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# **PALMERSTON NORTH CITY COUNCIL**

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## **AGENDA**

# **ARTS, CULTURE & HERITAGE COMMITTEE**

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**1PM, WEDNESDAY 18 AUGUST 2021**

COUNCIL CHAMBER, FIRST FLOOR,  
CIVIC ADMINISTRATION BUILDING,  
32 THE SQUARE, PALMERSTON NORTH

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# MEMBERS

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**Rachel Bowen (Chairperson)**

**Brent Barrett (Deputy Chairperson)**

**Grant Smith (The Mayor)**

**Zulfiqar Butt**

**Karen Naylor**

**Renee Dingwall**

**Bruno Petrenas**

**Lorna Johnson**

**Aleisha Rutherford**

**Orphée Mickalad**

AGENDA ITEMS, IF NOT ATTACHED, CAN BE VIEWED AT

[pncc.govt.nz](http://pncc.govt.nz) | Civic Administration Building, 32 The Square

City Library | Ashhurst Community Library | Linton Library

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**Heather Shotter**

**Chief Executive | PALMERSTON NORTH CITY COUNCIL**

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# **ARTS, CULTURE & HERITAGE COMMITTEE MEETING**

18 August 2021

## **ORDER OF BUSINESS**

### **1. Apologies**

### **2. Notification of Additional Items**

Pursuant to Sections 46A(7) and 46A(7A) of the Local Government Official Information and Meetings Act 1987, to receive the Chairperson's explanation that specified item(s), which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded, will be discussed.

Any additions in accordance with Section 46A(7) must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

Any additions in accordance with Section 46A(7A) may be received or referred to a subsequent meeting for further discussion. No resolution, decision or recommendation can be made in respect of a minor item.

### **3. Declarations of Interest (if any)**

Members are reminded of their duty to give a general notice of any interest of items to be considered on this agenda and the need to declare these interests.

### **4. Public Comment**

To receive comments from members of the public on matters specified on this Agenda or, if time permits, on other Committee matters.

(NOTE: If the Committee wishes to consider or discuss any issue raised that is not specified on the Agenda, other than to receive the comment made or refer it to the Chief Executive, then a resolution will need to be made in accordance with clause 2 above.)

5. **Presentation - The Design School** Page 7
  
6. **Confirmation of Minutes** Page 9  
 "That the minutes of the extraordinary Arts, Culture & Heritage Committee meeting of 13 April 2021 Part I Public be confirmed as a true and correct record."
  
7. **Confirmation of Minutes** Page 15  
 "That the minutes of the Arts, Culture & Heritage Committee meeting of 14 April 2021 Part I Public be confirmed as a true and correct record."
  
8. **Confirmation of Minutes** Page 19  
 "That the minutes of the extraordinary Arts, Culture & Heritage Committee meeting of 5 May 2021 Part I Public be confirmed as a true and correct record."
  
9. **Caccia Birch Trust Board - Final Statement of Intent 2021-2024** Page 23  
 Memorandum, presented by Hannah White, Democracy & Governance Manager.
  
10. **The Globe Theatre Trust - Final Statement of Intent 2021-2024** Page 45  
 Memorandum, presented by Hannah White, Democracy & Governance Manager.
  
11. **The Regent Theatre Trust - Final Statement of Intent 2021-2024** Page 69  
 Memorandum, presented by Hannah White, Democracy & Governance Manager.
  
12. **Te Manawa Museums Trust - Final Statement of Intent 2021-2024** Page 89  
 Memorandum, presented by Hannah White, Democracy & Governance Manager.

**13. Te Manawa Museums Trust - Nine Month Performance Report 2020/21** Page 129

Memorandum, presented by Hannah White, Democracy & Governance Manager.

**14. Military Heritage Update 2020/21** Page 157

Memorandum, presented by Michael Duindam, Acting City Planning Manager.

**15. 2021/22 Maintenance and Renewal Plans and Budgets for Cultural Facilities** Page 163

Memorandum, presented by Bryce Hosking, Manager - Property.

**16. Update on the City's 150th Celebrations Programme** Page 167

Memorandum, presented by Luke McIndoe, Acting Head of Events and Partnerships.

**17. Committee Work Schedule** Page 171

**18. Exclusion of Public**

To be moved:

"That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

| General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under Section 48(1) for passing this resolution |
|-------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------|
|                                                 |                                                               |                                                           |

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that

Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

Also that the persons listed below be permitted to remain after the public has been excluded for the reasons stated.

*[Add Third Parties]*, because of their knowledge and ability to assist the meeting in speaking to their report/s [or other matters as specified] and answering questions, noting that such person/s will be present at the meeting only for the items that relate to their respective report/s [or matters as specified].

## **PRESENTATION**

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** Presentation - The Design School

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### **RECOMMENDATION(S) TO ARTS, CULTURE & HERITAGE COMMITTEE**

1. That the Arts, Culture & Heritage Committee receive the presentation from The Design School for information.
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### **SUMMARY**

Mr Mike Saywell, Managing Director of The Design School will update the Committee regarding the ongoing work of The Design School and the role it plays in the Arts sector in Palmerston North and New Zealand.

### **ATTACHMENTS**

Nil



## PALMERSTON NORTH CITY COUNCIL

### Minutes of the Extraordinary Arts, Culture & Heritage Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 13 April 2021, commencing at 1.01pm

**Members Present:** Councillor Rachel Bowen (in the Chair) and Councillors Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson and Bruno Petrenas.

**Non Members:** Councillor Patrick Handcock ONZM.

**Apologies:** The Mayor (Grant Smith) (absent on Council business) and Councillors Vaughan Dennison, Leonie Hapeta and Karen Naylor (late arrival).

Councillor Aleisha Rutherford entered the meeting at 1.05pm during consideration of clause 8. She was not present for clauses 7 and 8.

#### **7-21 Apologies**

Moved Rachel Bowen, seconded Brent Barrett.

#### **The COMMITTEE RESOLVED**

1. That the Committee receive the apologies.

Clause 7-21 above was carried 7 votes to 0, the voting being as follows:

**For:**

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Bruno Petrenas and Patrick Handcock ONZM.

#### **8-21 Hearing of Submissions - Section 17a Review of Caccia Birch House**

Moved Rachel Bowen, seconded Lorna Johnson.

#### **The COMMITTEE RESOLVED**

1. That the Arts, Culture & Heritage Committee hear submissions from presenters who indicated their wish to be heard in support of their submission.
2. That the Committee note the Procedure for Hearing of Submissions, as described in the procedure sheet.

Clause 8-21 above was carried 7 votes to 0, the voting being as follows:

**For:**

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Bruno Petrenas and Patrick Handcock ONZM.

Councillor Aleisha Rutherford entered the meeting at 1.05pm.

The following persons appeared before the Committee and made oral statements in support of their submissions and replied to questions from Elected Members.

#### **Heather Allan**

Mrs Heather Allan spoke to her submission and made the following additional comments:

- When the Trust was established in 1991 there was a Council-appointed representative on the CBTB which kept both entities informed of their intentions for the building. This position in subsequent years was disestablished.
- One issue experienced by CBTB was dealing with the constant change of Council staff, institutional knowledge being lost and needing to establish new relationships to get new staff up to date. Also different departments working in silos instead of an over-arching organisational approach was noted.
- Concern was expressed over the lack of communication by Council with the Manager of CBTB, who had 30 years' experience.
- 75% of submissions received were in favour of keeping the CBTB as a separate entity with a trust board. The majority of heritage houses in New Zealand are run by independent trust boards.

#### **John C Hornblow**

Mr John Hornblow spoke to his submission and made the following additional comments:

- The analysis report has omitted to assess the cost of financial services, event promotion, governance activity and the cost of internal services to the City Council.
- If the Committee made a decision based on this report it could be legally challenged.

#### **Paul W Rieger**

Mr Paul Rieger spoke to his submission and made the following additional comments:

- Emphasis needed to be placed on the passion and skills of the volunteers who work for this type of community organisation.
- The latest profit and loss statement did not disclose how Council was going to save approximately \$23,000. He suspected that the analysis was a desk-top assessment and that the CBTB had undertaken tasks and jobs with no cost to the Council, so this created a deficiency in the calculations.
- Institutional knowledge within organisations such as Council was not being retained and this created a huge gap when trying to continue with projects. He emphasised what would be lost if the energies and

skills of the types of people who serve on Trust Boards of community facilities is lost and management transfers to those who either do not have the background knowledge of the organisation or do not have the particular interest in it that Trustees almost always have.

- He supported Option 4 – disengage from the CCO and grant a lease to the current Board of Trustees for a period of time with conditions.
- Reminded the Committee of the vast array of skills and dedication from volunteer groups of citizens that they saw each year at the Civic Awards – a resource that Council could not afford to lose. He hoped that Council's final decision included a volunteer element to Caccia Birch.

#### **Susan Lynn McConachy**

Mrs Susan McConachy spoke to her submission and made the following additional comments:

- Paid homage to all the past and current CBTB members who have worked tirelessly to bring the homestead back to its stately appearance and looking after the 100 year old avenue of oaks. They had left Palmerston North with an amazing heritage site.
- Stated that she has been a member of the Regent Theatre Trust for over thirty years. As a volunteer she is concerned that she has to convince the Committee of the worth of volunteers.
- Volunteers provide business and community expertise that the Council cannot access including funding which can be accessed from avenues other than rates.
- Concerted effort needed to be undertaken between Council and CBTB to come together to achieve the outcomes everybody is desiring.

#### **Annette Nixon**

Mrs Annette Nixon spoke to her submission and made the following additional comments:

- Background was in managing commercial and residential properties, current trust board member of two organisations and many years working with the Awapuni Community Centre.
- The review has allowed the public through submissions to acknowledge the appreciation they have for the CBTB, the dedication of the trust board, the range of competencies and the contributions they have made since it was established. Several submissions also acknowledge the work undertaken by the Manager, her dedication and her institutional knowledge concerning the running of the house.
- Excellent range of feedback received that has unearthed those elements of discontent which can simmer alongside any management structure. Sometimes it is very hard to find out what people are discontented about. It is easy to do appreciation but it takes courage

to address what people are unhappy about.

- One suggestion in a submission was concerning promotion and marketing; what is the best way to promote Caccia Birch in a way that informs the public about the available facility and the services offered? The City Council could certainly help in this area with services and funding.
- Discontent amongst staff members and negative comments about the manager have been made. Any employment matters that are not taken seriously have the possibility of escalating discontent which benefits no-one. Needs to be an employment sub-committee with clear processes so that their discontent and concerns can be dealt with.
- There is always the expectation of gold star service when there is only bronze star funding and anyone who has managed a public facility is well aware of those expectations. Workloads of staff have to be taken into consideration, especially when there is a lone staff member who cannot be available 24 hours a day, seven days a week.
- Noted that the Manager is also providing a catering service and felt that this is a conflict of interest. It does not seem to be a usual sort of business practise.
- The City Council has always seen public facilities as service provision, not profit making and the submitter has never known them to break even. It is about a service to the community that also enhances the community and its reputation. As our only historic facility of this nature it should be treasured.

#### **Caccia Birch Trust Board – Grant O'Donnell, Chairperson**

Representing the Caccia Birch Trust Board, Mr Grant O'Donnell spoke to their submission and made the following additional comments:

- The Board does not support Council's proposal. There was an overwhelming public response to oppose the proposal; 78% oppose and 4% non-committal. They reflect a general expectation of loss of benefit to the community if the proposal is adopted.
- The Board's analysis of the submissions follows:
  - Five submitters have issues with current management. The house has been managed for 30 years successfully with the overwhelming number of submitters supporting the current management.
  - Four submitters believe a change will help the facility reach its potential. The CBTB have spent many hours over several months crafting, in conjunction with council officers, a draft ten year plan which sets out a positive vision for the facility. One submitter promoted change to the property and the grounds which could lead to derogation from the heritage qualities of the whole property; the grounds have their own heritage status.
  - One submitter considers that Council has appropriate systems and thought Council would do a better job. Several other submitters

however, felt that the property would suffer from Council in-house management. Not mentioned are the comments regarding the constant change of Council staff and the division of responsibilities between different departments.

- Heritage New Zealand thinks Council has sufficient capability but its view of the proposal is predicated on that being true and is a moot point. Heritage New Zealand is governed by an appointed board of suitably qualified persons and you could liken their view to one of suggesting their operation could be handed over to Housing NZ.
- One submitter felt the proposal was in the interests of the ratepayer and community. How that conclusion was reached is not stated.
- Two submitters considered there is currently poor marketing of the facility. The Trust agrees with this comment, however this could only be achieved with an increase in budget allocation for this from the Council. A better approach has been outlined in the CBTB 10 year plan, which is to fix Caccia Birch House in the hearts and minds of the community as the City's number one heritage facility and let the benefits, including financial returns, flow from there.
- One submitter stated the House needs a fresh new approach. Based on the submissions a significant majority disagree. What fresh new approach can be taken for a heritage property?
- Two submitters said that the heritage value of the property can be managed by the Council. A significant number of submitters disagreed stating there would be a likely loss of institutional knowledge and loss of focus on the facility resulting in the loss of the special characteristics of the property.
- One anonymous submission rejects the proposal by Council but suggests the CBTB could do better. It appears to suffer from misconceptions which result in misguided criticisms of the Board's results, particularly in relation to its financial performance. Such misconceptions arise from a lack of appreciation of District Plan restrictions, and the view that the Board and management can act as producers of entertainment events and should take on financial risk. The Caccia Birch facility is a venue where the community can produce events. The Regent suffers from the same misconception.
- Summary:
  - Council's desktop review is not a genuine cost effectiveness analysis.
  - Caccia Birch facility staff were not engaged with through this process.
  - Projected savings appear to be assumed, no analysis has been undertaken.
  - Council has never passed on any dissatisfaction to the Board on how the Caccia Birch facility was being governed.
  - If the review was undertaken to change management then the

process was completely unethical. Council is the employer (to all practical intents and purposes) and is therefore obligated to act in good faith and as a good employer. The impact of this process on staff has been significant.

- Board supports the goal of bringing forward new initiatives but felt this could have been achieved with goodwill and collaboration between the parties. The Board has developed a creative ten year plan which is now with Council for consideration.
- Logical step is to undertake further consultation between the CBTB and Council to ensure alignment of their visions for the facility.
- Council needs to reach a consensus of what it requires from CBTB. Without this Council staff have no guidance comparable to what is in the Trust Deed which governs the Trust Board and protects the community.

**9-21 Section 17a Review of Caccia Birch House - Summary of Submissions**  
Memorandum, presented by Julie Macdonald, Strategy and Policy Manager.

Moved Rachel Bowen, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the memorandum titled 'Section 17a Review of Caccia Birch House - Summary of Submissions' presented to the Arts, Culture and Heritage Committee on 13 April 2021 be received.

Clause 9-21 above was carried 8 votes to 0, the voting being as follows:

**For:**

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Bruno Petrenas, Patrick Handcock ONZM and Aleisha Rutherford.

The meeting finished at 2.20pm

Confirmed 18 August 2021

**Chairperson**

## PALMERSTON NORTH CITY COUNCIL

### Minutes of the Arts, Culture & Heritage Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 14 April 2021, commencing at 1.01pm

**Members Present:** Councillor Rachel Bowen (in the Chair) and Councillors Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas and Orphée Mickalad.

**Non Members:** Councillors Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta and Billy Meehan.

**Apologies:** The Mayor (absent on Council business); Councillors Susan Baty and Lew Findlay QSM; Brent Barrett, Zulfiqar Butt and Leonie Hapeta (early departure on Council business) and Aleisha Rutherford (late arrival).

Councillor Billy Meehan entered the meeting at 1.06pm after consideration of clause 8. He was not present for clauses 7 and 8.

Councillor Aleisha Rutherford entered the meeting during consideration of clause 9. She left the meeting at 2.46pm during consideration of clause 12. She was not present for clauses 7, 8, 12 and 13.

Councillors Brent Barrett, Zulfiqar Butt and Leonie Hapeta left the meeting at 2.52pm after consideration of clause 12. They were not present for clause 13.

#### 10-21 Apologies

Moved Rachel Bowen, seconded Brent Barrett.

#### The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 10-21 above was carried 11 votes to 0, the voting being as follows:

#### For:

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas, Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta and Orphée Mickalad.

#### 11-21 Confirmation of Minutes

Moved Rachel Bowen, seconded Brent Barrett.

#### The COMMITTEE RESOLVED

1. That the minutes of the Arts, Culture & Heritage Committee meeting of 17

February 2021 Part I Public be confirmed as a true and correct record.

Clause 11-21 above was carried 10 votes to 0, with 1 abstention, the voting being as follows:

**For:**

Councillors Rachel Bowen, Brent Barrett, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas, Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta and Orphée Mickalad.

**Abstained:**

Councillor Zulfiqar Butt.

Councillor Billy Meehan entered the meeting at 1.06pm.

**12-21      The Regent Theatre Trust - Six-Month Performance Report 1 July - 31 December 2020 and Draft Statement of Intent 2021-24**

Memorandum, presented by Hannah White, Democracy & Governance Manager; David Walsh, Regent Theatre Manager and Susan McConachy, Regent Theatre Trust Board Member.

Ms White advised the comment in Table 4 of this report (page 20 of the Agenda) relating to Financials was included in error and will be removed from public record.

Councillor Aleisha Rutherford entered the meeting at 1.17pm.

Moved Rachel Bowen, seconded Billy Meehan.

**The COMMITTEE RECOMMENDS**

1. That the Six-Month Performance Report 1 July - 31 December 2020 (Attachment 1) submitted by the Regent Theatre Trust be received.
2. That the draft Statement of Intent 2021-24 (Attachment 2) submitted by the Regent Theatre Trust be received.
3. That the Regent Theatre Trust is advised of the recommended changes to the final Statement of Intent 2021-24 outlined in Table 4 (as amended) of this memorandum titled 'The Regent Theatre Trust - Six-Month Performance Report 1 July - 31 December 2020 and Draft Statement of Intent 2021-24'.

Clause 12-21 above was carried 13 votes to 0, the voting being as follows:

**For:**

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas, Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan, Aleisha Rutherford and Orphée Mickalad.

**13-21      Te Manawa Museums Trust - Draft Statement of Intent 2021-24**

Memorandum, presented by John Fowke, Te Manawa Museums Trust Board Chair; Andy Lowe, Chief Executive and Catherine Parsons, Finance Leader.

Moved Rachel Bowen, seconded Brent Barrett.

**The COMMITTEE RECOMMENDS**

1. That the draft Statement of Intent 2021–24 submitted by Te Manawa Museums Trust be received.
2. That Te Manawa Museums Trust is advised of the recommended changes to the final Statement of Intent 2021–24 outlined in Table 1 of this memorandum titled 'Te Manawa Museums Trust - Draft Statement of Intent 2021-24'.

Clause 13-21 above was carried 13 votes to 0, the voting being as follows:

**For:**

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas, Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan, Aleisha Rutherford and Orphée Mickalad.

**14-21 Caccia Birch Trust Board - Six-Month Performance Report up to 31 December 2020 and Draft Statement of Intent 2021-24**

Memorandum, presented by Grant O'Donnell, Caccia Birch Trust Board Chair and Nicky Birch, Manager.

Moved Rachel Bowen, seconded Brent Barrett.

The **COMMITTEE RECOMMENDS**

1. That the Six-Month Performance Report 1 July - 31 December 2020 (Attachment 1) submitted by Caccia Birch Trust Board be received.
2. That the draft Statement of Intent 2021–24 (Attachment 2) submitted by Caccia Birch Trust Board be received.
3. That Caccia Birch Trust Board is advised of the recommended changes to the final Statement of Intent 2021–24 outlined in Table 3 of this memorandum titled 'Caccia Birch Trust Board - Six Month Performance Report up to 31 December 2020 and Draft Statement of Intent 2021-24'.

