



ANNUAL REPORT

2018/19



We are the Queenstown Trails Trust. Together we are making Queenstown a better place to live, walk and ride.

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QUEENSTOWN TRAILS TRUST

THE VISION

Inspiring Adventures, Connecting Communities

In 2025 our vision to create and maintain a world-class recreational trail network for walking and cycling will have been achieved and we will be recognised internationally for trails that connect our communities, encourage a healthy lifestyle and enable residents and visitors to enjoy a diversity of experiences that showcase our magnificent environment.



CHAIRMAN'S REPORT

As Chairman of the Queenstown Trails Trust it is my pleasure to provide this annual report. The Queenstown Trails Trust is in good shape and has come a long way since establishment in 2002.

The Queenstown Trail network saw 340,000 trail users during our financial period of 2018/19.

42% of these users are locals; the other 58% are visitors (including New Zealanders from outside the region and international visitors) and the right kind of visitors, high spending and low impact.

Continuing to improve and expand the QTT trail network will benefit both locals and visitors and will continue to boost our local economy.

It is most heartening to see the collaboration of the QLDC, ORC and NZTA committing to commuter trails as a cornerstone of this community. The initiative was appropriately named WAY 2 GO, and has successfully secured funding of some \$14m over the next 5 years for the first stage projects in the Wakatipu Active Transport Network.

This is outstanding and will deliver a huge impetus to QTT's planned trail expansion and our vision to '*Connect our communities and inspire adventures*'.

I need to acknowledge the endless input from over several years by the QTT chief executives, and others for this achievement.

After a big focus advocating for commuter trails over the last two years, I anticipate that QTT will be focused more in the future on recreational trails, as the WAY 2 GO plan funds and delivers the core commuter trails, albeit assisted by the Queenstown Trails Trust. This will be work in progress.

The QTT has been spending through the year:

- **\$499,000** on maintenance / building of trails, including feasibility reports for new trails
- **\$214,000** on running the organisation
- Total income including grants received **\$677,000**
- We hold **\$735,000** in liquid assets
- QTT's deficit for the year was **\$51,000**

THE GOOD NEWS:

- (1) People and families are having fun on the trails and this is reflected in a positive attitude towards the Queenstown Trails.
- (2) There are health and wellbeing benefits as a result of exercise on trails as well as the straight the freedom experienced by trail users.
- (3) Generally great support from landowners.
- (4) Some exceptional generosity from philanthropic landowners, community trusts and from our own community through our Friends of the Trust supporters' program.
- (5) Ongoing part funding from central government, alongside support from DOC and QLDC.
- (6) QTT expect to be lodging for consent for stage 1 of our realignment plans, with the trail from Arrowtown to Arthurs Point and thence down the Shotover River to Tuckers Beach before this Christmas.
- (7) Action upon the Coronet Loop in association with Soho Properties Ltd. Further track forming this summer up Deep Creek and into the Eight Mile.

THE NOT SO GOOD NEWS:

- (1) Not ALL landowners view trails in a positive manner, in fact some are plain negative. As appropriate and where QTT believes trails are of value, we strive to gain trail easements. We will shamelessly use whatever levers or angles of influence to deliver. We actively point out to the planning side of QLDC that in some cases trail easements must be a condition of development. Unformed Legal roads are also an important means of access.
- (2) As in most spheres today bureaucracy and general lack of common sense continue to frustrate.

PROGRESS / ACTIVITY:

We are making and will make further progress on trails. Mark Williams will expand in his CEO report. As QTT moves to a significant construction phase in 2020, we will draw in additional expertise so as to manage and control this process.

Since the financial year end 30 June 2019, QTT invested a sum of \$25,000 with the Wakatipu Community Foundation. Trustees view this as a sound investment, cementing a relationship. Note QTT has and will benefit by way of grants from the Foundation.

QTt are also moving to Frankton and expect to share new office premises with Ironman from November 2019.

