiau Fisheries and Wildlife Habitat Enhancement Trust hold assets of environment significance. These are reflected in the Financial Statements at initial purchase cost and included in Land above. Subsequent work and value is not able to be reliably measured. Heritage assets include:

#### **Home Creek (purchase cost \$1,868)**

Meandering stream system and riparian habitat. Re-fencing and pest control work along with re-vegetation with native plants to provide a green belt for the local community.

#### **Rakatu Wetlands (purchase cost \$329,478)**

The creation of ecologically sustainable wetlands and small stream ecosystems for the benefit of fisheries and wildlife in the Lower Waiau River catchment. The establishment of a public access and facilities for recreational and educational use to promote the values of the wildlife and fishery habitats.

#### **Public Access Ways**

##### **Marora / Whitestone (purchase cost \$14,990)**

##### **Princhester Creek (purchase cost \$6,475)**

Public access ways created to the Waiau River and tributaries to improve access for recreational and educational activities.



### **Waghorns / Stony Creek (purchase cost \$26,243)**

Restoration of natural Whitestone River meandering process via establishment of 2 wetland areas and protection of small creeks and native vegetation.

### **Ramparts Road (purchase cost \$30,805)**

Significant wetland, protected and created for habitat protection of the sub-catchment of the Mararoa River to ensure sustainability of stream flows.

2024                      2023

## **6. Financial Research Commitments**

### **Operating Lease Commitments**

Current	2,000	2,000
Non-Current	5,000	7,000

Meridian Lease of 54.3 hectares. Sec 1-3 plan 12225. Registration number 35841 Waiau Mouth. This lease is a 35 year lease with rights to renewal every 5 years. The lease was renewed on the 30 September 2022 for a further 5 years until September 2027 at an annual lease payment of \$2,000 per year.

## **7. Capital Commitments**

There were no capital commitments as at 31 March 2024

## **8. Operational Commitments**

The Trust has an operating commitment to Landcorp Farming Ltd to provide funding for project work at Eweburn for wetland extensions and at Willanda Downs for habitat enhancement work undertaken but not yet complete at balance date. This operating commitment as at 31 March 2024 is estimated to total \$31,844 (2023: \$Nil)

## **9. Related Parties**

Peter Sutton is a Trustee of the Trust. Peter is related to Mark Sutton, project manager for the Trust. Mark's services for the year ended 31 March 2024 totalled \$Nil (2023: \$65,196).

## **10. Subsequent Events**

There are no subsequent events at balance date (2023: \$Nil).

## **11. Additional Information - Emissions Units**

### **Pre 1990 Forest**

Included in Rakatu wetland is pre 1990 foresty land. The land is subject to the provisions of the New Zealand emissions trading scheme ('ETS'). The implication of this on the financial statements is twofold:

1. Should the land be deforested (i.e. The land is changed from forestry to some other purpose), a deforestation penalty will arise;
2. Given the deforestation restriction, compensation units are being provided from the New Zealand Government.



Compensation units have not been recognised as income in the financial statements. As a registered charity, any income from the receipt or sale of these units is not taxable.

The deforestation contingency is not recognised as a liability on the balance sheet as there is no current intention of changing the land use subject to the ETS.

**Post 1989 Forest**

Waiau Fisheries And Wildlife Habitat Enhancement Trust has voluntarily entered into ETS in respect of further forest land located on the rakatu wetland (the specified area). This entitles the Trust to receive emission units ('The units') for carbon stored in the specified area, from a 2008 baseline. As at the date of this report the Trust holds 2,428 NZU's.

## INDEPENDENT AUDITOR'S REPORT

### To the Trustees of Waiau Fisheries and Wildlife Habitat Enhancement Trust

#### Opinion

We have audited the performance report of Waiau Fisheries and Wildlife Habitat Enhancement Trust (the Trust) on pages 4 and 7 to 20, which comprises the statement of financial performance and statement of cash flows for the year ended 31 March 2024, the statement of financial position as at 31 March 2024, and the statement of accounting policies and other explanatory information.