Clause 14-21 above was carried 13 votes to 0, the voting being as follows:

**For:**

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas, Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan, Aleisha Rutherford and Orphée Mickalad.

**15-21 The Globe Theatre Trust - Six-Month Performance Report 1 July - 31 December 2020 and Draft Statement of Intent 2021-24**

Memorandum, presented by Margaret May, Globe Theatre Trust Board Secretary and Gerry Keating, Manager.

Councillor Aleisha Rutherford left the meeting at 2.46pm.

Moved Rachel Bowen, seconded Brent Barrett.

The **COMMITTEE RECOMMENDS**

1. That the Six-Month Performance Report 1 July - 31 December 2020

(Attachment 1) submitted by the Globe Theatre Trust be received.

2. That the draft Statement of Intent 2021-24 (Attachment 3) submitted by the Globe Theatre Trust be received.
3. That the Globe Theatre Trust is advised of the recommended changes to the final Statement of Intent 2021–24 outlined in Table 3 of this memorandum titled ‘The Globe Theatre Trust - Six-Month Performance Report 1 July - 31 December 2020 and Draft Statement of Intent 2021-24’.

Clause 15-21 above was carried 12 votes to 0, the voting being as follows:

**For:**

Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas, Vaughan Dennison, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan and Orphée Mickalad.

Councillors Brent Barrett, Zulfiqar Butt and Leonie Hapeta left the meeting at 2.52pm.

## **16-21 Committee Work Schedule**

Moved Rachel Bowen, seconded Patrick Handcock ONZM.

### **The COMMITTEE RESOLVED**

1. That the Arts, Culture & Heritage Committee receive its Work Schedule dated April 2021.

Clause 16-21 above was carried 9 votes to 0, the voting being as follows:

**For:**

Councillors Rachel Bowen, Renee Dingwall, Lorna Johnson, Karen Naylor, Bruno Petrenas, Vaughan Dennison, Patrick Handcock ONZM, Billy Meehan and Orphée Mickalad.

The meeting finished at 2.53pm

Confirmed 18 August 2021

**Chairperson**

## PALMERSTON NORTH CITY COUNCIL

### **Minutes of the Extraordinary Arts, Culture & Heritage Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 05 May 2021, commencing at 1.00pm.**

**Members Present:** Rachel Bowen (in the Chair), The Mayor (Grant Smith) and Councillors Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lorna Johnson, Orphée Mickalad, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

**Non Members:** Councillors Susan Baty, Vaughan Dennison, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta and Billy Meehan.

#### **17-21 Public Comment**

Mr Grant O'Donnell, Chairperson, Caccia Birch Trust Board, made public comment on behalf of the Board and stated the case for change had not been made by Council.

Moved Rachel Bowen, seconded Leonie Hapeta.

#### **The COMMITTEE RESOLVED**

1. That the public comment be received for information.

Clause 17-21 above was carried 16 votes to 0, the voting being as follows:

#### **For:**

The Mayor (Grant Smith) and Councillors Rachel Bowen, Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

#### **18-21 Deliberations report on Section 17A Review of Caccia Birch House Report, presented by Julie Macdonald, Strategy & Policy Manager.**

During discussion Elected Members proposed changes to the Officer recommendations to ensure visibility of the asset and to safeguard community involvement in Caccia Birch.

Elected Members requested an amendment to recommendation 4 so that operational reporting remained with the Chief Executive.

Moved Rachel Bowen, seconded Brent Barrett.

## The **COMMITTEE RECOMMENDS**

1. That Council endorse Option 2, Service delivery by the Council, of the report titled 'Deliberations report on Section 17A Review of Caccia Birch House', presented to the Arts, Culture & Heritage Committee on 5 May 2021, as the preferred option for the day-to-day management of Caccia Birch House, grounds and Coach House.
2. That the Chief Executive works with the Trust Board to develop a process for the management of Caccia Birch House to transition from a Council Controlled Organisation (CCO) to in-house delivery.
3. That the Chief Executive develops a model to enable community involvement in the in-house service delivery and reports back to Arts, Culture & Heritage Committee by February 2022.
4. That the Chief Executive develop an operational and annual reporting model for in-house service delivery of Caccia Birch House.
5. That development of a conservation plan for Caccia Birch House and property is costed and included in the CBH Masterplan programme of work for 2023/24 and reported to Arts, Culture & Heritage Committee by June 2024.

Clauses 18.1-21 to 18.5-21 above were carried 16 votes to 0, the voting being as follows:

### **For:**

The Mayor (Grant Smith) and Councillors Rachel Bowen, Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

Moved Aleisha Rutherford, seconded Patrick Handcock ONZM.

### **Amendment**

That the words "to be reported to Arts, Culture & Heritage Committee by February 2022" be deleted from Recommendation 4.

Clause 18-21 above was carried 10 votes to 6, the voting being as follows:

### **For:**

The Mayor (Grant Smith) and Councillors Susan Baty, Zulfiqar Butt, Vaughan Dennison, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Bruno Petrenas and Aleisha Rutherford.

### **Against:**

Councillors Brent Barrett, Rachel Bowen, Renee Dingwall, Billy Meehan, Orphée Mickalad and Karen Naylor.

Moved Rachel Bowen, seconded Brent Barrett.

6. That Council resolve to bring the Caccia Birch service delivery in-house by July 2022.

Clause 18.6-21 above was carried 16 votes to 0, the voting being as follows:

### **For:**

The Mayor (Grant Smith) and Councillors Rachel Bowen, Brent Barrett, Susan Baty, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

Moved Rachel Bowen, seconded Brent Barrett.

7. That the Chief Executive review the in-house service delivery and report back to Arts, Culture & Heritage Committee before July 2025.

Clause 18.7-21 above was carried 12 votes to 4, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Rachel Bowen, Brent Barrett, Zulfiqar Butt, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Lorna Johnson, Billy Meehan, Orphée Mickalad, Bruno Petrenas and Aleisha Rutherford.

**Against:**

Councillors Susan Baty, Vaughan Dennison, Leonie Hapeta and Karen Naylor.

The meeting finished at 2.03pm

Confirmed 18 August 2021

**Chairperson**



## MEMORANDUM

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** Caccia Birch Trust Board - Final Statement of Intent 2021-2024

**PRESENTED BY:** Hannah White, Democracy & Governance Manager

**APPROVED BY:** Sheryl Bryant, Assistant Chief Executive

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### RECOMMENDATION TO COUNCIL

1. That the Council agrees the Statement of Intent 2021-2024 submitted by Caccia Birch Trust Board, attached as Appendix 1 of the report titled 'Caccia Birch Trust Board - Final Statement of Intent 2021-2024' presented to the Arts, Culture & Heritage Committee on 18 August 2021.
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#### 1. ISSUE

- 1.1 The Statement of Intent (SOI) sets out the objectives and activities of The Caccia Birch Trust Board (CBTB) for the next three years. It serves as a basis for accountability to the Council, as the shareholder.
- 1.2 The requirements for the SOI are set out in Schedule 8 of the Local Government Act 2002 (LGA). Under the LGA, Council has the power to modify a SOI to ensure it adequately reflects the council's strategic priorities if it considers that is necessary.
- 1.3 In June 2021, Council resolved to bring the delivery of Caccia Birch homestead and gardens inhouse from July 2022. A 12-month transition period was agreed to enable the smooth transfer of management of the property from the Trust Board to Council.
- 1.4 The purpose of this report is for the Council to fulfil the requirement under s65(2) of the LGA to agree the final SOI, or if it does not agree, to require the SOI to be modified as set out in clause 6, Schedule 8 of the LGA.

#### 2. BACKGROUND

- 2.1 CBTB is a Council Controlled Organisation (CCO), which was set up to independently manage and promote the Caccia Birch House and Grounds. A CCO is an organisation in which Council has the right to appoint at least fifty percent of the trustees and must work towards Council's objectives on its behalf. CBTB is managed by a Board of Trustees made up of committed volunteers.

- 2.2 The Council and the Trust Board are currently working through a 12-month transition period, to transfer the management of the property from being run by CBTB into a Council delivered service. During this period, the Trust Board is still responsible for the day-to day running of the property and is still legally a CCO. As such, it is expected to report on performance as outlined in the Local Government Act 2002.
- 2.3 In November 2020, the Council resolved to retain the Statement of Expectations 2020/21 for all cultural CCOs for the forthcoming year 2021/22.
- 2.4 The Arts, Culture & Heritage Committee received CBTB's draft SOI at its meeting on 14 April 2021 and made recommendations for CBTB to consider when developing its final SOI. These recommended changes were approved by Council on 5 May 2021.
- 2.5 Council's recommended changes (Table 1) have not been made by the Trust Board. CCTB have stated that due to the circumstances they do not intend to make any changes.
- 2.6 Officers recommend Council agree the SOI. As a result of the decision to bring the provision in-house, only the first year of this Statement of Intent will take effect.

**Table 1: Council recommendations on the draft CBTB SOI**

| Council comments on draft                                                                                                                    | Is it dealt with in the SOI? |
|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| Work with Council officers to discuss updating the Trust Deed.                                                                               | No. Changes not made.        |
| That CBTB remove the performance measure for number of visitor surveys completed.                                                            | No. Changes not made.        |
| That rather than report on the whole survey, CBTB highlight survey results as evidence of performance.                                       | No. Changes not made.        |
| That CBTB specify in the 'What we will do' section where proposed unsecured funding is expected to come from - PNCC or from external source. | No. Changes not made.        |

### 3. NEXT STEPS


- 3.1 CBTB's Annual Report 2020-21 on its SOI 2020/21 is due to Council officers on 30 September 2021 and will be presented to the Arts, Culture & Heritage Committee in November.

- 3.2 The six-month report on this SOI will be delivered to staff by 1 March 2022 and presented to the next available Arts Culture and Heritage Committee.

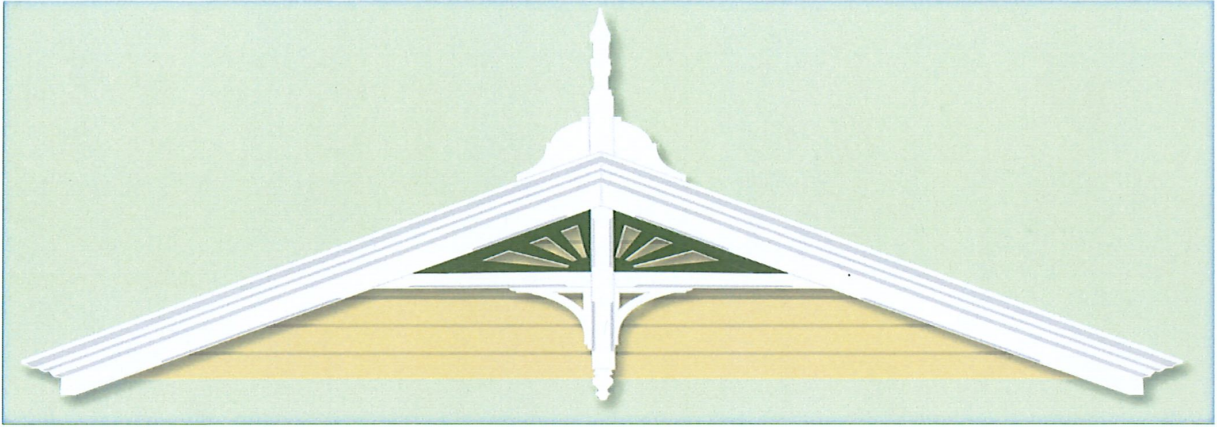
#### 4. COMPLIANCE AND ADMINISTRATION

|                                                                                                                   |                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Does the Committee have delegated authority to decide?<br>If Yes quote relevant clause(s) from Delegations Manual | <b>No</b>                                                                                                                                                                                       |
| Are the decisions significant?                                                                                    | <b>No</b>                                                                                                                                                                                       |
| If they are significant do they affect land or a body of water?                                                   | <b>No</b>                                                                                                                                                                                       |
| Can this decision only be made through a 10 Year Plan?                                                            | <b>No</b>                                                                                                                                                                                       |
| Does this decision require consultation through the Special Consultative procedure?                               | <b>No</b>                                                                                                                                                                                       |
| Is there funding in the current Annual Plan for these actions?                                                    | <b>Yes</b>                                                                                                                                                                                      |
| Are the recommendations inconsistent with any of Council's policies or plans?                                     | <b>No</b>                                                                                                                                                                                       |
| The recommendations contribute to Goal 2: A Creative and Exciting City                                            |                                                                                                                                                                                                 |
| The recommendations contribute to the outcomes of the Creative and Liveable Strategy                              |                                                                                                                                                                                                 |
| The recommendations contribute to the achievement of action/actions in the Arts Plan                              |                                                                                                                                                                                                 |
| The action is: to support CCOs to achieve the objectives of the arts plan.                                        |                                                                                                                                                                                                 |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being                | Agreeing the final Statements of Intent is a mechanism for Council to provide guidance and direction to the cultural CCOs and meets Council's responsibility to monitor the CCOs under the LGA. |

#### ATTACHMENTS

1. Caccia Birch Trust Board - Statement of Intent 2021-24 [↓](#) 





# CACCIA BIRCH TRUST BOARD

## STATEMENT OF INTENT

2021 – 2022

2022 – 2023

2023 – 2024



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|                                  |                                                                                                                                                                                                                                                |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2. <u>CONTACT DETAILS</u></b> |                                                                                                                                                                                                                                                |
| Registered Office:               | Caccia Birch House<br>130 Te Awe Awe St,<br>Palmerston North 4410                                                                                                                                                                              |
| Website & Email                  | <a href="http://www.caccia-birch.co.nz">www.caccia-birch.co.nz</a><br><a href="mailto:manager@caccia-birch.co.nz">manager@caccia-birch.co.nz/</a><br><a href="https://www.facebook.com/cacciabirchhouse">www.facebook.com/cacciabirchhouse</a> |
| Phone:                           | 06 3575363                                                                                                                                                                                                                                     |
| Email:                           | <a href="mailto:manager@caccia-birch.co.nz">manager@caccia-birch.co.nz</a>                                                                                                                                                                     |
| Office Contact:                  | Nicky Birch                                                                                                                                                                                                                                    |
| Role in CCO:                     | Manager                                                                                                                                                                                                                                        |
| Address:                         | As Above                                                                                                                                                                                                                                       |
| Chairperson:                     | Grant O'Donnell                                                                                                                                                                                                                                |
| Email:                           | <a href="mailto:home@odonnell-law.co.nz">home@odonnell-law.co.nz</a>                                                                                                                                                                           |
| Phone:                           | 06 3567754 / 0274 424395                                                                                                                                                                                                                       |
| Trustees 2019 to 2020            | Grant O'Donnell, Patricia Keiller, Cushla Scrivens, David Campbell, David Chapple, Wendy Newport-Smith, Latham Lockwood.                                                                                                                       |
| Legal Status:                    | Caccia Birch Trust Board is a Council-Controlled Organisation (CCO) for the purposes of the Local Government Act 2002 and operates as a Charitable Trust under the Charitable Trust Act 1957 and Charities Act 2005. CC38431                   |

### 3. FOREWORD

The impact of Covid 19 and successive Section 17A reviews on the business operations of the Board, and on Management, staff and Trustees has been significant.

Nevertheless, while the Trust's Vision, Mission and Values remain paramount, the Board will seek to improve its commercial activities and revenue generation.

The Strategic Objectives set out on page 7 underpin what we do and enable us to set desired outcomes in all three areas.

The Trust cannot achieve all its objectives alone. Establishing and maintaining stakeholder engagement, and partnership collaboration and co-operation, are essential to achieve those goals.

Such co-operation and collaboration will include:

- a) Working with CEDA to develop our visiting tourist products to showcase the City to the national and international markets. This includes developing an internationally recognised Qualmark rating.
- b) Capitalising on the opportunities provided by the Arts Powerhouse initiative as a path to increase our contribution to a planned programme of events and activities across the City venues.
- c) Collaborations with other local museums and heritage facilities to develop interpretative displays and signage to enhance a casual visit to the property.
- d) Community outreach plan.
- e) Encouraging Council to extend its assistance to the Trust in areas where it has resources.

The Board believes it has drafted a constructive and creative Long-Term Plan for the House and property.

This Statement of Intent, regrettably, for reasons outlined, is not based on that, but on a status quo approach which is to be inferred from Council's communications to the Board regarding requests for further funding in the Long-Term Plan.

The continued existence of the Trust is, the Board believes, essential to implement those long-term plans and to demonstrate a commitment by Council to the interests of, and involvement by, the Community, consistent with the spirit in which Caccia Birch House devolved on Council.

The goals of both Council and the Trust and the potential held by Caccia Birch House can, we believe, be best achieved by enhanced co-operation and collaboration between them.



#### 4. Purpose of this Statement of Intent

This Statement of Intent is presented by Caccia Birch Trust Board in accordance with the requirements of s 64(1) of the Local Government Act 2002.

In accordance with the Local Government Act 2002, this annual Statement of Intent publicly states the activities and intention of Caccia Birch Trust Board for the next three years, and the objectives to which those activities will contribute.

This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organizational accountability.

#### 5. About Caccia Birch Trust Board

##### Purpose

Our key objective is to secure the future for the House and Gardens:

- as a Category 1 Heritage Property
- in the hearts and minds of our stakeholders and customers

##### Vision Statement

That residents, visitors and hirers have memorable experiences at the Caccia Birch House and Gardens that resonate with them personally and connect them with our cultures and history.

##### Mission Statements

In order to achieve this vision, the Caccia Birch Trust Board will work to:

- Maximise the heritage values of the Caccia Birch House and Gardens
- Maximise the opportunities for residents and their visitors to experience the property and gardens and learn about its history.
- Maximise income from the house and gardens as a venue for hire, focusing on its market strength as the only Category 1 Heritage Status Homestead in Palmerston North.

##### Values

The Caccia Birch Trust Board and Staff Team will aspire to uphold the following values:

- **Inclusivity:** To create an environment that is warm and welcoming, respectful of diversity and provides something for everyone
- **Focus:** To articulate our goals clearly and to strive honestly to achieve them
- **Innovation:** To be open to new ways of doing our business and to aim for continuous improvement
- **Architectural and Historical Integrity:** to enshrine the heritage values of the House and Gardens in everything that we do.

##### Constitutional objectives

The Trust was established in 1989 by PNCC, primarily to oversee and manage the restoration of the house from a derelict and dilapidated state.

The gifting of the property to the community underpinned the purpose of the Trust and fundraising was one of the tasks required to meet the high costs of restoration and development.

The first objective of the Board, as described in the Trust Deed is:

**“To develop, promote, enhance and maintain the land and buildings described in the Schedule of property hereto known as Caccia Birch House, in recognition of the heritage status of the building, so that it may be utilised and enjoyed by the community”.**

The second objective enables the Board to undertake any actions that it deems necessary or desirable to achieve this purpose.

In 1993, as restoration work neared completion, it was agreed that making the house available to the community for meeting and function hire was a compatible use for the grand old homestead. A Manager was employed to administer the business and property and grow this activity.

The Board has been asked to consider whether its Deed is still relevant to its business in the 21<sup>st</sup> century, specifically whether it places adequate emphasis on the commercial hire activities of the House and Gardens.

The Board considers that parts of the Trust Deed may need updating or modernising, for example to enable Board decisions by email. The Board does not consider it necessary or desirable to amend the Trust Deed for activities which may be managed through the SOI process.