ACKNOWLEDGEMENTS:

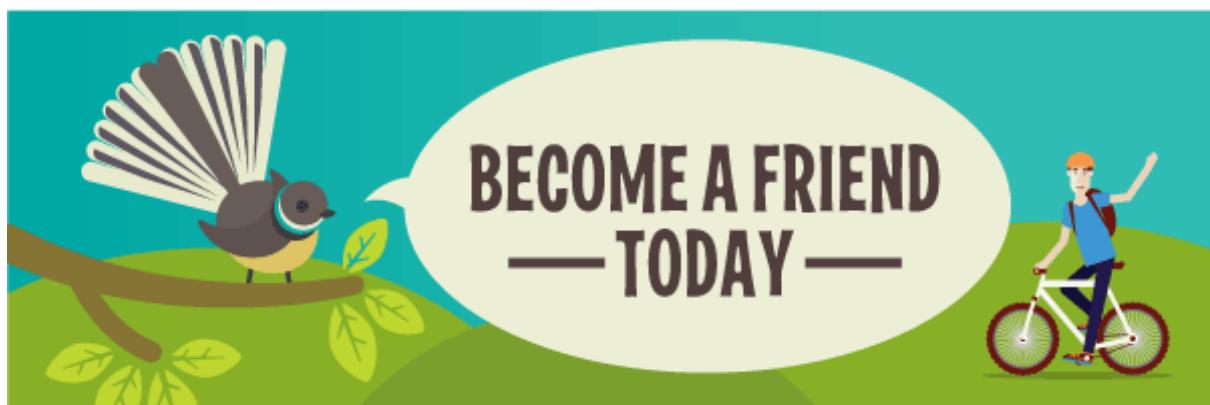
- QTT value the fantastic support from all of our Friends of the Trust and Official Partners.
- We value the special relationship with DOC and Soho Properties developing new trails.
- We appreciate the \$75,000 grant from the QLDC to assist with administration.
- We greatly appreciate the support from philanthropic individuals and community trusts.
- Ironman continues to be a core partner of the QTT, by way of events such as the Queenstown Marathon, Motatapu and Pioneer events.
- Volunteers freely offer their services to assist with events and thereby directly benefit the QTT.
- Central Govt provides major funding by way of the New Zealand Trail Grants via MBIE.

FUNDRAISING:

QTT has fundraised over **\$55,000** in so far in 2019 and have targeted raising a minimum of \$70,000 before the end of this year.

To achieve this we have launched a new website with online donation capabilities and have planned several fundraising campaigns throughout the year to engage and recruit new and old Friends of the Trust.

Lou Vicente (part time) drives the fundraising and web activities of QTT.



TRUSTEES:

The QTT is governed by a set of experienced trustees, who freely provide their time and experience and commit to assist the CEO outside of trustee meetings.

Part of the strength is the diversity of trustees. Competencies include planning, legal, engineering and business skills mixed with a community base and a passion for trails. Combine this with the connections of our patron and we have a formidable team.

I would like to thank all the trustees and the deputy Chairman Lindsay Williams for their service.

THE TEAM:

QTT is so fortunate to have the service of Mark Williams who heads the organisation with such passion and drive, leading to results.

I envisage in the future:

A basin where communities are connected by trails for walkers and cyclists.

Rivers with trails, often on both sides, connected by a series of bridges.

A lakeside trail around Lake Wakatipu.

Trails over our surrounding mountains and hills.



Tony McQuilkin

Chairman, Queenstown Trails Trust

17 October 2019

CEO'S REPORT

I'm delighted to welcome you to the 2019 Annual General Meeting of the Queenstown Trails Trust (QTT), as we are about to embark upon a significant period of trail construction.

We've had another busy year and after what seems like endless workshops, business cases and fundraising, we are finally underway with resource consent applications for stage 1 of our major realignment project, linking Arrowtown to Arthurs Point. There will be some challenges and hurdles to clear, but we are fully committed to engaging with stakeholders and community groups to ensure concerns are considered and the trail is supported for the benefit of all Queenstown residents.

QTT was established primarily to develop a recreational trail network for locals and visitors, but recent rapid population growth in the region has highlighted the need for safe, off-road trails to serve as 'Active Transport' routes for our community, linking the residential suburbs to the commercial centres and in particular the new high school.

The Way to Go (W2G) collaboration of QLDC, ORC and NZTA has recognised the importance of these routes in the 'Wakatipu Active Transport' Business Case, for which \$14m of funding was announced recently. These routes overlap with QTT's 10yr plan and stage 2 of our realignment project and are fully endorsed and welcomed by QTT. It is highly likely that both projects will be under construction concurrently which is great news for all trail users in our community.