In our opinion:

the performance report on pages 4 and 7 to 20 presents fairly, in all material respects:

- the entity information for the year ended 31 March 2024; and
- the financial position of the Trust as at 31 March 2024, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

#### Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and of the entity information in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report.

We are independent of the Trust in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

#### Other Matter

We are not responsible for expressing an opinion on the statement of service performance.

### **Information Other Than the Performance Report and Auditor's Report**

The Trustees are responsible for the other information. The other information comprises the information included on pages 5 to 6, but does not include the performance report and our auditor's report thereon.

Our opinion on the performance report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Trustees' Responsibilities for the Performance Report**

The Trustees are responsible on behalf of the Trust for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) The preparation and fair presentation of the performance report, which comprises:
  - the entity information;
  - the statement of service performance; and
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board; and

- (c) For such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional

judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Restriction on Use**

This report is made solely to the Trustees, as a body. Our audit has been undertaken so that we might state to the Trust's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe

**Crowe New Zealand Audit Partnership**  
CHARTERED ACCOUNTANTS

Dated at Invercargill this 17th day of July 2024

## Appendix A: Objects and Purposes of the Trust Deed and Supplementary Deed of Variation

The Trust Objects State:

“ The Settlor directs and the Trustees declare that the Trustees hold the Trust Fund upon the following trust, to be used to further the following charitable purposes and objects with the intent that the Trust Fund shall be expended on projects within the Waiau River catchment which, together with the minimum flow regime in the conditions of consent for the Manapouri Power Scheme, will create, enhance and maintain habitat for freshwater fish and wildlife to at least the quantity and quality which studies carried out for the Waiau Working party have identified as being the maximum achievable by flows of up to 30 cumecs from the Manapouri Lake Control Structure and to facilitate public access to the enhanced Waiau River, including:

- i. *To identify and evaluate areas of the Waiau catchment worthy of protection, restoration, improvement, creation or procurement (primarily as fisheries and wildlife habitat) and to create habitat within the Waiau catchment.*
- ii. *In order to carry out the first purpose to negotiate, where appropriate the protection, restoration, improvement, creation or procurement of fisheries and wildlife habitat with landowners and to ensure the best possible public access to fisheries and wildlife resources.*
- iii. *To provide and maintain two access tracks for anglers’ access in the vicinity of Whare Creek and Redcliff Creek confluences such that advantage can be taken of the fishery.*
- iv. *In accordance with the first and second purposes, to provide for the creation of additional areas of whitebait habitat on land owned by ECNZ<sup>1</sup> or held by the Minister of Conservation adjacent to the Waiau Lagoon as defined by studies carried out for the Waiau Working Party, as necessary.*
- v. *To provide for the rearrangement and ongoing maintenance of the rock weir immediately below the Duncraig Bridge identified in studies carried out by ECNZ as necessary to enhance the habitat for fish and the aesthetic sense of landscape values of the river between the weir and the Manapouri Lake Control Structure at minimum flows.*
- vi. *To provide for a study over 5 years of freshwater fish in Lakes Manapouri and Te Anau to demonstrate the present state of the fisheries and present trends.*
- vii. *To provide or assist with the provision of information or facilities to enhance the understanding of the public of the values for which the Trust was established.*
- viii. *Such further or other measures which, in the opinion of the Trustees will better provide for the matters set out in sections 5(2)(a), 5(2)(c), 6(a), 6(d), 7(a), 7(c), 7(f) and 7(h) of the Resource Management Act 1991.*

*The objects or purposes of this Trust are or shall be charitable as approved by the Commissioner of Inland Revenue and shall be deemed not to include or extend to any matter or thing which is or shall be held or determined to be non-charitable and the powers and purposes of the Board and trusts hereby created shall be so restricted.”*

A Supplementary Variation of Deed was approved by the Companies Office in March 2019 and Charities Services in May 2019. The purpose of the Deed review was twofold. Firstly, the review updated the Deed to reflect the Charities Act 2005 (and Amendments). Secondly the Objects and Purpose of the Deed were revised to better reflect the work of the Trust 22 years after inception. The revised objects and purposes DO NOT replace the original Deed Objectives and Purpose.