The Board's preference is to work collaboratively with Council to best maintain, enhance, and add value to the heritage status of the House and Garden. This is already enshrined as the primary objective of the Trust.

#### **The Board's approach to governance:**

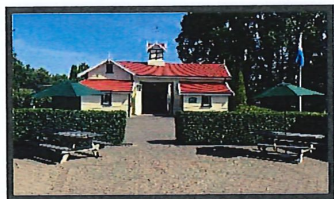
The Board's approach to governance is to adopt good governance practices with respect to:

- ensuring a heritage preservation focus to the Board's activities,
- working with stakeholders and with interested community groups to meet objectives,
- maintaining a constructive and proactive relationship with Palmerston North City Council,
- being a good employer: The Board employs a Manager who is responsible for the day-to-day operations of Caccia Birch, engaging with the community and clients, oversight of staff, contractors and day to day administration. The Manager reports to the Board on performance against Caccia Birch Trust Board objectives.

#### **Caccia Birch House History Background.**

- 1895 Caccia Birch House was built for Norwegian sawmiller & businessman Jacob Nannestad, who was co-owner of the towns largest sawmill Richter, Nannestad, Janssen & Co located on Broadway and Albert St.
- 1903 The Nannestad property then named 'Hokowhitu' was sold to English businessman John Strang who developed it to what we see today and renamed it "Woodhey".
- 1908 the Governor General Lord Plunket and his family resided at the property, vacating in 1910 when the Strang's returned from their trip to England.
- 1921 William and Maud Caccia Birch (nee Keiller) purchased the property and occupied the House until William's death in 1936.
- 1941 The property was gifted to the Government to be used in the war effort as Army accommodation for Home Guard officers during World War II
- 1946 PN Hospital Board Convalescence home for war veteran nurses.
- 1961 Victoria University annex.
- 1963 Massey University
- 1970 PN Teachers College.

- 1975 Massey University found they could not develop the property and handed it back to the Government.
- 1977 the building stood empty, vandalised and derelict.
- 1983 After much debate about its future, former PNCC planner Ken Tremaine, Mayor Brian Elwood, Councillors Paul Rieger and Dr Bernard Forde felt it important to preserve local history and petitioned the government to gift the property to the city.
- A Deed of Agreement with a purchase price of 10 cents gifted Caccia Birch House to PNCC and community. It took a further ten years to find a way to fund the expensive restoration project.
- 1989, PNCC created the Caccia Birch Trust Board to oversee the restoration and preservation.
- The Trust Deed was created to ensure that Caccia Birch House would be preserved by the city for future generations.
- 1991 The restoration of the dilapidated buildings was largely funded from the sale of surrounding land and additional money from a large community bingo group, the Lottery funds and the PNCC.
- 1992 Restoration of the ground floor was completed, along with some grounds landscaping.
- 1993 Restorations of the upper floor and employment of a manager / custodian. The Trust Board was expected to arrange a sympathetic use for the property. Making the house available to the community for meeting and function hire was a suitable use for the grand old homestead. This was also the vehicle to ensure the property was



accessible and well utilised by the community.

- 1994 Restoration of the CoachHouse building exterior.
- 2003 CCO status came about after the Local Government Act changes in 2003 whereby Councils were required to fund depreciation of their facilities and at this point



Caccia Birch Trust Board received some financial assistance for the building upkeep.

- 2000 to 2006 the Trust Board refurbished the interior of the CoachHouse to a useable state and thus began the planning and construction the information archive for visitors with the assistance of community funding.
- 2020 A second stage of the CoachHouse display was completed and the original panels replaced.

During the twenty-seven-year operation Central Energy Trust, Eastern & Central Community Trust, The Lion Foundation, Pub Charities, the Earle Trust and Lotteries have financially supported numerous projects at Caccia Birch House, thus saving ratepayers substantial expenditure.

The house is well-utilised (65 to 70% occupancy) for meetings, family functions, weddings, community events and promotion of local history to the visitor industry, contributing to the city's vibrant cultural facilities.

Continuing with these activities will ensure future generations can continue to enjoy this iconic property.



## 6. Contribution to small city benefits, big city ambition

Palmerston North is the heart of the Manawātū region within central New Zealand. We are a small city with a lot to offer, and we are ambitious about where we're going.

Our vision is Palmerston North: Small city benefits, big city ambition.

Council has identified five strategic goals for achieving this vision:

**Goal 1: An innovative and growing city**

**Goal 2: A creative and exciting city**

**Goal 3: A connected and safe community.**

**Goal 4: An eco-city**

**Goal 5: A driven and enabling Council.**

Council's Culture and Heritage Plan supports Priority 2 of the Creative and Livable Strategy:

**"to celebrate the city's history and diversity and build on the strength of being a city of many cultures and languages".**

Our strategic objectives demonstrate how the Caccia Birch Trust Board contributes to the following actions within the Culture and Heritage Plan:

- Make use of, and invest in, Heritage Buildings to provide Council and community facilities.
- Investigate opportunities to develop and add value to Council heritage buildings and sites.
- Provide facilities to enable the ongoing collection of, and access to, local history.

The Caccia Birch Trust also has a part to play in Goal 4:

- An eco-city, particularly in Priority 2 to work with Council to reduce carbon emissions.
- The Trust staff will work closely with Council asset managers to ensure that asset management and renewal incorporates sustainability principles and environmental improvements.
- The Trust staff will work with the hospitality sector to incorporate sustainable practice in their operations.

## 7. Strategic objectives:

### Strategic Objective 1:

Maintain and enhance the heritage values of the Caccia Birch House and Gardens.

- This will ensure that the property meets all the requirements of its Category 1 Historic Property Status, can provide the experiences of the Board's vision and is preserved for future generations of residents in Palmerston North.

### Strategic Objective 2:

Increase the range of opportunities for residents and their visitors to experience the property and gardens and learn about its history.

- This will increase the visibility of the house and gardens within the local community, increase satisfaction with the casual visitor experience and enable more community members to experience the house and gardens.

### Strategic Objective 3:

Increase income generated through the house and gardens as a venue for hire, focusing on its market strength as the only Category 1 Heritage Status Homestead in Palmerston North.

- This will increase the visibility of the house and gardens within the local community and enable the Trust Board to invest in activities that contribute to Strategic Objectives 1 and 2.

## 8. What we will do

### **Strategic objective 1:** ( \* Denotes financial or in-kind assistance may be required.)

Maintain and enhance the heritage values of the Caccia Birch House and Gardens:

- Oversee PNCC's Asset Management Programme to the standard required for the heritage status of the house and gardens.
- Maintain the grounds and gardens to the standard required for the heritage status of the house and gardens as our budget or funding allows.
- Secure improvements that enhance the heritage status of the house and gardens as our budget or funding allows.

### **Over the next three years, the Board will implement the following capital improvements:**

- In conjunction with Council, clear and develop the Lagoon embankment to improve the visual link between Caccia Birch House, Hokowhitu Lagoon, the Manawatu River and restore the outlook towards Te Motu-O-Poutoa Pa. \*
- Improve existing footpath network on the property \*
- Provide more seats in the grounds, and focal points from which to enjoy the serenity of the gardens\*
- Increase period furniture and furnishings in the house.

### **Strategic objective 2:** ( \* Denotes financial or in-kind assistance may be required.)

Provide a range of opportunities for residents and their visitors to experience the property and gardens and learn about its history:

- Provide as much access as possible to the house and grounds for residents and their visitors to "self-guide" through the Coach House and interpretive signage in the gardens.
- Provide regular, well-advertised open days and guided tours for residents and their visitors.
- In collaboration with the Council and other public bodies (including other CCOs), community organisations and commercial operations, provide a range of activities and events at no or low cost to residents and their visitors at the house and gardens. \*

### **Over the next three years, the Board will implement the following capital improvements:**

- Create various types of focal points in the grounds. \*
- Work to reduce carbon emissions by improving pedestrian access to the property and bicycle parking facilities at the property. \*
- Develop and promote more history displays and use modern technology for information sharing to engage the younger community. \*
- Make more historical and property information available – could be electronic, incl CoachHouse.
- Provide better signage in the grounds to enhance visitor experience. \*
- Develop interactive displays.
- Interpretation of gardens – plan and information on features with a path circumnavigating property to enable self-guided tours. \*

### **Over the next three years, the Board will aim to increase the number of social activities available to the casual visitor to the house and gardens by:**

- Providing greater visitor engagement through well trained and knowledgeable staff/volunteers.
- Age-specific activities
- Themed days
- Encouraging more ethnic, multi-cultural and non-profit community groups to experience this heritage facility.
- Investigating the provision of a coffee cart/food trucks for regular use by casual visitors

**Strategic objective 3:** ( \* Denotes financial or in-kind assistance may be required.)

Manage the house and gardens as a venue for hire, focusing on its market strength as the only Category 1 Heritage Status Homestead in Palmerston North:

- Hire the venue for weddings and special occasions to residents and visitors to the City
- Hire rooms/venue for corporate meetings and seminars.
- Hire rooms/venue to community users focusing on special interest groups to increase the visibility of the house and gardens in the community.
- Provide a tourist experience for visitors to the City, in conjunction with partners such as CEDA

Over the next three to six years, the Board will aim to increase the income from venue hire with the following capital improvements:

- Plan a summerhouse/stage in the grounds (self-contained) \*
- Publication of a Caccia Birch House history book (for sale)
- Infrastructure updated e.g. improved Wi-Fi\*
- State of the art electronic displays
- Enhance business/conference furniture and equipment\*

Over the next three to six years, the Board will aim to increase the income from venue hire by:

- Ensuring that the operation is appropriately staffed to meet the changing outcomes.
- Apply for 12-night extension\*
- Develop a program of 'shared-risk' events to engage with the community.
- Increase catering revenue.
- Tours international - value added (e.g. afternoon tea) potentially Qualmark rated.
- Develop full-service packages and discontinue the 'self-service model.

## 9. Performance measures

The Board has reviewed its performance measures in the light of the Statement of Expectation for 4-6 high-quality performance measures with officers which demonstrate Caccia Birch Trust's performance against key activities that contribute to Council's strategic outcomes".

Specifically, it undertook an RBA<sup>1</sup> process to identify performance measures for Strategic objective 2 (to provide a range of opportunities for residents and their visitors to experience the property and gardens and learn about its history).

The Board will survey a sample of casual visitors to the House or to a publicly accessible event to find out if it is delivering experiences which meet its aspirational vision. A sample of 100 will be indicative of the general experience of visitors.

This information will feed directly into the reporting templates provided by the Council officers and is attached.

<sup>1</sup> Results Based Accountability: <https://www.msd.govt.nz/what-we-can-do/providers/results-based-accountability/index.html>

| Strategic Objective                                                                                                                                    | Performance measure                                                     | Target 2021/22                         | Target 2022/23                         | Target 2022/23                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|
| Maintain and enhance the heritage values of the Caccia Birch House and Gardens                                                                         | Planned capital new and renewal programme is completed                  | 100% completed, commentary on progress | 100% completed, commentary on progress | 100% completed, commentary on progress |
| Provide a range of opportunities for residents and their visitors to experience the property and gardens and learn about its history                   | No of Trust / Council & stakeholder operated publicly accessible events | 3                                      | 4                                      | 5                                      |
|                                                                                                                                                        | No. visitors to Open Days                                               | 600                                    | 700                                    | 800                                    |
|                                                                                                                                                        | No. Visitor experience surveys completed (RBA see below)                | 100                                    | 100                                    | 100                                    |
| Manage the house and gardens as a venue for hire, focusing on its market strength as the only Category 1 Heritage Status Homestead in Palmerston North | No. of hires                                                            | 425                                    | 450                                    | 475                                    |
|                                                                                                                                                        | No. of Community Groups hires                                           | 25                                     | 30                                     | 35                                     |
|                                                                                                                                                        | All Income from hire & catering services.                               | \$85,000 (post covid)                  | \$103,020                              | \$105,080                              |

| How Much                                                               | How Well                                                                    | Is anyone better off?                                                      |                                                                                                                                         |                                                              |                                                                                                  | Population outcomes        |
|------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------|
|                                                                        |                                                                             | Skills and knowledge                                                       | Attitude and opinion                                                                                                                    | Behaviour change                                             | Circumstance change                                                                              |                            |
| <b>Secure 100</b><br>surveys from a range of visitor activities at CBH | <b># / % survey respondents</b><br>who would recommend CBH to someone else. | <b># / % survey respondents</b><br>who report having learned something new | <b># / % survey respondents</b><br>who report they would be more likely to visit another heritage facility or similar event or activity | <b># / % survey respondents</b><br>who would visit CBH again | <b># / % survey respondents</b><br>who report feeling more connected to the City and its history | Creative and Exciting City |

**Catchall Question:**

**What else would you have liked to have experienced during your visit to Caccia Birch House?**

## 10. How We Operate:

The Board believes that there is an increased interest in local history and heritage and that Caccia Birch House is the premier local heritage offering.

There is nowhere else of this quality, locally, that is available for public access or for hire in the manner we operate.

Of note, is the combination of property and gardens, providing an oasis of tranquility in the heart of the City. The Board has identified opportunities to capitalise on this through creating more opportunities for community access.

The Board is constrained in developing a stream of income from events because of its zoning in a residential area in the District Plan.

The Board, in making decisions, acknowledges the principles of Te Tiriti o Waitangi/The Treaty of Waitangi and the importance of engaging with Tangata Whenua in our operations. It also aims to make its decisions taking regard to its obligations to reduce carbon emissions and to operate sustainably.

The Board employs a full-time manager, part time gardener, mowing contractor, a secretarial contractor, a part time housekeeper and four part-time after-hours venue / function staff. The Board believes that this small staff team is operating at full capacity under the "business as usual" scenario.

The staff team resource needs to be expanded to manage the growth in tourism and business. Over the next few years, the Board envisages ultimately, a full-time assistant manager.

## 11. Working together

The Caccia Birch Trust Board has long been hoping to move beyond business-as-usual planning. It was pleased to work with Council to develop an aspirational 10-year business plan.

The SOI budget for the year ending 2020 reflected the effects of Covid 19 and the anticipated reduced income. The Board has developed a business plan based on previous experience and knowledge of the current market for its services. However, the costings now presented in this draft Statement of Intent are not as shown in the Draft 10-year plan, as Council has now indicated their preference for a status quo operation. The budget is based on the financial year 2019 to 2020.

The Board will work to achieve identified growth in hire income and however has reduced KPIs in line with the funding available but continues to target increases in its hire activities which it believes to be realistic.

The Board will also work to enhance heritage values and to increase community access but will be constrained from expanding activities beyond the status quo without additional external and Council funding.

### Half-yearly report

By the end of February each year, Caccia Birch Trust Board will provide the Council with a half-yearly report complying with section 66 of the Local Government Act 2002. The report will include the following information:

- Manager/Chief Executive's commentary on operations for the relevant six-month period.
- Comparison of Caccia Birch Trust Board's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Un-audited half-yearly financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity and statement of cashflows.

## Annual report

By 30 September each year, Caccia Birch Trust Board will provide the Council with an annual report complying with sections 67–69 of the Local Government Act 2002. Financial statements and audit clearance will be required in early August to ensure timely availability of PNCC's annual report.

The annual report will contain the information necessary to enable an informed assessment of the operations of Caccia Birch Trust Board and will include the following information:

- Commentary on operations for the year.
- Comparison of Caccia Birch Trust Board's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity, statement of cashflows, statement of accounting policies and notes to the accounts.
- Auditor's report on the financial statements and the performance targets.
- Any other information that the trustees consider appropriate.

## **12. Forecast financial statements.**

This section helps readers assess the cost-effectiveness of the activities that the CCO delivers. Statements must be for three years and be prepared in accordance with generally accepted accounting practice.

This section will contain the following information:

- Statement of financial performance
- Statement of financial position
- Statement of cash flows
- The CCOs Accounting Policies.
- For each section of information, it will contain the following years of information:
- Last full year of actual financials
- Current financial year budget and forecast.
- The 3 years that the SOI covers.
- Any occurrence where the CCO receives funds from a local authority will be separately noted.

## **13. STATEMENT OF ACCOUNTING POLICIES**

Basis of Preparation:

The Board has elected to apply PBE SFR-A Public Sector Entity Simple Format Reporting - Accrual on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

Changes in Accounting Policies: There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

(a) Tier 2 PBE Accounting Standards Applied

The Trust has not applied any Tier 2 Accounting Standards in preparing its financial statements.

(b) Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars (\$), and all financial information presented has been rounded to the nearest dollar.

(c) Property, Plant & Equipment

Property, plant and equipment are recorded at cost, less accumulated depreciation and impairment costs.

Donated assets are recognised on receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

Donated Artwork had not been recognised because the values of the artwork are not readily available. For an asset to be sold, the asset is impaired if the market price of an equivalent asset falls below the carrying amount.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

|                        |                   |
|------------------------|-------------------|
| Plant & Equipment      | 10 years<br>(10%) |
| Leasehold Improvements | 10 years<br>(10%) |

(d) Goods & Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

(e) Income Tax

The Trust is exempt from taxation due to the charitable nature of its activities via the operation of Section CW 35 of the Income Tax Act 2004.

(f) Revenue

Grants

Grants received from the Palmerston North City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust Deed. The Trust also receives other government assistance for specific purposes, and these grants usually contain restrictions on their use.

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Sale of Goods and Services

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Donated Goods or Services Not Recognised

The Trust receives volunteer services at no charge.

Interest Revenue

Interest income is recorded as it is earned during the year.

(g) Employee Related Costs

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries, & leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted. Superannuation contributions are recorded as an expense as staff provide services.

(h) Advertising, Marketing, Administration, and Fundraising Cost

These are expensed when the related service has been received. This does not include staff time spend on marketing activities.

(i) Bank Accounts and Cash

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

Bank overdrafts are presented as a current liability in the statement of financial position.

(j) Investments

Investments comprise investments in term deposits with banks.

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

(k) Lease Expenses

Lease payments are recognised as an expense on a straight-line basis over the lease term.

(l) Debtors & Prepayments

Debtors & Prepayments are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected or applied to an invoice, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

(m) Creditors & Accrued Expenses

Accounts payable and accrued expenses are measured at the amount owed.

(n) Employee Costs Payable

A liability for employee costs payable is recognised when an employee has earned the entitlement. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and retirement gratuities is recognised when the entitlement becomes available to the employee.

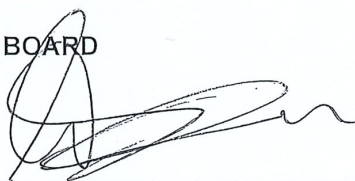
(o) Budget Figures

The budget figures are derived from the statement of intent as approved by the board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the board in preparing these financial statements.