Additionally, we have been actively consenting wider backcountry trails and are pleased to announce that with the generous support of Soho Properties, the second phase of construction of the Coronet Loop is underway. The Coronet Faces Water Race Trail has been a real success story and getting rave reviews, and it's great to now be in a position to start constructing stage 2 of the Coronet Loop from Greengates Saddle to Arrowtown. We've been working hard with the stakeholders of the Access Advisory Group to get consent from QLDC, Linz and Heritage NZ, and armed with an approved set of recommendations we are able to begin forming the route through Deep Creek and back to Arrowtown.

This will be a spectacular trail passing through some awesome Goldmining heritage sites and stunning landscapes of 'Mahu Whenua'. More routes are planned under the QEII covenant, and it will be exciting to see trails developed around Coronet Peak's summer operations and how these can link into the network.

Despite being busy at our desks this year and engaging with consultants to establish reports, we are pleased to be able to report that QTT has been busy maintaining our existing trails and adding some new ones;

- **Kawarau Falls** – Despite a long delay with NZTA's commitment to building a ramp to the new underpass, QTT engaged Elevate Trail Building and Wilsons Contracting to form the connection through the Kawarau Falls Scenic Reserve, bypassing Robertson Street and the Frankton Kindergarten. The trail flows between the trees and creates a direct link to the QLDC reserves further downstream and has been really well received by trail users. AJ Hackett Bungy partnered with us on this project, and a big thanks to them for allowing us to leverage MBIE funding.
- **Shotover Delta** – We have continued to work closely with the quarry operators to ensure that H&S standards are up kept along the new section of trail beside the river. Unfortunately, the crossing gates have been vandalised on several occasions which compromises safety. We now have a system in place where the gates are left open when machinery is not actively in the river but self-closing during extraction. If the crossings are damaged, then the trail will be temporarily shut at either end whilst the crossings are repaired. We have also had issues with motorbikes on this section of trail and below Shotover Country and are working on a solution to prevent this dangerous behaviour.
- **Trail repairs** – Following the successful installation of 'fall from height' barriers at Arrowtown last year, QTT partnered with QLDC Parks and Reserves again to repair several sections of trail and improve safety signage at the Lake Hayes Estate Crossing. Two sections of stacked stone wall were replaced, and a safety barrier added to the Kelvin Peninsula Trail, whilst several slumps on the Twin Rivers Trail and Arrow River Bridges Trail were repaired and retained.
- **Lower Shotover Trail** – QTT has also made further improvements to the new Lower Shotover MTB Trail in conjunction with DoC, which also included a trail re-route after the Shotover River washed a large section of track away during a flood event. Part of this trail now forms of the focus for our Arthurs Point to Tucker Beach link, and we are working with numerous stakeholders around the best location of the bridge and getting it consented.

We've also been busy finishing our awesome new website, and with big thanks to Lou Vicente the new site is now live and operational. Future development will include further integration with Google maps and real-time location ability, but the first stage was the integration of the VEGA donation platform, which makes the process of joining our 'Friends of the Trust' campaign more straightforward.

We still need more engagement and feedback about the Queenstown Trail, needing to complete up to 300 Trail User surveys annually to be eligible for further NZCT funding for the Great Ride. This allows MBIE to assess the economic impact of government investment in the trail, which is particularly important with the scale of our current project.

Complete the survey here: <https://queenstowntrail.co.nz/get-involved/trail-survey/>

QTT is very fortunate to get fantastic support from our community, council and local landowners and that support has allowed us to leverage government funding for trail development. Special thanks must go to the Central Lakes Trust for a grant of \$1.135m over the next 2 years and an extremely generous local philanthropist donor who is matching the government's contribution dollar for dollar. Funds raised through the community during our annual 'Friends of the Trust' campaign are also tagged for trail development, but more importantly, demonstrate the high regard in which our trail network is held. In recognition of that support, for 2019 onwards the Trust will now issue an annual 'Friends of the Trust' ID key-tag and bike sticker for every donation, so you can proudly show your commitment to our trails (and call out those who aren't!).



Thanks again to our event partner Ironman, who provided a charitable donation of \$75,250 from event proceeds at the Air NZ Queenstown International Marathon, Motatapu and Pioneer MTB events. We owe a huge debt of gratitude to the fantastic event volunteers, who are instrumental in the successful staging of these events, allowing the Trust to benefit. We continue to engage with Ironman to enhance the courses and establish new routes, which in turn leads to new opportunities for future events.