The Supplementary Deed of Variation Objects and Purposes are:

*The Settlor directs, and the Trustees declare, that the Trustees hold the Trust Fund upon the following trusts, (in this clause 4.1) and to be used to further the following charitable purposes and objects in 4.2(a) to (k).*

*The Trust Fund shall be expended on projects within the Waiau River catchment which, together with the minimum flow regimes in the conditions of consent for the Manapouri Power Scheme, will mitigate and remediate adverse effects by:*

- *Creating, enhancing, protecting and maintaining habitat for freshwater fish and wildlife;*

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<sup>1</sup> ECNZ is now Meridian Energy Ltd.

## Waiau Fisheries and Wildlife Habitat Enhancement Trust Annual Report 2024

- *Maximising ecological connections and habitat sustainability within and between all water bodies;*
- *Enhancing the overall ecosystem health and biodiversity values of the Waiau River and its tributaries;*
- *Facilitating and enhancing public access to the Waiau River;*
- *Enhancing the recreational and amenity values of the catchment.*

### *Purposes of the Trust*

- (a) *To identify and evaluate habitats within the Waiau Catchment worthy of protection, restoration, improvement or creation as fisheries and wildlife habitat. This will include areas for possible procurement with potential for habitat enhancement.*
- (b) *To negotiate the protection, improvement, creation or procurement of fisheries and wildlife habitat with landowners and ensure, where practicable, the best possible public access to fisheries and wildlife resources and other recreational resources, is secured.*
- (c) *To provide and maintain public accesses for recreation activities to the main stem of the Lower Waiau River and the major tributaries within the catchment.*
- (d) *To provide for the creation of additional habitat for fish and wildlife, and in particular whitebait habitat, on land owned or administered by MEL, the Minister of Conservation or other public land, adjacent to the Waiau Lagoon.*
- (e) *To provide for any rearrangement and ongoing maintenance of the rock weir immediately below the Duncraigen Bridge identified in studies carried out by Electricity Corporation of New Zealand/MEL as necessary to enhance habitat for fish and the aesthetic sense of landscape values of the river between the weir and Manapouri Lake Control at minimum flows.*
- (f) *To provide for studies of freshwater fish in Lakes Manapouri and Te Anau, to determine the state of the fisheries and trends over time, as necessary.*
- (g) *To provide or assist with the provision of information or facilities to enhance the understanding of the public of the values for which the Trust was established.*
- (h) *To provide for the development and maintenance of project databases, documenting:*
  - *The number and scale of all habitat enhancement and access projects;*
  - *The cumulative mitigation and remediation outcomes achieved.*
- (i) *To provide for the monitoring of the ecological response of the enhanced habitats, to ensure habitat enhancement outcomes are achieved.*
- (j) *To work with MEL to communicate and disseminate information about the quantity and quality of habitat and public access mitigation and remediation outcomes achieved, in the Waiau catchment by the Trust.*
- (k) *To foster partnerships with other organisations in the community in order to achieve habitat enhancement and environmental outcomes and public access to resources in the Waiau catchment, in a cost effective manner.*
- (l) *Such further or other measures which in the opinion of the Trustees will:*
  - (a) *Assist with the implementation of the National Policy Statement for Freshwater (NPSFW) or any other relevant policy statement; and*
  - (b) *Provide for the matters set out in sections 5(2)(a), 5(2)(c), 6(a), 6(c), 6(d), 7(a), 7(aa), 7(d), 7(c), 7(f) and 7(h) of the RMA 1991*

*In the Waiau River catchment.*

*The objects or purposes of this Trust are or shall be deemed not to include or extend to any matter or thing which is or shall be held or determined to be non-charitable other than an ancillary non-charitable purpose within the meaning of Section 5 Charities Act 2005 and the powers and purpose of the Board are restricted accordingly.*