CACCIA BIRCH TRUST BOARD

CHAIRPERSON

GRANT O'DONNELL



DATE: 30 June 2021

| Caccia Birch Trust Board                                  |  |           | v15a      | 15.3.21                    | Final Submit |           |
|-----------------------------------------------------------|--|-----------|-----------|----------------------------|--------------|-----------|
| Forecast Statement of Financial Performance - Operational |  |           |           |                            |              |           |
| For Years Ended 30 June 2020, 2021 and 2022,23,24         |  |           |           |                            |              |           |
|                                                           |  | Actual    | Less 30%  | Recovery Start up On Track |              |           |
|                                                           |  | 2019-2020 | 2020-2021 | 2021-2022                  | 2022-2023    | 2023-2024 |
| Revenue                                                   |  | \$        | \$        | \$                         | \$           | \$        |
| Business Revenue                                          |  | 101,170   | 81,872    | 101,000                    | 103,020      | 105,080   |
| Catering Contractor                                       |  | 60,189    | 65,545    | 84,000                     | 85,680       | 87,394    |
| Interest Received                                         |  | 459       | 566       | 566                        | 566          | 566       |
| PNCC Operations                                           |  | 100,948   | 101,957   | 101,957                    | 103,996      | 106,076   |
| PNCC Meeting Grant - Trustees                             |  | 6,120     | 6,120     | 6,120                      | 6,120        | 6,120     |
| Project Grants                                            |  | 8287      | 2774      |                            |              |           |
| Total Revenue                                             |  | 277,173   | 258,834   | 293,643                    | 299,382      | 305,236   |
|                                                           |  |           |           |                            |              |           |
| Expenses                                                  |  |           |           |                            |              |           |
| Accounting                                                |  | 8,740     | 9,009     | 9,099                      | 9,281        | 9,467     |
| Accounting Audit                                          |  | 8,649     | 9,848     | 9,946                      | 10,145       | 10,348    |
| Advertising / Marketing                                   |  | 1,795     | 5,000     | 5,500                      | 5,610        | 5,722     |
| Total Bank Charges                                        |  | 335       | 680       | 687                        | 701          | 715       |
| Catering Contractor                                       |  | 58,459    | 62,545    | 79,800                     | 81,396       | 83,024    |
| Cleaning Consumables                                      |  | 3,010     | 3,386     | 4,000                      | 4,080        | 4,162     |
| Governance Expense                                        |  | 683       | 785       | 1,000                      | 1,020        | 1,040     |
| Governance - Secretarial                                  |  | 2,230     | 3,500     | 3,000                      | 3,060        | 3,121     |
| Grounds - Maintenance                                     |  | 9,714     | 27,042    | 32,000                     | 32,640       | 33,293    |
| Insurance                                                 |  | 3,693     | 3,939     | 4,000                      | 4,080        | 4,162     |
| Light Power & Heating                                     |  | 7,877     | 7,211     | 10,500                     | 10,710       | 10,924    |
| Conference Expenses                                       |  | 554       | 500       | 750                        | 765          | 780       |
| Minor Asset Replacement                                   |  | 2,128     | 2,500     | 4,000                      | 4,080        | 4,162     |
| Printing & Stationery                                     |  | 3,646     | 4,000     | 4,500                      | 4,590        | 4,682     |
| Repairs and Maintenance                                   |  | 3,477     | 3,000     | 5,000                      | 5,100        | 5,202     |
| Security                                                  |  | 5,355     | 6,212     | 6,000                      | 6,120        | 6,242     |
| Staff Expenses - Training                                 |  | -         | 428       | 612                        | 624          | 637       |
| Telephone & Internet                                      |  | 2,611     | 2,222     | 2,500                      | 2,550        | 2,601     |
| Trustee Remuneration                                      |  | 5,100     | 6,120     | 6,120                      | 6,120        | 6,120     |
| Wages and Salaries                                        |  | 131,516   | 99,489    | 102,000                    | 104,040      | 106,121   |
| Event Expenses                                            |  | 1,832     | 5,774     | 3,000                      | 3,060        | 3,121     |
| Software Licences                                         |  | 1,488     | 1,247     | 1,259                      | 1,285        | 1,310     |
| Project Expenses                                          |  |           | 2500      |                            |              |           |
| Rental Plants                                             |  | 527       |           |                            |              |           |
| Bad Debt                                                  |  | 81        |           |                            |              |           |
| Total Operating Expenses                                  |  | 263,500   | 266,938   | 295,274                    | 301,057      | 306,956   |
|                                                           |  |           |           |                            |              |           |
| Surplus (Deficit) Before Depreciation                     |  | 13,673    | (8,103)   | (1,631)                    | (1,675)      | (1,720)   |
|                                                           |  |           |           |                            |              |           |
| Depreciation of Property, Plant, and Equipment            |  | 21,782    | 21,473    | 20,741                     | 14,872       | 13,084    |
| Total Expenses                                            |  | 285,282   | 288,411   | 316,015                    | 315,929      | 320,040   |
|                                                           |  |           |           |                            |              |           |
| Surplus (Deficit)                                         |  | (8,109)   | (29,576)  | (22,372)                   | (16,547)     | (14,804)  |

|                                                              | 2020          | 2021          | 2022          | 2023          | 2024          |
|--------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
|                                                              | \$            | \$            | \$            | \$            | \$            |
| <b>Cash Flows from Operating Activities</b>                  |               |               |               |               |               |
| Receipts from Council Operating Grants                       | 102,966       | 101,957       | 101,957       | 103,996       | 106,076       |
| Interest Receipts                                            | 485           | 566           | 566           | 566           | 566           |
| Receipts from Other Revenue                                  | 238,019       | 152,092       | 191,120       | 194,730       | 198,502       |
| Payments to Suppliers and Employees                          | (315,268)     | (284,782)     | (295,274)     | (300,507)     | (306,395)     |
| GST(net)                                                     | 423           | (11)          | 0             | (52)          | (53)          |
| <i>Net Cash Flow from Operating Activities</i>               | 26,625        | (30,177)      | (1,631)       | (1,267)       | (1,304)       |
| <b>Cash Flows from Investing and Financing Activities</b>    |               |               |               |               |               |
| Receipts from Sale of Investments                            | 14,355        | 14,400        | 14,400        | 14,400        | 14,400        |
| Payments to Acquire Property, Plant & Equipment              | - 13,580      | -             | -             | -             | -             |
| Payments to Acquire Investments                              | (14,777)      | (14,400)      | (14,400)      | (14,400)      | (14,400)      |
| <i>Net Cash Flow from Investing and Financing Activities</i> | - 14,002      | -             | -             | -             | -             |
| Net Increase(Decrease) in Cash for the Year                  | 12,623        | (30,177)      | (1,631)       | (1,267)       | (1,304)       |
| Add Opening Bank Accounts and Cash                           | 41,692        | 54,315        | 24,138        | 22,507        | 21,240        |
| <b>Closing Bank Accounts and Cash</b>                        | <b>54,315</b> | <b>24,138</b> | <b>22,507</b> | <b>21,240</b> | <b>19,936</b> |

|                                            | 2020           | 2021           | 2022          | 2023          | 2024          |
|--------------------------------------------|----------------|----------------|---------------|---------------|---------------|
|                                            | \$             | \$             | \$            | \$            | \$            |
| <b>Assets</b>                              |                |                |               |               |               |
| <b>Current Assets</b>                      |                |                |               |               |               |
| Bank Accounts and Cash                     | 54,315         | 24,138         | 22,507        | 21,240        | 19,936        |
| Debtors and Prepayments                    | 21,281         | 25,500         | 4,500         | 4,590         | 4,682         |
| Investments                                | 14,777         | 14,400         | 14,400        | 14,400        | 14,400        |
| <i>Total Current Assets</i>                | 90,373         | 64,038         | 41,407        | 40,230        | 39,018        |
| <b>Non-Current Assets</b>                  |                |                |               |               |               |
| Property, Plant & Equipment                | 95,603         | 74,130         | 53,389        | 38,517        | 25,433        |
| <b>Total Assets</b>                        | <b>185,976</b> | <b>138,168</b> | <b>94,796</b> | <b>78,747</b> | <b>64,451</b> |
| <b>Liabilities</b>                         |                |                |               |               |               |
| <b>Current Liabilities</b>                 |                |                |               |               |               |
| Creditors                                  | 15,828         | 21,422         | 10,000        | 10,200        | 10,404        |
| Accrued Expenses                           | 11,027         | 11,137         | 1,050         | 1,071         | 1,092         |
| ANZ Credit Card                            | -              | -              | 200           | 204           | 208           |
| Secure Venue Fee                           | 22             | 22             | 2,500         | 2,550         | 2,601         |
| GST                                        | - 1,094        | - 1,105        | - 2,616       | - 2,668       | - 2,722       |
| Accrued Salaries and Wages                 | 4,365          | 4,409          | 3,000         | 3,060         | 3,121         |
| Accrued Leave                              | 9,900          | 9,999          | 10,750        | 10,965        | 11,184        |
| Covid Wage Subsidy balance                 | 17,994         | -              | -             | -             | -             |
| Grants & Funding STC                       | 6,074          | -              | -             | -             | -             |
| <i>Total Current Liabilities</i>           | 64,116         | 45,884         | 24,884        | 25,382        | 25,889        |
| <b>Total Liabilities</b>                   | <b>64,116</b>  | <b>45,884</b>  | <b>24,884</b> | <b>25,382</b> | <b>25,889</b> |
| <b>Total Assets Less Total Liabilities</b> | <b>121,860</b> | <b>92,284</b>  | <b>69,912</b> | <b>53,365</b> | <b>38,561</b> |
| <b>Trust Equity</b>                        |                |                |               |               |               |
| Accumulated Surpluses                      | 121,860        | 92,284         | 69,912        | 53,365        | 38,561        |
| <b>Total Trust Equity</b>                  | <b>121,860</b> | <b>92,284</b>  | <b>69,912</b> | <b>53,365</b> | <b>38,561</b> |

## SCHEDULE OF PERFORMANCE MEASURES FOR CACCIA BIRCH

| Time Partner       | Investment (\$)                                | Direct Client                         | Performance Measures                                                                     |                                                                                            |                                                                                                                    |                                                                                                                                                                                                                                                                     |                                                                             | Population Outcomes                                                                                     |                            |
|--------------------|------------------------------------------------|---------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|----------------------------|
|                    |                                                |                                       | How Much                                                                                 | How Well <sup>2</sup>                                                                      | Is Anyone Better Off <sup>3</sup>                                                                                  |                                                                                                                                                                                                                                                                     |                                                                             |                                                                                                         |                            |
|                    |                                                |                                       |                                                                                          |                                                                                            | Skills & Knowledge                                                                                                 | Attitude & Opinion                                                                                                                                                                                                                                                  | Behaviour Change                                                            |                                                                                                         | Circumstance Change        |
| Caccia Birch Trust | Operating grant \$110k<br>Asset management tbc | ALL Clients                           | Total # clients <sup>4</sup>                                                             |                                                                                            |                                                                                                                    |                                                                                                                                                                                                                                                                     |                                                                             |                                                                                                         | Creative and Exciting City |
|                    |                                                | Visitors to the house and /or grounds | Total # visitor <sup>5</sup> at any event that is publicly accessible (ticketed or free) | NPS Score <sup>6</sup> (how likely is it that you would recommend Caccia Birch to others?) | # / % first time visitors report they strongly agree/agree they learnt something about the history of the property | #/% respondents who report they strongly agree/agree that: * they would be more likely to visit another heritage facility/similar event or activity. * it's important to invest in the maintenance and availability of heritage facilities in our City <sup>7</sup> | #/% respondents who report they strongly agree/agree that would visit again | #/% respondents who report they strongly agree/agree feeling more connected to the City and its history |                            |
|                    |                                                |                                       | Total # attendees <sup>8</sup> at hired events                                           |                                                                                            |                                                                                                                    |                                                                                                                                                                                                                                                                     |                                                                             |                                                                                                         |                            |

<sup>2</sup> Note that numerators and denominators for all how well measures will be checked to inform reporting tools. Some are not captured in this table.

<sup>3</sup> Note that numerators and denominators for all better off measures will be checked to inform reporting tools. Some are not captured in this table.

<sup>4</sup> Clients – all Individuals

<sup>5</sup> Visitors = individuals who visit Caccia Birch venue

<sup>6</sup> NPS – Net Promoter Score measures the willingness of customers/clients to recommend a company's products or services to others. It is used as a proxy for client satisfaction. For more information please see [www.netpromoterscore.com](http://www.netpromoterscore.com)

<sup>7</sup> As above.

<sup>8</sup> Attendees = individuals who attend a scheduled social or community function at Caccia Birch venue



## MEMORANDUM

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** The Globe Theatre Trust - Final Statement of Intent 2021-2024

**PRESENTED BY:** Hannah White, Democracy & Governance Manager

**APPROVED BY:** Sheryl Bryant, Assistant Chief Executive

### RECOMMENDATION TO COUNCIL

1. That the Council agree the Statement of Intent 2021-2024 submitted by the Globe Theatre Trust, attached as Appendix 1 of the report titled 'The Globe Theatre Trust - Final Statement of Intent 2021-2024' presented to the Arts, Culture & Heritage Committee on 18 August 2021.

#### 1. ISSUE

- 1.1 The Statement of Intent (SOI) sets out the objectives and activities of The Globe Theatre Trust (the Globe) for the next three years. It serves as a basis for accountability to the Council, as the shareholder, and provides an opportunity for the Council to influence The Globe's direction. The requirements for the Statement of Intent are set out in Schedule 8 of the Local Government Act 2002 (LGA).
- 1.2 Under the LGA, a local authority has the power to modify a SOI to ensure it adequately reflects the Council's strategic priorities if it considers that is necessary.
- 1.3 In November 2020, the Council resolved to retain the Statement of Expectations 2020/21 for all cultural Council Controlled Organisations (CCOs) for the forthcoming year 2021/22.
- 1.4 The Globe delivered its final Statement of Intent 2021-2024 to Council officers before the legal deadline of 30 June 2021.
- 1.5 The purpose of this report is for the Council to fulfil the requirement under s 65(2) of the LGA to agree the final SOI, or if it does not agree, to require the SOI to be modified as set out in clause 6, Schedule 8 of the LGA.

#### 2. BACKGROUND

- 2.1 The Globe is a CCO, which was set up to independently manage the Globe Theatre. A CCO is an organisation in which Council has the right to appoint at least fifty percent of the trustees and must work towards Council's objectives

on its behalf. The Globe is managed by a Board of Trustees made up of committed volunteers.

- 2.2 The Arts, Culture & Heritage Committee received the Globe's draft SOI at its meeting on 14 April 2021 and made recommendations for the Globe Trust Board to consider in developing its final SOI. These recommended changes were approved by Council on 5 May 2021.
- 2.3 The Globe Theatre Trust Board has considered the Council's comments on the draft SOI and made changes in response, as summarised in Table 1.
- 2.4 Officers consider that comments have been adequately addressed in the final SOI and that new performance measures can be developed before the draft SOI 2022-25 is submitted in March 2022.

**Table 1: Comparison of Council comments with the Globe's final SOI 2021-24**

| Council comments on draft SOI                                                                                           | Is it dealt with in the SOI?                                                                                                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Develop 4-6 high-quality performance measures with Officers.                                                            | No - The performance measures have not changed in this SOI. A comment to develop new measures for next year is mentioned in the foreword.<br><br>The Globe has confirmed that work will be completed before the draft SOI 2022-25 is presented to Committee in 2022. |
| Actively explore collaboration with other CCOs on a one-stop front of house booking operation.                          | Yes - Mentioned in foreword.                                                                                                                                                                                                                                         |
| Actively explore with other CCOs opportunities for bringing ticketing functions under one umbrella for city venues.     | Yes - Mentioned in foreword.                                                                                                                                                                                                                                         |
| Work with Council and other agencies to develop Economic Impact reporting for regionally/nationally significant events. | Yes - Mentioned in foreword.                                                                                                                                                                                                                                         |

- 2.5 Collaboration with other CCOs and Council officers has already begun through the quarterly CCO meetings, to explore options for:
  - A one-stop front of house booking operation
  - Bringing ticketing functions under one umbrella for city venues
  - Developing Economic Impact reporting for regionally/nationally significant events.

### 3. NEXT STEPS

- 3.1 The Globe's Annual Report 2020-21 is due to Council officers on 30 September 2021 and will be presented to the Arts, Culture & Heritage Committee in November.
- 3.2 Statements of Expectation for 2022-25 will be drafted by officers and presented to the Arts, Culture & Heritage Committee in November.

### 4. COMPLIANCE AND ADMINISTRATION

|                                                                                                                   |                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Does the Committee have delegated authority to decide?<br>If Yes quote relevant clause(s) from Delegations Manual | <b>No</b>                                                                                                                                                                                 |
| Are the decisions significant?                                                                                    | <b>No</b>                                                                                                                                                                                 |
| If they are significant do they affect land or a body of water?                                                   | <b>No</b>                                                                                                                                                                                 |
| Can this decision only be made through a 10 Year Plan?                                                            | <b>No</b>                                                                                                                                                                                 |
| Does this decision require consultation through the Special Consultative procedure?                               | <b>No</b>                                                                                                                                                                                 |
| Is there funding in the current Annual Plan for these actions?                                                    | <b>Yes</b>                                                                                                                                                                                |
| Are the recommendations inconsistent with any of Council's policies or plans?                                     | <b>No</b>                                                                                                                                                                                 |
| The recommendations contribute to Goal 2: A Creative and Exciting City                                            |                                                                                                                                                                                           |
| The recommendations contribute to the outcomes of the Creative and Liveable Strategy                              |                                                                                                                                                                                           |
| The recommendations contribute to the achievement of action/actions in the Arts Plan                              |                                                                                                                                                                                           |
| The action is: to support CCOs to achieve the objectives of the arts plan.                                        |                                                                                                                                                                                           |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being                | Agreeing the Statements of Intent is a mechanism for Council to provide guidance and direction to the cultural CCOs and meets Council's responsibility to monitor the CCOs under the LGA. |

### ATTACHMENTS

1. The Globe Theatre: Statement of Intent 2021-24 [↓](#) 





address: PO Box 132, 132 Main Street  
Palmerston North  
website: [www.globetheatre.co.nz](http://www.globetheatre.co.nz)  
email: [info@theglobe.co.nz](mailto:info@theglobe.co.nz)  
phone: 06 351 4409

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## Globe Theatre Trust Statement of Intent For the three years to 30 June 2024

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*Version:* FINAL

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*Date:* 21/06/2021

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*Prepared by:* Globe Theatre Trust Board

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## Trust Details as at 30 June 2021

|                             |                                                                                                     |
|-----------------------------|-----------------------------------------------------------------------------------------------------|
| Nature of Business          | Theatre                                                                                             |
| Establishment Date          | 15 April 2002                                                                                       |
| Trustees                    | J Adams (Chairperson)<br>M Dale<br>R Harris<br>G Hudson<br>M May                                    |
| Treasurer                   | G Hudson                                                                                            |
| Secretary                   | M May                                                                                               |
| Theatre Manager             | G Keating                                                                                           |
| Address                     | 312 Main Street<br>PO Box 132<br>Palmerston North                                                   |
| Telephone                   | (06) 351 4409                                                                                       |
| Website                     | <a href="http://www.globetheatre.co.nz">www.globetheatre.co.nz</a>                                  |
| Email                       | <a href="mailto:info@globetheatre.co.nz">info@globetheatre.co.nz</a>                                |
| Bankers                     | Bank of New Zealand                                                                                 |
| Solicitors                  | Cooper Rapley                                                                                       |
| Registered Office           | C/ Palmerston North City Council<br>Civic Administration Building<br>The Square<br>Palmerston North |
| Incorporation Number        | 1206039                                                                                             |
| Charity Registration Number | CC28111                                                                                             |
| Inland Revenue Number       | 43-006-495                                                                                          |

## Foreword

The Globe Theatre Trust Board is pleased to present its Statement of Intent for the three-year period from July 2021 to June 2024. The Board continues to be driven by its vision of the Globe Theatre as the home of the local performing arts community in Palmerston North.

In 2020, the Board reviewed its 5-Year Strategic Plan and following that review, created a 10-Year Strategic Plan with a view to review every year. The 10-Year Strategic Plan was attached to the Statement of Intent 2020-2023.

The Statement of Intent is presented under a “business as usual” scenario. The Board is, however, mindful of the COVID Pandemic and whilst the theatre is operating under “business as usual”, we are only one step away from being closed for any length of time. After the initial lockdown of March – May 2020, the theatre reopened to many events and good crowds. Even during the Level 2 lockdown of August & September 2020, the theatre was able to function to the best of its ability under social distancing restrictions.