We thank QLDC for their ongoing support via the annual administration grant, having worked closely together this year on a number of workshops and business cases for various projects around our region. It's really re-assuring to know that council values the work we are doing to provide both recreational and commuting opportunities on trails, promoting a behavioural change to Active Travel and improving social wellbeing for our community.

Many more people and organisations deserve our thanks for their ongoing support and stewardship of the trails; all our Friends of the Trust, Official Partners, AJ Hackett Bungy, The Queenstown Pedallers, Soho Properties, Heartland Ricoh and McCulloch and Partners. The trail building contractors from Elevate, Wilsons Contracting and the Roading Company have done a great job again, under the watchful eye of project manager Giulio Chapman-Olla from Opus.

I would like to give a personal thanks to our amazing board of trustees who selflessly dedicate their free time and expertise to the development of this trail network for the benefit of all Queenstown. The business of establishing trails is a long game, but the board has been patient and supportive throughout. With significant funding approved and consent applications underway, the Queenstown Trails Trust is on the brink of further enhancing our world-class network of trails and making our town an even better place to live.

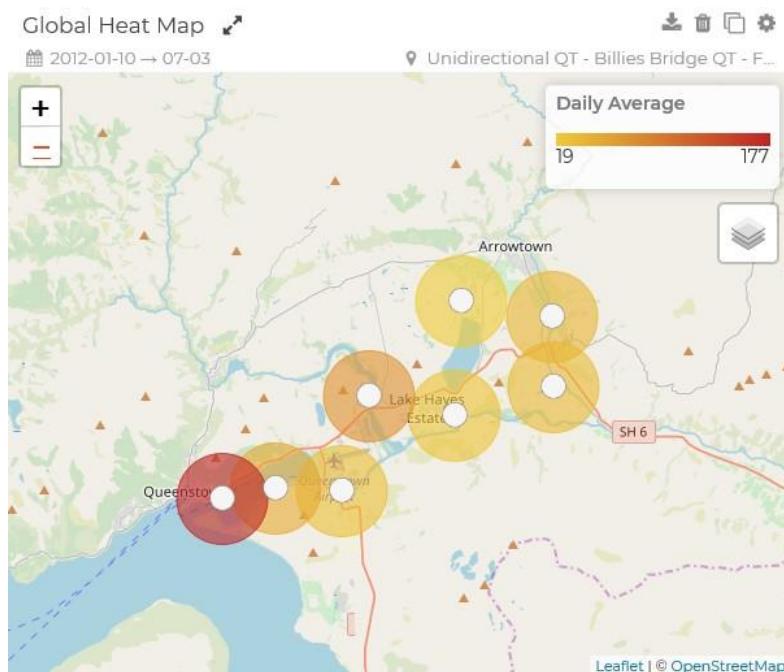


Mark Williams (Willy)
CEO – Queenstown Trails Trust
17 October 2018

TRAIL USAGE – Trail Count

The Queenstown Trail network saw 340,000 users during the 2018/19 financial year, with big increases showing on the Kelvin Peninsula Trail (+15%), Riverside Road/Twin Rivers Trail (+20%), Morven Ferry Road/Arrow River Bridges Trail (+25%) and Billies Bridge/Twin Rivers Trail (+30%).

Daily average users across the trail network equates to 818.



Trail Users by Trails 2018/19*

Trail Counter	Total Users*
Frankton Track	71,758
Arrow River Trail	62,028
Kawarau Falls	45,786
Old Lower Shotover River Track	35,615
Kelvin Peninsula	22,912
Lake Hayes Trail	8,565
Riverside Road	18,625
Morven Ferry Road	17,945
Swain Bridge	17,680
Old School Road	16,648
Gibbstown River Trail	10,258
Speargrass Flat Road	9,195
Billies Bridge	9,015
Jack's Point Trail	2,393

*The Queenstown trail has 14 trail counters installed at key entrance points along the trail, however as most users pass more than one counter QTT apply a moderation factor of 3.85 to the raw trail data (based on research conducted in 2017).