The Board anticipates further growth in business but not to the extent of previous years. The Board has requested additional funding from the 2021/22 year for increased technical support with a view to growing this position into a permanent paid position funded by the growth in hire income and ticketing business.

The Board is confident that the theatre is making excellent progress toward its vision to be “A dynamic, bustling, vibrant centre for the performing arts community in Palmerston North”. Even allowing for the closure of the theatre for over two months in 2020, the theatre was still on track results wise.

|         | Theatre Usage | Theatre Performances | Audience | Participants/Performers | Hours of Use |
|---------|---------------|----------------------|----------|-------------------------|--------------|
| 2019/20 | 533           | 221                  | 15393    | 2801                    | 1988         |
| 2018/19 | 680           | 253                  | 21409    | 1843                    | 2544         |

Our focus for the coming year will be as follows:

- Work with council officers on the following:
  - the refurbishment of the Globe 1 theatre back stage toilets
  - to develop new performance measures
  - to actively explore a one-stop front of house booking operation
  - to actively explore bringing ticketing functions under one umbrella for city venues
  - to develop Economic Impact reporting for regional/national significant events
- Look at how we can utilise the limited storage space available at the theatre.
- Liaise with our Memorandum of Understanding (MOU) groups at how best to fulfil their needs.
- Increase the promotion of events and the theatre to reach a wider audience within Palmerston North & Manawatu
- Upgrade our equipment to meet industry standards and the needs of our clients.
- Collaborate with the Papaioea Festival of the Arts for 2022 & beyond

Globe Theatre Trust Board  
June 2021

## Purpose of the Statement of Intent

This Statement of Intent is presented by The Globe Theatre Trust in accordance with the requirements of s 64(1) of the Local Government Act 2002.

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI) publicly states the activities and intention of The Globe Theatre Trust for the next three years, and the objectives to which those activities will contribute.

This SOI takes shareholder comments into consideration and includes performance measures and targets as the basis of organisational accountability.

## About the Globe Theatre Trust

### GOVERNANCE STATEMENTS

The Globe Theatre Trust is established and governed by the Globe Theatre Trust Deed, available on request from the contact officer.

#### Objectives of Globe Theatre Trust Deed

The objectives of the Trust Deed provide the framework for the Trust to control, develop, promote, enhance, and maintain the Globe Theatre so that it may be used and enjoyed by the inhabitants of the Manawatu area including:

- (i) Securing the future of the Globe Theatre.
- (ii) Preparing, in consultation with the Council, a Strategic Plan and an Annual Plan for attaining these objectives.
- (iii) Acknowledging the Globe Theatre as the home of the Manawatu Theatre Society.
- (iv) Ensuring the Globe Theatre remains accessible to the community (both physically and financially).
- (v) Fostering a sense of community by encouraging youth, assisting amateurs, and promoting participation.

The primary objective of the Trust is to promote the performing arts within Palmerston North by catering for a variety of local and touring arts and cultural events such as drama, comedy, musical theatre, dance and musical recitals, public artistic competitions, conferences, and seminars, rather than making a financial return.

#### Structure and governance

The Board of up to seven Trustees (5 appointed by Palmerston North City Council and up to 2 co-opted Trustees) is responsible for the strategic direction and control of The Globe Theatre Trust's activities. The Board guides and monitors the business and affairs of the Trust, in accordance with the Trustee Act 1956, the Local Government Act 2002, the Trust Deed and this Statement of Intent. The Board's approach to governance is to adopt "good practice" with respect to:

- (i) the operation and performance of the Board, including being a good employer
- (ii) managing the relationship with the Theatre Manager
- (iii) being accountable to the community and reporting to the Palmerston North City Council

The Theatre Manager is responsible for the day-to-day operations of the Globe Theatre, engaging and oversight of staff/volunteers and reporting to the Trustees on performance against The Trust's objectives.

**CORE PURPOSE**

“To be the home of the local performing arts community in Palmerston North.”

**VISION**

“A dynamic, bustling, vibrant centre for the performing arts community in Palmerston North.”

**AIM**

“To be recognised as the most collaborative and co-operative organisation amongst the city’s cultural organisations.”

**VALUES**

Customer Focus – We listen and understand the interests and important concerns of our internal and external stakeholders and business partners (patrons, hirers, suppliers).

Teamwork – We work cooperatively with others to produce innovative solutions that meet the needs of all.

Respect for others – We listen and respond constructively and promptly and try to understand alternative points of view and accommodate these into our core business.

Accountability – We focus on making things happen fast - solving problems and getting work done. We identify what needs to be done and act before being asked or the situation requires it.

Honesty and integrity - We will be straightforward in conducting ourselves and our business. We will be trustworthy, loyal, fair, and sincere.

**Contribution to small city benefits, big city ambition**

Palmerston North is the heart of the Manawātū region within central New Zealand - a small city with a lot to offer, and ambitious about where it is going. The City Council vision is Palmerston North: Small city benefits, big city ambition.

Council has identified five strategic goals for achieving this vision and the Globe Theatre Trust contributes primarily to Goal 2: A creative and exciting city. Council has developed strategies to support achievement of its goals, and the Globe Theatre Trust contributes primarily to the Creative and Liveable Strategy. Within this Strategy, Council has identified priorities and the Globe Theatre Trust contributes primarily to Priority 3, to develop the city into an arts powerhouse with a national reputation for creativity and the arts, and to a lesser but still significant extent, Priority 4, to develop a national and international reputation as an exciting city with plenty to do at night and on weekends.

The Globe Theatre Trust also has a part to play in Goal 4: An eco-city, particularly in Priority 2 to work with Council to reduce carbon emissions.

The Globe Theatre Trust believes that its contribution to the Council’s vision, strategic goals and underpinning strategies can be realized as it works towards its vision to deliver a dynamic, bustling, vibrant centre for the performing arts community in Palmerston North. It has in turn developed strategic objectives and strategies to support it to achieve this within the framework of its Trust Deed.

## The Globe Theatre Trust's Strategic Objectives

The Trust Board has identified three strategic objectives which describe the change that it will endeavour to bring about to support the Council to develop the City into an arts powerhouse with a national reputation for creativity and the arts.

Firstly, it will ensure that there are more, and more visible, arts and activities at the Globe that contribute to the Council's aspirations as an arts powerhouse.

Secondly, it will support the local performing arts community to showcase their diverse talents at the Globe.

Thirdly, it will maintain and develop facilities that enable our communities to produce and enjoy the very best performing arts that can be offered, ensuring that the Globe remains a cutting edge, visible and resilient cultural institution/facility. In addition, the Board will encourage and support Council, as asset manager, to ensure that these developments incorporate incremental sustainability and environmental improvements to contribute to the reduction in CO<sup>2</sup> emissions.

## Nature and scope of activities of the Trust Board – what we do

To achieve its objectives, the Trust Board aims to:

1. Increase the number of events that take place at the Globe Theatre and the number of people who are involved in these events (actively organising or participating in a performance or performing art).  
This will entail:
  - Providing a seamless, customer-focused hire service that is responsive to the needs of hirers and is enabling and supportive.
  - Ensuring that there are friendly, helpful, and knowledgeable staff/volunteers who can support our hirers in delivering a successful event, whether it is negotiating an appropriate contract, advising on promotion, securing front of house/ushering volunteers, or providing technical support.
  - Encouraging national and international visiting productions and artists to perform at the venue.
2. Maximize the use of the venues by local community performing arts groups and events and to represent the diversity of the Palmerston North community.  
This will entail:
  - Undertaking community outreach and collaborating with other agencies and organisations to demonstrate how the Globe may contribute to their aspirations to showcase and develop their cultural heritage.
  - Working particularly with community hirers to support them to showcase their cultural and performing arts heritage, ensuring that the venues are available and accessible for them and encouraging them to become regular users of the theatres.
3. Maintain the fixtures, fittings, and theatre equipment to ensure it continues to offer a professional experience to all its clients/customers/users.  
This will entail:
  - Working with the local performing arts community to identify future needs and advancing technologies to support developing performing arts practice.
  - Working closely with PNCC as the building owner, local suppliers with theatre specialisms and local philanthropic organisations which contribute necessary funding.
  - Encouraging and supporting PNCC as the building owner, working closely with local suppliers with theatre specialisms and local philanthropic organisations, to incorporate low carbon choices.

## Performance Measures

### DEFINITIONS

#### USER GROUPS

**MOU Group** – has an MOU arrangement with the Globe Theatre, is performance-based, may be a community group or professional group

**Art School** – is performance based, where the performance is delivered by students whether or not the organisation is a commercial company

**Community Group** – the hirer is a community organisation, may or may not be performance based

**Professional Group** – the hirer is a professional performing arts practitioner, a private individual or a commercial company (may or may not be performance based)

**Community Festival** – the Globe Theatre participates in a city-wide/cultural precinct-wide series of events that form part of a festival. May or may not be performance based, may or may not attract a hire fee

#### USAGE AND PERFORMANCE

**Usage** – A space in the theatre is set aside for a specific event, activity, or exclusive use by a hirer.

**Performance** – The “usage” involves an audience of any description

#### PERFORMANCE BASED USEAGE:

**Theatre Performance** – a dramatic or dance performance on stage to an audience, open to the public, may be ticketed or not, or a rehearsal towards a performance in front of an audience

**Musical Performance** – a musical performance on stage to an audience, open to the public, may be ticketed or not, or a rehearsal towards a performance in front of an audience

**Film Performance** – a film shown to an audience, open to the public, may be ticketed or not

#### NON-PERFORMANCE BASED USEAGE:

**Conference** – a presentation on stage to an audience, may be open to the public or may be pre-registered delegates, may be ticketed or not

**Celebration** – a ceremony, party, or other festive event, may be open to the public or not, may involve a “performance” to an audience, may be ticketed or not

**Misc. meeting** – anything else!

#### HOURS OF USE BY HIRERS

Approximate length of each usage from pack in to pack out (does not include box office or café opening hours)

#### NO. OF DISCREET PARTICIPANTS

People taking part in multiple “usages” for a single event are counted only once. For example, a play that is rehearsed at the Globe and shown at the Globe with 10 participants is only counted as 10 participants although each rehearsal and performance is a separate hire or “usage”

#### NO. OF VISITORS/AUDIENCE MEMBERS

People participating at the Globe as an audience member/attending an event but not as an organiser or performer. For example, someone who has been to multiple events at the Globe as an audience member would be counted for each event they attend. It does not include people visiting the box office or café.)

## Strategic priorities and performance monitoring for 2021/22, 2022/23, 2023/24

| Strategic Priority 1: Ensure that there are more, and more visible, arts and activities at the Globe that contribute to the Council's aspirations as an arts powerhouse. |                                                                                                                                              |                                                                                                                                                                                                                          |                                                              |                                                              |                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|
| Performance measure, at 30 June 2020                                                                                                                                     | Actual                                                                                                                                       |                                                                                                                                                                                                                          | Target                                                       |                                                              |                                                              |
|                                                                                                                                                                          | 2019/20                                                                                                                                      | at 30 December 2020                                                                                                                                                                                                      | 2021/22                                                      | 2022/23                                                      | 2023/24                                                      |
| Number of usages                                                                                                                                                         | 534                                                                                                                                          | 309                                                                                                                                                                                                                      | 650<br>Commentary on issues                                  | 675<br>Commentary on issues                                  | 675<br>Commentary on issues                                  |
| Number of performances                                                                                                                                                   | 215                                                                                                                                          | 151                                                                                                                                                                                                                      | 220<br>Commentary on issues                                  | 240<br>Commentary on issues                                  | 240<br>Commentary on issues                                  |
| Hours of Use by Hirers                                                                                                                                                   | 1,988                                                                                                                                        | 1,295                                                                                                                                                                                                                    | 2,600<br>Commentary on issues                                | 2,800<br>Commentary on issues                                | 2,800<br>Commentary on issues                                |
| No. of discreet participants                                                                                                                                             | 1,785                                                                                                                                        | 1,970                                                                                                                                                                                                                    | 1,750<br>Commentary on issues                                | 1,850<br>Commentary on issues                                | 1,850<br>Commentary on issues                                |
| No. of visitors/audience members                                                                                                                                         | 15,487                                                                                                                                       | 13,079                                                                                                                                                                                                                   | 26,000<br>Commentary on issues                               | 27,000<br>Commentary on issues                               | 27,000<br>Commentary on issues                               |
| Maintain or improve satisfaction ratings of hirers                                                                                                                       | (n=33) 94% rate the theatre as an Excellent or a Good venue                                                                                  | (n=16) 94% rate the theatre as an Excellent or a Good venue                                                                                                                                                              | 2021/22 result maintained or improved – commentary on issues | 2022/23 result maintained or improved – commentary on issues | 2023/24 result maintained or improved – commentary on issues |
| Maintain or improve satisfaction ratings of visitors/audiences                                                                                                           | (n=119) 93% rate the Globe Theatre as an Excellent or a Very Good venue<br>93% rate the performances they attended as Excellent or Very Good | (n=114) 72% rate the theatre as an Excellent<br>28% rate the theatre as a Very Good or Good venue<br>77% rate the performances they attended as Excellent<br>22% rate the performance they attended as Very Good or Good | Provide annual result and commentary on any issues           | Provide annual result and commentary on any issues           | Provide annual result and commentary on any issues           |
| Number of national/international visiting productions performing at the theatre                                                                                          | 22                                                                                                                                           | 10                                                                                                                                                                                                                       | 15                                                           | 17                                                           | 17                                                           |

| Strategic Priority 2: Support the local performing arts community to showcase their diverse talents at the Globe, and working to ensure our users represent the diversity of the Palmerston North community |         |                     |                                                              |                                                              |                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------------------|--------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|
| Performance measure, at 30 June 2020                                                                                                                                                                        | Actual  |                     | Target                                                       |                                                              |                                                              |
|                                                                                                                                                                                                             | 2019/20 | at 30 December 2020 | 2021/22                                                      | 2022/23                                                      | 2023/24                                                      |
| Proportion of use driven through MOU arrangements                                                                                                                                                           | 54%     | 35%                 | 70%                                                          | 70%                                                          | 70%                                                          |
| Proportion of MOU-driven use that is performance-based                                                                                                                                                      | 45%     | 53%                 | 95%                                                          | 95%                                                          | 95%                                                          |
| Proportion of overall usage from community groups                                                                                                                                                           | 31%     | 52%                 | 2021/22 result maintained or improved – commentary on issues | 2022/23 result maintained or improved – commentary on issues | 2023/24 result maintained or improved – commentary on issues |
| Proportion of overall usage from new community groups                                                                                                                                                       | 8.8%    | 7.1%                | 2021/22 result maintained or improved – commentary on issues | 2022/23 result maintained or improved – commentary on issues | 2023/24 result maintained or improved – commentary on issues |

| Strategic Priority 3: Maintain and develop facilities that enable our communities to produce and enjoy the very best performing arts that can be offered, ensuring that the Globe remains a cutting edge, visible and resilient cultural institution/facility. |                                               |                                                      |                                                      |                                                      |                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| Performance measure                                                                                                                                                                                                                                            | Actual                                        |                                                      | Target                                               |                                                      |                                                      |
|                                                                                                                                                                                                                                                                | 2019/20                                       | at 30 December 2020                                  | 2021/22                                              | 2022/23                                              | 2023/24                                              |
| Carry out capital development programme                                                                                                                                                                                                                        | Globe 1: new digitally enabled rig installed. | New projector for Globe 1 with electric screen       | Globe 1: New Roller door/backstage storage           | Investigate digital signage options                  | Upgrade sound system in Globe 1 and Globe 2          |
| Funding capital renewal programme from depreciation fund                                                                                                                                                                                                       | 50% depreciation funded                       | Not measured; capitalisation not done until year end | 60% depreciation costs available for capital renewal | 60% depreciation costs available for capital renewal | 60% depreciation costs available for capital renewal |

## How we operate

The team at the Globe Theatre are a passionate group of people driven to grow and develop the performing arts in the City and wider region. We recognise, and take responsibility for, our role in contributing to the common vision to develop the City into an arts powerhouse with a national reputation for arts and creativity. We will work to:

- Increase the culture of supporting performing arts events from the local community (residents and businesses) to grow the sector.
- Collaborate with all cultural organisations to support each other's contribution towards the common vision
- Liaise effectively with a city council committed to and contributing to the common vision.
- Participate in decision-making – governance and operational – that is co-creational building trust and capacity within and between each collaboration partner

In keeping with best management practice, the Globe Theatre Trust aims to operate efficiently and effectively, reducing any adverse impacts on the natural and built environment. The Theatre management will work towards zero waste in its operations and in developing technologies and processes which reduce the carbon footprint of the theatre's day-to-day operations.

As a future-focused organisation, we aim to promote the social and cultural well-being of our communities through participation in the arts. The Trust regularly reviews its internal processes, seeking continuous improvement to deliver value for money to the shareholders and the rate payer. As a Council Controlled Organisation (CCO), the Trust is also aware that much of its funding is derived from public monies and therefore all expenditure should be subject to a standard of probity and financial prudence that is to be expected of a CCO and be able to withstand public scrutiny. The Trust recognises the principles of the Treaty of Waitangi and acknowledges the importance of partnering with local Iwi and recognition of Tangata Whenua in the region.

The Trust is committed to the health and safety of all workers, volunteers, visitors, and the public across its premises by undertaking all measures reasonably practicable to provide a safe working environment. The Trust believes that creating and maintaining a healthy work environment is a shared, co-operative venture, where employees, volunteers and employers have roles and responsibilities, including the maintenance of a balance between work and non-work activities. As such, the Trust will ensure it meets its obligations with respect to New Zealand laws and regulations and will undertake annual reviews based on established best practice guidelines.

## Working together

### HALF-YEARLY REPORT

By the end of February each year, The Globe Theatre Trust will provide the Council with a half-yearly report complying with s 66 of the Local Government Act 2002. The report will include the following information:

- Theatre Manager's commentary on operations for the relevant six-month period.
- Comparison of The Globe Theatre Trust's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Un-audited half-yearly financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity and statement of cashflows.

### ANNUAL REPORT

By 30 September each year, The Globe Theatre Trust will provide the Council with an annual report complying with ss 67–69 of the Local Government Act 2002. Financial statements and audit clearance will be provided in early August to ensure timely availability of PNCC's annual report.

The annual report will contain the information necessary to enable an informed assessment of the operations of The Globe Theatre Trust, and will include the following information:

- Commentary on operations for the year.
- Comparison of The Globe Theatre Trust's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity, statement of cashflows, statement of accounting policies and notes to the accounts.
- Auditor's report on the financial statements and the performance targets.
- Any other information that the Trustees consider appropriate.

This Statement of Intent was approved by the Globe Theatre Trust Board on 29<sup>th</sup> March 2021.

Signed:

John Adams, Chairperson, Globe Theatre Trust Board

## Forecast financial statements

### STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEARS ENDED 30 JUNE 2022, 2023, 2024

|                                                 | Actual 2020    | Forecast 2021  | Indicative 2022<br>1% inflation adjustment | Indicative 2023<br>1% inflation adjustment | Indicative 2024<br>1% inflation adjustment |
|-------------------------------------------------|----------------|----------------|--------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>Revenue</b>                                  |                |                |                                            |                                            |                                            |
| Donations, fundraising and other similar income | 120,387        | 34,335         | 25,000                                     | 15,000                                     | 15,000                                     |
| COVID-19 Wage Subsidy                           | 26,202         | 11,230         | 0                                          | 0                                          | 0                                          |
| Council funding                                 | 115,748        | 116,855        | 118,075                                    | 119,255                                    | 120,448                                    |
| Investment income                               | 375            | 262            | 350                                        | 400                                        | 400                                        |
| Sales of Goods and Services                     | 71,463         | 110,370        | 100,000                                    | 110,000                                    | 120,000                                    |
| <b>Total Revenue</b>                            | <b>334,175</b> | <b>273,052</b> | <b>243,425</b>                             | <b>244,655</b>                             | <b>255,848</b>                             |
| <b>Expenditure</b>                              |                |                |                                            |                                            |                                            |
| Costs related to providing goods and services   | 13,670         | 32,720         | 30,000                                     | 35,000                                     | 40,000                                     |
| Administration and Overhead Costs               | 27,880         | 28,055         | 20,000                                     | 25,000                                     | 30,000                                     |
| Employee, Trustee and Contractor Costs          | 132,195        | 84,038         | 126,944                                    | 128,308                                    | 129,591                                    |
| Other Expenses                                  | 39,575         | 20,599         | 21,678                                     | 22,112                                     | 22,333                                     |
| Asset Write offs                                | 0              | 0              | 0                                          | 0                                          | 0                                          |
| Depreciation                                    | 47,432         | 36,722         | 58,789                                     | 56,630                                     | 55,102                                     |
| <b>Total Expenditure</b>                        | <b>260,752</b> | <b>202,134</b> | <b>257,411</b>                             | <b>267,050</b>                             | <b>277,026</b>                             |
| <b>Net surplus/(Deficit)</b>                    | <b>73,423</b>  | <b>70,918</b>  | <b>-13,987</b>                             | <b>-22,395</b>                             | <b>-21,178</b>                             |

Note 1: Funding for capital additions and renewals is recorded as income whilst the corresponding expenditure is recorded as an increase in assets. Large capital programmes are reflected in the Net surplus in those years and consequently (through increased depreciation) as a net deficit in the 2022, 2023 and 2024 financial years. The Globe Theatre Trust has traditionally not funded depreciation but is moving towards partially funding depreciation through this SOI period.

### STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDED 30 JUNE 2022, 2023, 2024

|                           | Actual 2020    | Forecast 2021  | Indicative 2022 | Indicative 2023 | Indicative 2024 |
|---------------------------|----------------|----------------|-----------------|-----------------|-----------------|
| <b>Assets</b>             |                |                |                 |                 |                 |
| <b>Bank</b>               |                |                |                 |                 |                 |
| Cash and Cash Equivalents | 104,362        | 112,034        | 146,837         | 181,072         | 214,995         |
| <b>Total Bank</b>         | <b>104,362</b> | <b>112,034</b> | <b>146,837</b>  | <b>181,072</b>  | <b>214,995</b>  |
| <b>Current Assets</b>     |                |                |                 |                 |                 |
| Accounts Receivable       | 978            | 17,000         | 17,000          | 17,000          | 17,000          |
| Provision for impairment  | 0              |                |                 |                 |                 |
| Accrued Revenue           | 0              | 0              | 0               | 0               | 0               |
| GST Receivable            | 0              | 0              | 0               | 0               | 0               |

|                                                      |                |                |                |                |                |
|------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Prepayments                                          | 0              | 1,200          | 1,200          | 1,200          | 1,200          |
| Sundry debtor accruals                               | 0              | 0              | 0              | 0              | 0              |
| <b>Total Current Assets</b>                          | <b>105,340</b> | <b>130,234</b> | <b>165,037</b> | <b>199,272</b> | <b>233,195</b> |
| <b>Fixed Assets</b>                                  |                |                |                |                |                |
| <b>Property, Plant and Equipment</b>                 |                |                |                |                |                |
| Value of equipment purchased                         | 693,676        | 693,676        | 723,676        | 733,676        | 733,676        |
| Less accumulated depreciation                        | -344,440       | -381,162       | -439,951       | -496,581       | -551,683       |
| New Capital purchase                                 |                | 30,000         | 10,000         | 0              | 0              |
| <b>Total Property Plant and Equipment</b>            | <b>349,236</b> | <b>342,514</b> | <b>293,725</b> | <b>237,095</b> | <b>181,993</b> |
| <b>Total Fixed Assets</b>                            | <b>349,236</b> | <b>342,514</b> | <b>293,725</b> | <b>237,095</b> | <b>181,993</b> |
| <b>Total Assets</b>                                  | <b>454,576</b> | <b>472,748</b> | <b>458,762</b> | <b>436,366</b> | <b>415,188</b> |
| <b>Liabilities</b>                                   |                |                |                |                |                |
| <b>Current Liabilities</b>                           |                |                |                |                |                |
| Creditors and Other Payables                         |                |                |                |                |                |
| Accounts payable                                     | 31,749         | 17,000         | 17,000         | 17,000         | 17,000         |
| Income in advance                                    | 3,140          | 0              | 0              | 0              | 0              |
| Grants in advance                                    | 0              | 0              | 0              | 0              | 0              |
| Accrued Expenses                                     | 11,826         | 0              | 0              | 0              | 0              |
| PAYE Payable                                         | 1,868          | 1,200          | 1,200          | 1,200          | 1,200          |
| Unpaid Expense Claim                                 | 288            | 0              | 0              | 0              | 0              |
| GST                                                  | 0              | 0              | 0              | 0              | 0              |
| <b>Total Creditors &amp; Other Payables</b>          | <b>48,871</b>  | <b>18,200</b>  | <b>18,200</b>  | <b>18,200</b>  | <b>18,200</b>  |
| <b>Employee Costs Payable</b>                        |                |                |                |                |                |
| Holiday pay liability                                | 5,005          | 0              | 0              | 0              | 0              |
| Wages accrual                                        | 4,966          | 0              | 0              | 0              | 0              |
| <b>Total Employee Costs Payable</b>                  | <b>9,971</b>   | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>       |
| <b>Unused Grants/Donations with conditions</b>       |                |                |                |                |                |
| COVID-19 Wage Subsidy Extension                      | 11,230         | 0              | 0              | 0              | 0              |
| Grants/Donations                                     | 874            | 0              | 0              | 0              | 0              |
| <b>Total Unused Grants/Donations with conditions</b> | <b>12,104</b>  | <b>0</b>       | <b>0</b>       | <b>0</b>       | <b>0</b>       |
| <b>Total Current Liabilities</b>                     | <b>70,946</b>  | <b>18,200</b>  | <b>18,200</b>  | <b>18,200</b>  | <b>18,200</b>  |
| <b>Total Liabilities</b>                             | <b>70,946</b>  | <b>18,200</b>  | <b>18,200</b>  | <b>18,200</b>  | <b>18,200</b>  |
| <b>Net Assets</b>                                    | <b>383,630</b> | <b>454,548</b> | <b>440,562</b> | <b>418,166</b> | <b>396,988</b> |

## STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR THE YEARS ENDED 30 JUNE 2022, 2023, 2024

|                              | Actual<br>2020 | Forecast<br>2021 | Indicative<br>2022 | Indicative<br>2023 | Indicative<br>2024 |
|------------------------------|----------------|------------------|--------------------|--------------------|--------------------|
| Opening balance as at 1 July | 310,206        | 383,630          | 454,548            | 440,562            | 418,166            |
| <i>Comprehensive Income</i>  |                |                  |                    |                    |                    |
| Surplus/(Deficit)            | 73,423         | 70,918           | -13,987            | -22,395            | -21,178            |
| <b>Balance at 30 June</b>    | <b>383,630</b> | <b>454,548</b>   | <b>440,562</b>     | <b>418,166</b>     | <b>396,988</b>     |

## STATEMENT OF CASHFLOW FOR THE YEARS ENDED 30 JUNE 2022, 2023, 2024

|                                                             | Actual<br>2020 | Forecast<br>2021 | Indicative<br>2022 | Indicative<br>2023 | Indicative<br>2024 |
|-------------------------------------------------------------|----------------|------------------|--------------------|--------------------|--------------------|
| <b>Cash Flows from Operating Activities</b>                 |                |                  |                    |                    |                    |
| Donations and Fundraising                                   | 115,632        | 34,335           | 25,000             | 15,000             | 15,000             |
| Receipts from Council grants                                | 115,748        | 116,855          | 118,075            | 119,255            | 120,448            |
| Receipts from sale of goods and services                    | 86,555         | 111,348          | 100,000            | 110,000            | 120,000            |
| COVID-19 Wage Subsidy                                       | 37,432         | 0                | 0                  | 0                  | 0                  |
| Interest Received                                           | 375            | 262              | 350                | 400                | 400                |
| Payments to Suppliers & staff                               | -225,056       | -225,128         | -198,622           | -210,420           | -221,924           |
| Goods and Services Tax (net)                                | 208            |                  |                    |                    |                    |
| <b>Net Cash Flows from Operating Activities</b>             | <b>130,894</b> | <b>37,672</b>    | <b>44,803</b>      | <b>34,235</b>      | <b>33,924</b>      |
| <b>Cash Flows from Investing Activities</b>                 |                |                  |                    |                    |                    |
| Purchase of Fixed Assets                                    | -97,331        | -30,000          | -10,000            | 0                  | 0                  |
| Sales of Fixed Assets                                       | 0              | 0                | 0                  | 0                  | 0                  |
| <b>Net Cash Flow from Investing Activities</b>              | <b>-97,331</b> | <b>-30,000</b>   | <b>-10,000</b>     | <b>0</b>           | <b>0</b>           |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b> | <b>33,563</b>  | <b>7,672</b>     | <b>34,803</b>      | <b>34,235</b>      | <b>33,924</b>      |
| Cash and Cash Equivalents at the start of the Year          | 70,799         | 104,362          | 112,034            | 146,837            | 181,072            |
| <b>Cash and Cash Equivalents at the End of the Year</b>     | <b>104,362</b> | <b>112,034</b>   | <b>146,837</b>     | <b>181,072</b>     | <b>214,995</b>     |

## Summary of significant accounting policies

### ***Changes in Accounting Policies***

There have been no changes to accounting policies this year.

### ***GST***

The Trust is registered for GST. All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

### ***Sale of goods***

Revenue from the sale of goods is recognised when the goods are sold to the customer.

### ***Sale of services***

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

### ***Theatre Hire***

Charges for Theatre Hire are recognised when the Theatre is hired to the customer.

### ***Interest Revenue***

Interest revenue is recorded as it is earned during the year.

### ***Grants***

Grants received from the Palmerston North City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's trust deed.

Council, government, and non-government grants are recognised as revenue when they are received unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

### ***Fundraising and Donations***

Fundraising and donations are recognised as revenue when cash is received unless the donations have a "use or return" condition attached. If there is such a condition, then the donation is initially recorded as a liability on receipt and recognised as revenue when conditions of the donation are met.

### ***Donated assets revenue***

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.

### ***Advertising, marketing, administration, overhead and fundraising costs***

These are expensed when the related service has been received.

### ***Bank Accounts and Cash***

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks. Bank overdrafts are presented as a current liability in the statement of financial position.

### ***Debtors and other receivables***

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

### ***Investments***

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered; it is written down to the expected recoverable amount.

### ***Property, plant, and equipment***

Property, plant, and equipment is recorded at cost, less accumulated depreciation, and impairment losses.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

#### ***Depreciation***

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

- Theatre Equipment 10 years (10%)
- Computer Equipment 5 years (20%)
- Furniture & Fittings 10 years (10%)

#### ***Creditors and other payables***

Creditors and accrued expenses are measured at the amount owed.

#### ***Employee and contractor costs***

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries and leave entitlements. Independent contractor costs are also included where at the discretion of management these services could equally have been delivered by an employee.

Performance payments are recorded when the employee has been notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

#### ***Employee Costs Payable***

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and retirement gratuities is recognised when the entitlement becomes available to the employee.

#### ***Provisions***

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation because of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

#### ***Income Tax***

The Trust has been granted Charitable Status by the Inland Revenue Department and therefore is exempt from income tax.

#### ***Accumulated Funds***

Accumulated Funds are measured through the following components:

- Retained Earnings
- Contributed Capital

#### ***Budget figures***

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

#### ***Tier 2 PBE Accounting Standards applied***

The Trust has applied the following Tier 2 Accounting Standards in preparing its financial statements.

***Grant expenditure***

Non-discretionary grants are those grants awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Globe Theatre Trust has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Grants Approval Committee and the approval has been communicated to the applicant. The Globe Theatre Trust's grants awarded have no substantive conditions attached.



## MEMORANDUM

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** The Regent Theatre Trust - Final Statement of Intent 2021-2024

**PRESENTED BY:** Hannah White, Democracy & Governance Manager

**APPROVED BY:** Sheryl Bryant, Assistant Chief Executive

### RECOMMENDATION TO COUNCIL

1. That the Council agree the Statement of Intent 2021-2024 submitted by the Regent Theatre Trust, attached as Appendix 1 of the report titled 'The Regent Theatre Trust - Final Statement of Intent 2021-2024' presented to the Arts, Culture & Heritage Committee on 18 August 2021.

### 1. ISSUE

- 1.1 The Statement of Intent (SOI) sets out the objectives and activities of the Regent Theatre Trust (the Regent) for the next three years. It serves as a basis for accountability to the Council, as the shareholder, and provides an opportunity for the Council to influence the Regent's direction. The requirements for the SOI are set out in Schedule 8 of the Local Government Act 2002 (LGA).
- 1.2 Under the LGA, the Council has the ability to modify a SOI to ensure it adequately reflects the Council's strategic priorities if it considers that is necessary.
- 1.3 In November 2020, the Council resolved to retain the Statement of Expectations 2020/21 for all cultural Council Controlled Organisations (CCOs) for the forthcoming year 2021/22.
- 1.4 The Regent delivered its final Statement of Intent 2021-2024 to Council officers before the legal deadline of 30 June 2021.
- 1.5 The purpose of this report is for the Council to fulfil the requirement under s 65(2) of the LGA to agree the final SOI, or if it does not agree, to require the SOI to be modified as set out in clause 6, Schedule 8 of the LGA.

### 2. BACKGROUND

- 2.1 The Regent is a CCO, which was set up to independently manage and promote the Regent Theatre as the preferred local venue of choice for international, national and local performing arts experiences. A CCO is an

organisation in which Council has the right to appoint at least fifty percent of the trustees and must work towards Council's objectives on its behalf. The Regent is managed by a Board of Trustees made up of committed volunteers.

- 2.2 The Arts, Culture & Heritage Committee received the Regent's draft SOI at its meeting on 14 April 2021 and made recommendations for the Regent Theatre Trust Board to consider in developing its final SOI. These recommended changes were approved by the Council on 5 May 2021.
- 2.1 The Regent Theatre Trust Board has considered the Council's comments on the draft SOI and made changes in response, as summarised in Table 1.
- 2.2 Officers consider that the recommended changes have been addressed in the final SOI. Work with Council officers to develop performance measures and review the Trust Deed is ongoing and should be completed in time for the draft SOI 2022/25.

**Table 1: Comparison of Council comments with the Regent's final SOI**

| Council comments on the draft SOI                                                                                       | Is it dealt with in the SOI?                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Work with Council officers to review changing the Trust Deed.                                                           | Yes - Has been added as an activity under Objective 2 (page 8).                                                                 |
| Develop 4-6 high-quality performance measures with Council officers.                                                    | Yes - Has been added as an activity under Objective 2 (page 8).<br>Officers will work with the Regent to support this activity. |
| Actively explore collaboration with other CCOs on a one-stop front of house booking operation.                          | Yes - Has been added as an activity under Objective 2 (Page 7).                                                                 |
| Actively explore with other CCOs opportunities for bringing ticketing functions under one umbrella for city venues.     | Yes - Has been added as an activity under Objective 2 (page 7).                                                                 |
| Work with Council and other agencies to develop Economic Impact reporting for regionally/nationally significant events. | Yes - Has been added as an activity under Objective 2 (page 7).                                                                 |
| Review the employee leave procedures to reduce the employee cost liabilities in the Statement of Position.              | Yes - Has been added as an activity under Objective 2 (page 7).                                                                 |

2.3 Work has already begun between Council officers and the Regent to progress some of the work listed in Table 1. This includes:

- Reviewing the Trust Deed; and
- Collaborating with other CCOs to explore:
  - A one-stop front of house booking operation
  - Bringing ticketing functions under one umbrella for city venues
  - Developing Economic Impact reporting for regionally/nationally significant events

### 3. NEXT STEPS

3.1 The Regent's Annual Report 2020-21 is due to Council officers on 30 September 2021 and will be presented to the Arts, Culture & Heritage Committee in November 2021.


3.2 Statements of Expectation for 2022-25 will be drafted by officers and presented to the Arts, Culture & Heritage Committee in November.

### 4. COMPLIANCE AND ADMINISTRATION

|                                                                                                                   |                                                                                                                                                                                                    |            |
|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Does the Committee have delegated authority to decide?<br>If Yes quote relevant clause(s) from Delegations Manual |                                                                                                                                                                                                    | <b>No</b>  |
| Are the decisions significant?                                                                                    |                                                                                                                                                                                                    | <b>No</b>  |
| If they are significant do they affect land or a body of water?                                                   |                                                                                                                                                                                                    | <b>No</b>  |
| Can this decision only be made through a 10 Year Plan?                                                            |                                                                                                                                                                                                    | <b>No</b>  |
| Does this decision require consultation through the Special Consultative procedure?                               |                                                                                                                                                                                                    | <b>No</b>  |
| Is there funding in the current Annual Plan for these actions?                                                    |                                                                                                                                                                                                    | <b>Yes</b> |
| Are the recommendations inconsistent with any of Council's policies or plans?                                     |                                                                                                                                                                                                    | <b>No</b>  |
| The recommendations contribute to Goal 2: A Creative and Exciting City                                            |                                                                                                                                                                                                    |            |
| The recommendations contribute to the outcomes of the Creative and Liveable Strategy                              |                                                                                                                                                                                                    |            |
| The recommendations contribute to the achievement of action/actions in the Arts Plan                              |                                                                                                                                                                                                    |            |
| The action is: to support CCOs to achieve the objectives of the arts plan.                                        |                                                                                                                                                                                                    |            |
| Contribution to strategic direction and to social, economic, environmental and cultural well-                     | Agreeing to the final Statements of Intent is a mechanism for Council to provide guidance and direction to the cultural CCOs and meets Council's responsibility to monitor the CCOs under the LGA. |            |

|       |  |
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| being |  |
|-------|--|

## **ATTACHMENTS**

1. The Regent Theatre Trust - Statement of Intent 2021-24 [↓](#) 

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# STATEMENT OF INTENT

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2021 - 2024

THE REGENT THEATRE TRUST

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### Strategic Objectives

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## OUR DIRECTORY

### Come and see us at:

53 Broadway  
Palmerston North  
New Zealand

### Mail, Phone us at:

PO Box 1723  
Palmerston North  
Phone (06) 3502100

### Email and web addresses are:

[manager@regent.co.nz](mailto:manager@regent.co.nz)  
[www.regent.co.nz](http://www.regent.co.nz)

### Registered office of the Trust:

c/- Palmerston North City Council  
Civic Administration Building  
The Square  
PO Box 11-034  
Palmerston North

### Accountants

BDO Central (NI) Limited

### Legal Advisers

Fitzherbert Rowe Lawyers

### Bankers

ANZ Bank New Zealand Limited

### Auditors

Audit New Zealand on behalf of the office  
of the Auditor General

### General Manager

David Walsh

### Trust Board

David Lea (Chairperson)  
Mark Mabbett (Deputy Chairperson)  
Susan McConachy  
Tania Kopytko  
Tessa Lohead

Phil Payton  
Kane Parsons  
Natalie Rowney

### Legal Status

The Regent Theatre Trust is a Council Controlled Organisation (CCO) for the purpose of the Local Government Act 2002 and operates as a Charitable Trust under the Charitable Trust Act 1957, Reg No CC41202. The theatre trades as the "Regent on Broadway" and is a not-for-profit CCO.