Queenstown Trails Trust

2019 Financials

Summarised reports, to be read in conjunction with full Performance Report for the Queenstown Trails Trust: 30 June 2019 (as reviewed by KMPG 15/10/2019)



Summary Statement of Financial Performance

1 July 2018 to 30 June 2019

	30 Jun 19	30 Jun 18
Income		
Grants, Fundraising & Sundry:		
Bike Bell Sales	\$ -	\$ 65
Friends Subscriptions	\$ 35,593	\$ 37,869
General Qtn Trail Donations	\$ 21,667	\$ 20,950
Interest Received	\$ 20,079	\$ 23,985
NZ Cycleway Grant	\$ 309,096	\$ 80,198
Official Partners Programme	\$ 13,462	\$ 12,210
Overseas Investment Office	\$ -	\$ 25,000
QLDC Admin Grant	\$ 75,000	\$ 75,000
QLDC Co-Funding Grant	\$ 126,058	\$ 47,688
QTT Map Sales	\$ 790	\$ 368
Rental Income	\$ -	\$ -
Total Grants, Fundraising & Sundry	\$ 601,745	\$ 323,334
Event Revenue		
MOT Donation - Ironman	\$ 29,570	\$ 32,795
QT Marathon Donation - Ironman	\$ 40,040	\$ 40,070
The Pioneer Donation - Ironman	\$ 5,640	\$ -
Total Event Revenue	\$ 75,250	\$ 72,865
Total Income	\$ 676,995	\$ 396,199
Trail Planning, Development & Maintenance		
Arrow River Trail - fall from height barriers	\$ 40,681	\$ -
Consulting Fees (Feasibility & Business Case Reports)	\$ 165,165	\$ 15,946
Coronet Peak Loop	\$ 1,618	\$ 14,227
Domain Road/ Lower Shotover Improvements	\$ 27,500	\$ -
Kawarau Falls Link	\$ 63,605	\$ -
Lower Shotover Trail	\$ 16,663	\$ -
Signage	\$ 447	\$ 103,318
Shotover Delta Realignment	\$ 178,169	\$ 2,546
Tucker Beach Rotary Trail Grant	\$ -	\$ 50,000
Track Maintenance	\$ 5,232	\$ 3,900
Twin Rivers-Lower Kawarau (Upper RPL & Lower Slip)	\$ -	\$ 32,510
Total Track Development & Maintenance	\$ 499,080	\$ 222,447
Administration/ Overheads & Marketing	\$ 53,809	\$ 54,012
Staffing & Contractor Costs	\$ 159,680	\$ 145,384
Depreciation & Non Cash expenses	\$ 15,995	\$ 2,940
Total Expenses	\$ 728,564	\$ 424,783
Net Profit/ (Loss)	-\$ 51,569	-\$ 28,584

Summary Statement of Financial Position

As at 30 June 2019

	30 Jun 2019	30 Jun 2018
Assets		
Bank		
Qt Trails Trust ANZ 02 Current	\$ 33,115	\$ 40,795
Qt Trails Trust ANZ 03 Call	\$ 71,004	\$ 117,444
Visa Business Credit Card	-\$ 131	-\$ 227
Total Bank	\$ 103,988	\$ 158,012
Current Assets		
Accounts Receivable	\$ 85,175	\$ 18,053
Undeposited Credit Card Receipts	\$ 10,171	\$ -
GST Control Account	\$ 1,068	\$ 10,786
Inventory	\$ 6,874	\$ 7,850
Term Deposits	\$ 528,340	\$ 575,097
Work in Progress to be reimbursed	\$ 540	\$ 60,190
Total Current Assets	\$ 632,168	\$ 671,976
Fixed Assets & Investments		
Fixed Assets & Investments	\$ 16,397	\$ 32,392
Total Fixed Assets	\$ 16,397	\$ 32,392
Total Assets	\$ 752,553	\$ 862,380
Liabilities		
Current Liabilities		
Accounts Payable	\$ 24,405	\$ 82,662
Total Current Liabilities	\$ 24,405	\$ 82,662
Total Liabilities	\$ 24,405	\$ 82,662
Net Assets	\$ 728,148	\$ 779,717
Equity		
Accumulated Funds	\$ 779,717	\$ 808,301
Current Year Earnings	-\$ 51,569	-\$ 28,584
Total Equity	\$ 728,148	\$ 779,717

SUPPORTING DOCUMENTS

Please visit <https://queenstowntrail.co.nz/news-and-events/news/2019-agm-2/> to download and review the following:

- 2018 AGM minutes
- Queenstown Trails Trust Strategic Plan – Queenstown Trails for the future 2015-2025
- 2019 Queenstown Trails Trust Annual Report
- 2019 Financial Summary