## Chairperson's Introduction

Since reopening in May 1998, the Regent on Broadway has established itself as one of the most active, prestigious, provincial venues for hire for live theatre in New Zealand. The focus of this Statement of Intent will be to consolidate and enhance this position. The plan for the three years ending June 2024 is to build on this success and, where possible, endeavor to increase the use of the venue to help make the city's vision a reality.

The Regent on Broadway is by New Zealand and international standards, a large, splendid, historic, traditional proscenium arch theatre which provides grandeur and performance possibilities for large audiences and a professionally high level of staging and technical capability. We provide the city with the jewel in the crown within performing arts facilities.

The financial implications of Covid-19 will not be fully realised in the immediate future, however, we remain committed to the financial sustainability and aspirations of this SOI

## Purpose of this Statement of Intent

The Regent Theatre Trust is governed by its Trust Deed, which describes the purpose of the Trust as follows: *"To control, develop, promote, enhance and maintain the Regent Theatre so that it may be utilised and enjoyed by the inhabitants of the Manawatu area"*.

This Statement of Intent is presented by Regent Theatre Trust in accordance with the requirements of Section 64(1) of the Local Government Act 2002 (LGA 2002).

In accordance with the Local Government Act 2002, this annual Statement of Intent publicly states the activities and intentions of Regent Theatre Trust for the three-year period ending June 2024, and the objectives to which those activities will contribute.

This Statement of Intent takes the Palmerston North City Council Vision Statement into consideration and includes performance measures and targets as the basis of organisational accountability.

## About the Regent Theatre Trust

### Vision statement:

To provide the most vibrant theatre going experience in an unforgettable venue of classical grandeur.

### Mission statement:

The Regent on Broadway will be maintained and preserved as a valuable historic venue. The Regent on Broadway will be the preferred local venue of choice for international, national and local performing arts experiences that cater to diverse people of all ages.

## Values:

- **Stewardship** - a commitment to quality care and oversight of the historic venue and its contents, heritage value and uniqueness and significance to the region.
- **Accountability** - through transparency, effective legal and financial management.
- **Integrity** - in maintaining high standards in a consistent way in accordance with ethically sound principles and actions.
- **Innovation** - continuous improvement through responding to change in an agile and responsive manner, such as advances in technology and changes in audience expectations.
- **Customer focused service** - ensuring that our contact with clients and patrons is always welcoming and hospitable, signifying a genuine commitment to providing them with a quality experience.

## Governance:

The Regent on Broadway is governed by the Regent Theatre Trust Incorporated. The Trust is governed by a Board of Trustees. The Board of up to nine (currently seven) trustees is responsible for the strategic direction and control of Regent Theatre Trust activities. The Board guides and monitors the business and affairs of Regent Theatre Trust in accordance with the Regent Theatre Trust Deed and this Statement of Intent.

The Board's approach to governance is to adopt "best practice" with respect to:

- The operation and performance of Trustees
- Providing ongoing support for the General Manager
- Being accountable to all stakeholders and reporting to the Palmerston North City Council

The General Manager is responsible to the Regent Theatre Trust Board for the day-to-day operations of the Regent on Broadway.



## City vision statement

Palmerston North is the heart of the Manawātū region within central New Zealand. We are a small city with a lot to offer, and we're ambitious about where we're going. The city's vision is Palmerston North: Small city benefits, big city ambition.

Palmerston North City Council has identified five strategic goals for achieving this vision:

**Goal 1:** An innovative and growing city.

**Goal 2:** A creative and exciting city.

**Goal 3:** A connected and safe community.

**Goal 4:** An eco-city.

**Goal 5:** A driven and enabling Council.

The Regent on Broadway plays a critical part in contributing to the City vision of 'Small city benefits, big city ambition', particularly Goal 2: A creative and exciting city. Within Goal 2, Council's Arts Plan supports Priority 3: to develop the city into an arts powerhouse with a national reputation for creativity and the arts and Priority 4: to develop a national and international reputation as an exciting city with plenty to do at night and on weekends.

The Regent on Broadway also contributes to Council's Culture and Heritage Plan which supports Priority 2: the city's history and diversity, and builds on the strength of being a city of many cultures and languages.

The activities of the Regent help to build Palmerston North's national and international reputation as a creative and exciting place to live, work, study and play. The Regent on Broadway and the Palmerston North City Council work collaboratively to ensure decisions and activities reflect the ambitions of the city and its residents.

We do this by supporting: vibrant and healthy communities; the development of sustainable practice within our local performing arts; the development of connected and safe communities so that all sections of our community may enjoy the wonder of theatre and performance; environmental sustainability; and securing the future of the venue.

## Strategic objectives

The Theatre's three strategic objectives have been developed to enable the Regent on Broadway to achieve its vision.

**Objective 1.** To be a venue for exciting community and performing arts experiences for the people of Palmerston North and the wider Manawātū region including recognising the role of local Tangata Whenua and heritage status of the building.

**Objective 2.** To engage in effective collaboration with our stakeholders and clients, enabling the best customer experience.

**Objective 3.** To engage with diverse audiences via a marketing and promotion strategy that is continually developing and responding to regional demographics and artistic/cultural trends.

## Activities

The Regent on Broadway works to provide a mix of diverse performance, talent and entertainment. This builds on the reputation that Palmerston North is a vibrant, creative and exciting city and aligns with the theatre's operational strategy to explore new ways of attracting high quality performances and increasing diverse community use.

In order to achieve its Strategic Objectives, the Board will undertake a range of activities during the next three years.

**Objective 1.** To be a venue for exciting community and performing arts experiences for the people of Palmerston North and the wider Manawātū region including recognising the role of local Tangata Whenua and the Heritage status of the building.

The Regent on Broadway will support this objective by:

- Programming regional, national and international performance. (Please Note: Due to Covid-19 worldwide Pandemic International programming is difficult but it remains a major Goal for the R.O.B)
- Enabling people to come together for performing arts events and community celebrations – such as commercial and community shows, graduations, arts, cultural and educational events.
- Enabling diverse communities to come together to celebrate.
- Encouraging local primary, intermediate and secondary schools, dance schools, music schools, also theatre educators and theatrical groups to take advantage of the theatre's significant capabilities and resources as a performance and learning space in respect to all aspects of the performing arts.
- Providing a well-resourced and well-equipped amenity so as to attract a wide range of performances and events to the city.
- Providing a specialised performance venue, professional technical advice and support, and marketing support.

**Objective 2.** To engage in effective collaboration with our stakeholders and clients, enabling the best customer experience.

The Regent on Broadway will support this objective by:

- Actively contributing to the Arts CCO Managers steering group and with Council Officers to explore activities such as a one-stop front of House booking operation, having ticketing services under one umbrella for all city venues and develop an Economic Impact report for regional/nationally significant events.
- Consolidating and nurturing relationships with national and international promoters and national cultural icons (such as the Royal New Zealand Ballet, the New Zealand Symphony Orchestra and Creative New Zealand) so that the Regent on Broadway is a principal venue of choice when considering their programming each year.
- Ensuring continued communication with diverse audiences
- Establishing and nurturing strong relationships with all local and regional theatre, dance and entertainment groups in the view to supporting productions of significance and to maintaining and operating an entrepreneurial fund to procure these and other events (by production participation) that would not otherwise come to the Regent on Broadway.
- Review the customer service survey platform and act on findings.
- Review the employees leave procedures to reduce the employees cost liabilities.

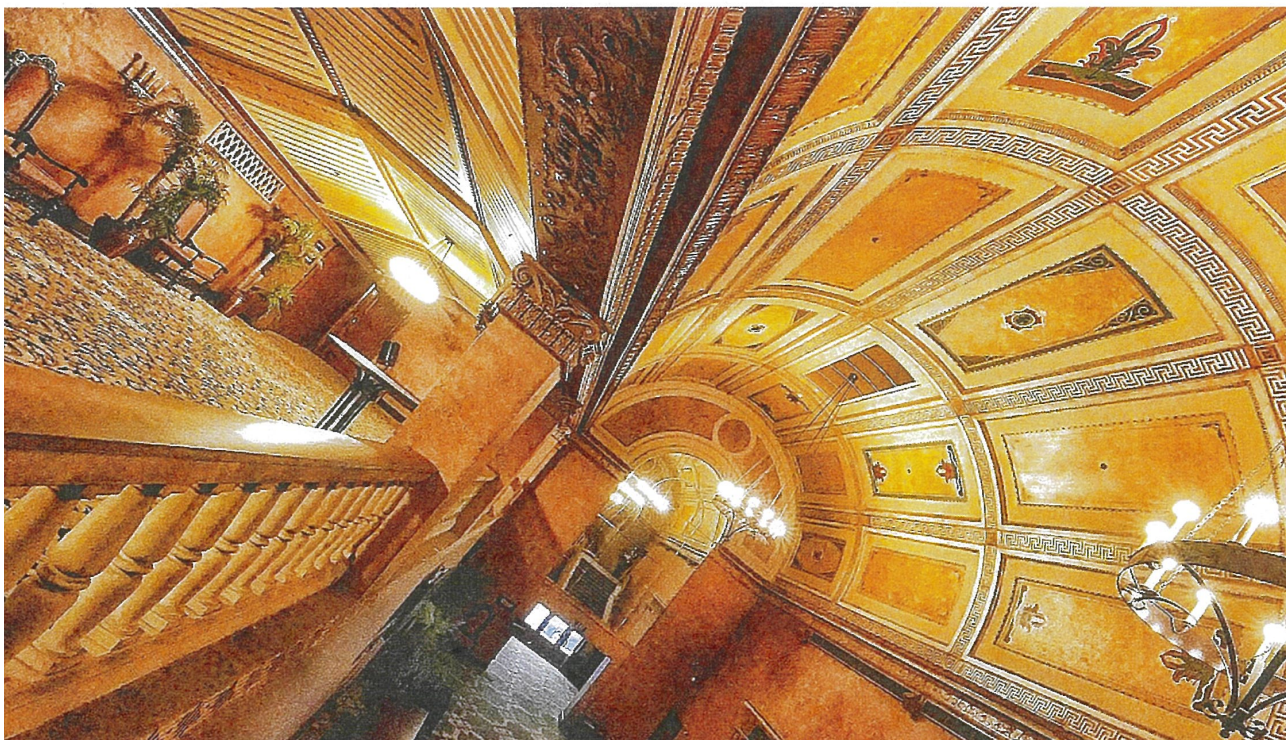
- Work with Council Officers to develop new performance measures and review the current Trust Deed.

**Objective 3.** To engage with diverse audiences via a marketing and promotion strategy that is continually developing and responding to regional demographics and artistic/cultural trends.

The Regent on Broadway will support this objective by:

- Supporting events by establishing professional marketing strategies, resources, tools and e platforms – such as Facebook, Instagram and a well-appointed web site.
- Developing and aligning promotional and marketing strategies to the vision, goals and principles of PNCC, *especially Goal 2: A creative and exciting city.*
- Identifying key client audiences, and prioritising and scheduling targeted material and effective communication. This includes:
  - Advertising, e-newsletters and Facebook
  - Developing a calendar of media opportunity and identifying key staff and Board Members as media spokespeople.
  - Obtaining or providing e-media and promotional training and policies and guidelines as required.
  - Updating media release contacts and templates as required
  - Updating process for media enquiries as required.
- Updating the website and investigating ways to ensure that it stimulates interest
- Undertaking relevant statistical and audience demographic data analysis to determine future trends and target audiences.

Covid-19 interrupted our ability to develop quantitative KPIs and continues to hinder this process. It is envisaged these will be realised, if normal operational conditions allow this.



## Performance measures

| Objective                                                                                                                                                                                                                               | Performance Measure                                                                                                                      | Actual<br>2019/20 | Target                   |                   |                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------|-------------------|------------------------|
|                                                                                                                                                                                                                                         |                                                                                                                                          |                   | 2021/22                  | 2022/23           | 2023/24                |
| . To be a venue for exciting community and performing arts experiences for the people of Palmerston North and the wider Manawatu region including recognising the role of local Tangata Whenua and the Heritage status of the building. | Total number of main auditorium hires annually (days the auditorium is used), to be not less than.                                       | 106               | 140                      | 180               | 200                    |
|                                                                                                                                                                                                                                         | Total number of main auditorium national/international venue hirers (actual live performances), to be not less than.                     | 17                | 25                       | 35                | 40                     |
|                                                                                                                                                                                                                                         | Total number of events overall that are held over all spaces in the theatre.                                                             | 296               | 310                      | 350               | 400                    |
|                                                                                                                                                                                                                                         | Funding secured for the theatre's main auditorium sound system and to progressively improve and add to the system over the next 3 years. | \$513,000         | \$90-\$1100K             | \$60 - \$70K      | \$50,000               |
|                                                                                                                                                                                                                                         | Additional capital expenditure funding for other projects from the Friends of the Regent or other funding sources                        | \$40,000          | \$70,000                 | \$80,000          | \$80,000               |
|                                                                                                                                                                                                                                         | Outsource a research project for the Regent, pre-European to present day.                                                                |                   | Costs to be investigated |                   |                        |
|                                                                                                                                                                                                                                         | Further develop tours offered by the Regent:                                                                                             |                   |                          |                   |                        |
|                                                                                                                                                                                                                                         | Mini: Families                                                                                                                           |                   | 1 Mini                   |                   |                        |
|                                                                                                                                                                                                                                         | Midi: Older less mobile                                                                                                                  |                   |                          | 2 Mini and 1 Midi | 3 Mini, 2 Midi, 1 Maxi |
|                                                                                                                                                                                                                                         | Maxi: Fit and able                                                                                                                       |                   |                          |                   |                        |
|                                                                                                                                                                                                                                         | (                                                                                                                                        |                   |                          |                   |                        |
| . To engage in effective collaboration with our stakeholders and clients, enabling the best customer experience.                                                                                                                        | Total number of variety type shows such as tribute concerts and professional performers from the commercial sector, not less than.       | 12                | 24                       | 29                | 35                     |

|                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |        |                         |                         |            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------------------------|-------------------------|------------|
|                                                                                                                                                                                 | Total number of tertiary graduation ceremonies held, not less than.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 4      | 7                       | 10                      | 11         |
|                                                                                                                                                                                 | Total number of local school concerts held, not less than                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 8      | 8                       | 10                      | 11         |
|                                                                                                                                                                                 | Total number of school prize-giving held, not less than.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 13     | 14                      | 14                      | 16         |
|                                                                                                                                                                                 | Total number of ethnically diverse concerts and productions, both community and professionally produced, not less than.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 3      | 4                       | 8                       | 6          |
|                                                                                                                                                                                 | Investigate a simple customer experience device while further investigation is done into a more robust survey for audience and hirers.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |        | Cost to be investigated | Cost to be investigated |            |
|                                                                                                                                                                                 | Signage to reflect Bi-Cultural nature of New Zealand and make the venue accessibility friendly                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |        |                         | \$5-12k                 |            |
|                                                                                                                                                                                 | External Lighting                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |        | \$10k                   | \$20k                   |            |
|                                                                                                                                                                                 | CCTV Upgrade                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |        | \$3,500                 |                         |            |
|                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 65,300 | 69,000                  | 75,000                  | 82,000     |
| 3. To engage with diverse audiences via a marketing and promotion strategy that is continually developing and responding to regional demographics and artistic/cultural trends. | <p>Total attendances to all events held, not less than</p> <p>Due to Covid 19 the number of international/Commercial touring performances has greatly been reduced - however the Theatre is starting to receive enquiries and pencil bookings - but is <u>very</u> dependent upon remaining at Level 1. Particular attention will be given to attracting new promoters/touring productions eg: Ballet Collective Aotearoa, and New Zealand Opera</p> <p>Develop a website that will accommodate theatre operations</p> <p>Investigate with a view to purchasing electronic billboards</p> |        | \$2-\$5k                |                         | \$40-\$60k |

## How we operate

The Regent Theatre Trust is committed to ensuring sound Governance and guidance in financial, legal, compliance, operational, management, and most of all, Health and Safety systems, and to ensure procedures are in place and reported against on a regular basis. The Trust ensures key policies and documentation are reviewed in accordance with the Trust's annual schedule, including:

- Insurance policies
- Venue and Employment Contracts
- Memorandums of understanding
- Operational Policies
- Health and Safety Policies, procedures and documentation
- Staff reviews

The review of personnel resourcing is being undertaken so as to ensure the Regent on Broadway is meeting the needs of new marketing initiatives and progressive methodology in theatre operations. The Trust is working towards sustainable environmental practice such as recycling, replacing disposable with reusable and energy reduction.

Staff training occurs in all areas of theatre operations and is reviewed on a regular basis:

- ETNZ guidelines in theatre technical operations and safe working practices.
- New Zealand Certificate in Entertainment and Event Operations
- Marketing with a specific focus to supporting social media requirements.
- Health and Safety in all areas of theatre operations.

The Regent Trust Board undertakes a review and implementation of a 3 yearly Strategic Plan

## Recognising volunteer input and support

The Trust recognises its volunteers by:

- Liaising with the Friends of the Regent and encouraging the Friends in their activities of theatre assistance, event hosting, ushering and fund-raising. The Trust works to support and nurture the input by the Friends and all volunteers and to recognise the value of the contribution to venue operational requirements.
- Maintaining the excellent communications and the goodwill that has been established between the Friends' elected volunteer supervisory/management team that works alongside venue operations with the objective of continuing to maintain and improve venue hospitality, ushering and catering.
- Attracting and nurturing volunteers that possess the knowledge and skills required to deliver the high level of experienced guidance needed for good and successful governance.



## Working together

The preparation and approval of annual budgets that observe clear financial objectives and to prepare 3 year income and expenditure forecasts to meet statutory obligations and thereby informing our stakeholders of potential future financial outcomes.

## Half-yearly report

By the end of February each year the Regent Theatre Trust will provide the Council with a half-yearly report complying with s 66 of the Local Government Act 2002. The report will include the following information:

- Manager's commentary on operations for the relevant six-month period.
- Comparison of the Regent on Broadway's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Unaudited half-yearly financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity and statement of cash flows.

## Annual report

By 30th September, each year the Regent Theatre Trust will provide the Council with an annual report complying with ss 67–69 of the Local Government Act 2002. Financial statements and audit clearance will be undertaken in early August to ensure timely availability of PNCC's annual report.

The annual report will contain the information necessary to enable an informed assessment of the operations of the Regent on Broadway and will include the following information:

- Commentary on operations for the year.
- Comparison of the Regent on Broadway's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity, statement of cash flows, statement of accounting policies and notes to the accounts.
- Auditor's report on the financial statements and the performance targets.

## The Regent Theatre Trust

The Regent Theatre Trust is established and governed by The Regent Theatre Trust Deed, available on request.

### SIGNATURES

This Statement of Intent was approved by The Regent Theatre Trust on:

Date:

Signed:



David Lea  
Chairman  
The Regent Theatre Trust



|                                                           | Actual 2020      | Forecast 2021  | Indicative 2022 | Indicative 2023  | Indicative 2024  |
|-----------------------------------------------------------|------------------|----------------|-----------------|------------------|------------------|
| Inflation adjustment                                      |                  |                | 1%              | 0%               | 0%               |
| <b>Income</b>                                             |                  |                |                 |                  |                  |
| Council Funding                                           |                  |                |                 |                  |                  |
| PNCC Grant                                                | 235,986          | 238,286        | 240,669         | 240,669          | 240,669          |
| PNCC additional operating grant                           | -                | -              | -               | -                | -                |
| <b>Total Council Funding</b>                              | <b>235,986</b>   | <b>238,286</b> | <b>240,669</b>  | <b>240,669</b>   | <b>240,669</b>   |
| <b>Donations and Fundraising Income</b>                   |                  |                |                 |                  |                  |
| Donations and grants received for capital expenditure     | 469,620          | -              | 184,250         | 74,250           | 66,000           |
| Government subsidy                                        | 65,805           | 26,435         | -               | -                | -                |
| <b>Total Donations and Fundraising Income</b>             | <b>535,425</b>   | <b>26,435</b>  | <b>184,250</b>  | <b>74,250</b>    | <b>66,000</b>    |
| <b>Investment Income</b>                                  |                  |                |                 |                  |                  |
| Interest Income                                           | 6,630            | 4,848          | 4,896           | 8,000            | 8,000            |
| <b>Total Investment Income</b>                            | <b>6,630</b>     | <b>4,848</b>   | <b>4,896</b>    | <b>8,000</b>     | <b>8,000</b>     |
| <b>Sales of Goods and Services</b>                        |                  |                |                 |                  |                  |
| Facilities hireage and Recoveries                         | 304,059          | 342,626        | 394,552         | 462,100          | 462,100          |
| Event Ticketing Centre                                    | 73,544           | 35,121         | 35,472          | 124,000          | 124,000          |
| Regent on Broadway Promotions                             | 289,860          | 156,485        | 80,000          | 80,000           | 80,000           |
| <b>Total Sales of Goods and Services</b>                  | <b>667,463</b>   | <b>534,232</b> | <b>510,024</b>  | <b>666,100</b>   | <b>666,100</b>   |
| <b>Total Income</b>                                       | <b>1,445,504</b> | <b>803,801</b> | <b>939,840</b>  | <b>989,019</b>   | <b>980,769</b>   |
| <b>Less Cost of Sales</b>                                 |                  |                |                 |                  |                  |
| Theatre Operations                                        | 250,136          | 170,105        | 171,806         | 250,020          | 250,020          |
| Employee related expenses                                 | 460,169          | 441,281        | 445,694         | 540,341          | 540,341          |
| Regent on Broadway Promotions                             | 290,873          | 28,825         | 29,113          | 75,000           | 75,000           |
| Event Ticketing Centre                                    | 20,349           | 8,578          | 8,664           | 19,500           | 19,500           |
| <b>Total Costs related to providing goods or services</b> | <b>1,021,527</b> | <b>648,789</b> | <b>655,277</b>  | <b>884,861</b>   | <b>884,861</b>   |
| <b>Total Cost of Sales</b>                                | <b>1,021,527</b> | <b>648,789</b> | <b>655,277</b>  | <b>884,861</b>   | <b>884,861</b>   |
| <b>Operating Profit</b>                                   | <b>423,977</b>   | <b>155,012</b> | <b>284,563</b>  | <b>104,158</b>   | <b>95,908</b>    |
| <b>Non-operating Expenses</b>                             |                  |                |                 |                  |                  |
| Depreciation                                              | 55,914           | 154,292        | 187,494         | 205,790          | 211,200          |
| <b>Total Non-operating Expenses</b>                       | <b>55,914</b>    | <b>154,292</b> | <b>187,494</b>  | <b>205,790</b>   | <b>211,200</b>   |
| <b>Net profit</b>                                         | <b>368,063</b>   | <b>721</b>     | <b>97,069</b>   | <b>(101,632)</b> | <b>(115,292)</b> |
| <b>New Capital purchase</b>                               | <b>541,892</b>   | <b>2,137</b>   | <b>184,250</b>  | <b>74,250</b>    | <b>66,000</b>    |

#### COUNTANTS REPORT

is Statement has been prepared by us for the above client from records, information and instructions furnished by our client. our instructions did not include an Audit, we have not audited the statement and therefore neither we nor any of our employees accept any responsibility for the curacy of the material supplied from which the accounts have been prepared. rther, the Statement has been prepared at the request of and for the purpose of our client and neither we nor any of our employees accept any responsibility on any and whatever to any other person.



|                                      | Actual 2020      | Forecast<br>2021 | Indicative<br>2022 | Indicative<br>2023 | Indicative<br>2024 |
|--------------------------------------|------------------|------------------|--------------------|--------------------|--------------------|
| <b>Operating Cashflows</b>           |                  |                  |                    |                    |                    |
| <b>Cash Inflows</b>                  |                  |                  |                    |                    |                    |
| Income banked                        | 1,551,571        | 920,057          | 1,047,547          | 1,117,034          | 1,108,784          |
| Interest Income                      | 7,267            | 4,848            | 4,896              | 8,000              | 8,000              |
| <b>Total Cash Inflows</b>            | <b>1,558,838</b> | <b>924,905</b>   | <b>1,052,444</b>   | <b>1,125,034</b>   | <b>1,116,784</b>   |
| <b>Cash Outflows</b>                 |                  |                  |                    |                    |                    |
| Theatre Operations                   | 287,656          | 195,621          | 197,577            | 287,523            | 287,523            |
| Employee related expenses            | 460,169          | 441,281          | 445,694            | 540,341            | 540,341            |
| Regent on Broadway Promotions        | 332,362          | 33,149           | 33,480             | 86,250             | 86,250             |
| Event Ticketing Centre               | 23,401           | 9,865            | 9,963              | 22,425             | 22,425             |
| <b>Total Cash Outflows</b>           | <b>1,103,588</b> | <b>679,915</b>   | <b>686,714</b>     | <b>936,539</b>     | <b>936,539</b>     |
| <b>Total Operating Cashflows</b>     | <b>455,250</b>   | <b>244,990</b>   | <b>365,729</b>     | <b>188,495</b>     | <b>180,245</b>     |
| <b>Operating Cashflows</b>           |                  |                  |                    |                    |                    |
| <b>Non-operating Cashflow</b>        |                  |                  |                    |                    |                    |
| Asset Purchases -                    | 405,908          | - 2,458          | - 211,888          | - 85,388           | - 75,900           |
| GST Paid -                           | 58,217           | - 30,801         | - 58,679           | - 69,921           | - 74,231           |
| <b>Total Non-operating Cashflows</b> | <b>(464,125)</b> | <b>(33,258)</b>  | <b>(270,567)</b>   | <b>(155,309)</b>   | <b>(150,131)</b>   |
| <b>Bank Accounts</b>                 |                  |                  |                    |                    |                    |
| Opening balance                      | 180,029          | 171,154          | 382,885            | 478,048            | 511,234            |
| Operating surplus/deficit            | 455,250          | 244,990          | 365,729            | 188,495            | 180,245            |
| Non-operating Surplus/Deficit -      | 464,125          | - 33,258         | - 270,567          | - 155,309          | - 150,131          |
| <b>Closing balance</b>               | <b>171,154</b>   | <b>382,885</b>   | <b>478,048</b>     | <b>511,234</b>     | <b>541,348</b>     |

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|                                     | Actual 2020      | Forecast 2021    | Indicative 2022    | Indicative 2023    | Indicative 2024  |
|-------------------------------------|------------------|------------------|--------------------|--------------------|------------------|
| <b>Current Assets</b>               |                  |                  |                    |                    |                  |
| Bank Accounts and Cash              | 171,154          | 382,885          | 478,048            | 511,234            | 541,348          |
| Prepaid Insurance                   | 6,836            | 6,904            | 6,973              | 7,043              | 7,043            |
| Debtors and productions receivable  | 7,751            | 7,829            | 7,907              | 7,986              | 7,986            |
| Prepayments                         | -                | -                | -                  | -                  | -                |
|                                     | 185,741          | 397,618          | 492,928            | 526,263            | 556,377          |
| <b>Investments</b>                  | 181,136          | 181,136          | 181,136            | 181,136            | 181,136          |
| <b>Fixed Assets</b>                 | 682,184          | 530,030          | 526,785            | 395,246            | 250,046          |
| <b>Total Assets</b>                 | <b>1,049,061</b> | <b>1,108,784</b> | <b>1,200,849</b>   | <b>1,102,645</b>   | <b>987,559</b>   |
| <b>Current Liabilities</b>          |                  |                  |                    |                    |                  |
| GST Balance -                       | 46,909           | 4,606 -          | 511                | 2,801              | 3,008            |
| Creditors and accrued expenses      | 83,470           | 99,666           | 99,779             | 99,894             | 99,894           |
| Deposits in advance                 | 18,450           | 9,741            | 9,741              | 9,741              | 9,741            |
| Employee costs available            | 36,110           | 36,110           | 36,110             | 36,110             | 36,110           |
| <b>Total Liabilities</b>            | <b>91,121</b>    | <b>150,123</b>   | <b>145,119</b>     | <b>148,546</b>     | <b>148,753</b>   |
| <b>Net Assets</b>                   | <b>957,940</b>   | <b>958,661</b>   | <b>1,055,729</b>   | <b>954,097</b>     | <b>838,806</b>   |
| <b>Equity</b>                       |                  |                  |                    |                    |                  |
| Opening balance                     | 589,877          | 957,940          | 958,661            | 1,055,729          | 954,097          |
| Income for year                     | 368,063          | 721              | 97,069 -           | 101,632 -          | 115,292          |
| Closing Balance                     | 957,940          | 958,661          | 1,055,729          | 954,097            | 838,805          |
| <b>Total Equity</b>                 | <b>957,940</b>   | <b>958,661</b>   | <b>1,055,729</b>   | <b>954,097</b>     | <b>838,805</b>   |
| <b>Total Cost of Sales</b>          | <b>957,940</b>   | <b>958,661</b>   | <b>1,055,729</b>   | <b>954,097</b>     | <b>838,805</b>   |
| <b>Operating Profit</b>             | <b>(866,819)</b> | <b>(808,538)</b> | <b>(910,611)</b>   | <b>(805,551)</b>   | <b>(690,052)</b> |
| <b>Non-operating Expenses</b>       |                  |                  |                    |                    |                  |
| Depreciation                        | 55,914           | 154,292          | 187,494            | 205,790            | 211,200          |
| <b>Total Non-operating Expenses</b> | <b>55,914</b>    | <b>154,292</b>   | <b>187,494</b>     | <b>205,790</b>     | <b>211,200</b>   |
| <b>Net profit</b>                   | <b>(922,733)</b> | <b>(962,829)</b> | <b>(1,098,105)</b> | <b>(1,011,341)</b> | <b>(901,252)</b> |
| <b>New Capital purchase</b>         |                  |                  |                    |                    |                  |
|                                     | 541,892          | 2,137            | 184,250            | 74,250             | 66,000           |

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## MEMORANDUM

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** Te Manawa Museums Trust - Final Statement of Intent 2021-2024

**PRESENTED BY:** Hannah White, Democracy & Governance Manager

**APPROVED BY:** Sheryl Bryant, Assistant Chief Executive

### RECOMMENDATION TO COUNCIL

1. That the Council agree the final Statement of Intent 2021-2024 submitted by Te Manawa Museums Trust, attached as Appendix 1 of the report titled 'Te Manawa Museums Trust - Final Statement of Intent 2021-2024' presented to the Arts, Culture & Heritage Committee on 18 August 2021.

### 1. ISSUE

- 1.1 The Statement of Intent (SOI) sets out the objectives and activities of Te Manawa Museums Board (Te Manawa) for the next three years. It serves as a basis for accountability to the Council, as the shareholder, and provides an opportunity for the Council to influence Te Manawa's direction. The requirements for the SOI are set out in Schedule 8 of the Local Government Act 2002 (LGA).
- 1.2 Under the LGA, the Council has the ability to modify a SOI to ensure it adequately reflects the Council's strategic priorities if it considers that is necessary.
- 1.3 In November 2020, the Council resolved to retain the Statement of Expectations 2020/21 for all cultural Council Controlled Organisations (CCOs) for the forthcoming year 2021/22.
- 1.4 Te Manawa delivered its final Statement of Intent 2021-2024 to Council officers before the legal deadline of 30 June 2021.
- 1.5 The purpose of this report is for the Council to fulfil the requirement under s 65(2) of the LGA to agree the final SOI, or if it does not agree, to require the SOI to be modified as set out in clause 6, Schedule 8 of the LGA.

### 2. BACKGROUND

- 2.1 Te Manawa is a CCO, which was set up to independently manage the Te Manawa Museum. A CCO is an organisation in which Council has the right to appoint at least fifty percent of the trustees and must work towards Council's

objectives on its behalf. Te Manawa is managed by a Board of Trustees made up of committed volunteers.

- 2.2 The Arts, Culture & Heritage Committee received Te Manawa's draft SOI at its meeting on 14 April 2021 and made recommendations for the Te Manawa Board to consider when developing its final SOI. These recommendations were approved by the Council on 5 May 2021.
- 2.3 Te Manawa Museums Trust Board has considered the Council's comments on the draft SOI and made changes in response, as summarised in Table 1. Officers consider that comments have been adequately addressed in the final SOI.

**Table 1: Comparison of Council comments with Te Manawa's final SOI 2021-24**

| Council comments on draft SOI 2021-24                                                                                                                                             | Is it dealt with in the SOI?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revise targets that are already being achieved (Online reach and visitor satisfaction), and either make them more ambitious or remove the measure completely.                     | Partially - Te Manawa has removed the performance measure 'Online Reach'.<br>Te Manawa has not changed the target for 'visitor satisfaction'.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Clarify how the performance measures: 'Likelihood of visitors to positively endorse Te Manawa to others' and 'Strength of relationship with strategic partners' will be measured. | Partially - Te Manawa has not clarified how the measure 'Likelihood of visitors to positively endorse Te Manawa to others' will be measured. Feedback from Te Manawa, shared with Council in April, was that this target will be based on results from the Visitor Monitoring Research project, general visitor feedback and Economic Impact project and that this work is currently being commissioned.<br><br>In terms of clarifying the measure 'Strength of relationship with strategic partners' the target over the next 2 years is to:<br><br>1) define who the strategic partners are, from the Strategic Relationship Strategy.<br><br>2) define the target(s) in conjunction with strategic partners. |

|                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Ambitious proposal 'to become carbon-negative and sustainable by 2025' – however no reference on how this is going to be achieved in performance measures or 'How we Operate' section.</p> <p>Add actions to the 'How we Operate' section or a performance measure to calculate carbon produced by Te Manawa.</p> | <p>Yes - Te Manawa has altered the proposal to 'reduce carbon emissions' (Strategic objective 1) and has included the performance measure 'Develop measures towards reduction of carbon emissions.' The 2021/22 target is to 'Measure baseline carbon emissions' and the 2022/23 target is to reduce carbon produced by 10%.</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### 3. NEXT STEPS

- 3.1 Te Manawa's Annual Report 2020-21 is due to Council officers on 30 September 2021 and will be presented to the Arts, Culture & Heritage Committee in November.
- 3.2 Statements of Expectation for 2022-25 will be drafted by officers and presented to the Arts, Culture & Heritage Committee in November.

### 4. COMPLIANCE AND ADMINISTRATION

|                                                                                                                   |                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Does the Committee have delegated authority to decide?<br>If Yes quote relevant clause(s) from Delegations Manual | <b>No</b>                                                                                                                                                                                 |
| Are the decisions significant?                                                                                    | <b>No</b>                                                                                                                                                                                 |
| If they are significant do they affect land or a body of water?                                                   | <b>No</b>                                                                                                                                                                                 |
| Can this decision only be made through a 10 Year Plan?                                                            | <b>No</b>                                                                                                                                                                                 |
| Does this decision require consultation through the Special Consultative procedure?                               | <b>No</b>                                                                                                                                                                                 |
| Is there funding in the current Annual Plan for these actions?                                                    | <b>Yes</b>                                                                                                                                                                                |
| Are the recommendations inconsistent with any of Council's policies or plans?                                     | <b>No</b>                                                                                                                                                                                 |
| The recommendations contribute to Goal 2: A Creative and Exciting City                                            |                                                                                                                                                                                           |
| The recommendations contribute to the outcomes of the Creative and Liveable Strategy                              |                                                                                                                                                                                           |
| The recommendations contribute to the achievement of action/actions in the Arts Plan                              |                                                                                                                                                                                           |
| The action is: to support CCOs to achieve the objectives of the arts plan.                                        |                                                                                                                                                                                           |
| Contribution to strategic direction and to social, economic,                                                      | Agreeing to the final Statements of Intent is a mechanism for Council to provide guidance and direction to the CCOs and meets Council's responsibility to monitor the CCOs under the LGA. |

|                                       |  |
|---------------------------------------|--|
| environmental and cultural well-being |  |
|---------------------------------------|--|

### **ATTACHMENTS**

1. Te Manawa Statement of Intent 2021-2024 [↓](#) 

# Te Ara Hihiri

## Statement of Intent

2021/22 – 2023/24

TE MANAWA MUSEUMS TRUST

TE MANAWA MUSEUMS TRUST  
PRIVATE BAG 11055 PALMERSTON NORTH 4442 | TEMANAWA.NZ



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## Contact details

|                     |                                                               |                                      |                                                                                                                                                                                                                                 |
|---------------------|---------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Address</b>      | Te Manawa Museums Trust Private Bag<br>11055 Palmerston North | <b>Legal Status</b>                  | Te Manawa Museums Trust is a Council-Controlled Organisation (CCO) for the purposes of the Local Government Act 2002 and operates as a charitable trust under the Charitable Trust Act 1957.<br><br>It is a not-for-profit CCO. |
| <b>Website</b>      | www.temanawa.co.nz                                            |                                      |                                                                                                                                                                                                                                 |
| <b>Phone</b>        | (06) 355-5000                                                 |                                      |                                                                                                                                                                                                                                 |
| <b>Email</b>        | enquiries@temanawa.co.nz                                      |                                      |                                                                                                                                                                                                                                 |
| <b>Main Contact</b> | Andy Lowe                                                     | <b>Charities Registration number</b> | CC38836                                                                                                                                                                                                                         |
| <b>Role in CCO</b>  | Chief Executive                                               | <b>Trustees</b>                      | John Fowke - Chair<br>Geoffrey Jameson<br>Nuwyne Te Awe Awe Mohi<br>Adrian van Dyk<br>Sarah Bell<br>Caroline Tate                                                                                                               |
| <b>Phone</b>        | 06 351-4492                                                   |                                      |                                                                                                                                                                                                                                 |
| <b>Email</b>        | andy.lowe@temanawa.co.nz                                      |                                      |                                                                                                                                                                                                                                 |

# Introduction

This Statement of Intent (SOI) follows on from last year's post COVID-19 document, produced as we emerged from lock down and planned for the new future that those events had prompted for us. It's timely to note that we have just had another skirmish with the new plague, successfully navigated (by most measures) but nevertheless still rightfully in our consciousness.

But that is no cause for alarm or 'pulling back.' Far from it, our team demonstrated a willingness to think outside the square and maximise our gains during COVID-19, post COVID-19 and now COVID-19 2.0.

Last year's SOI was heavily influenced and guided by a workshop that was held with PNCC councillors and officials and much of the result of that deep communication remains reflected in our thinking; including the participation in the sesquicentennial aligned with PNCC's planning.

Looking ahead though, our ten year business plan is nearing release and as we have broadened and lengthened our horizons, we have taken the opportunity to take some things as given (e.g. the limitations of our buildings) and just as our team thought outside the square during COVID-19 1.0, we have looked to innovations and projects that can move us forward acknowledging but not being totally constrained by them.

A significant harbinger of this approach is the enhanced partnership with Rangitāne that has resulted in a commercial agreement being entered into with PNCC's blessing that will move our collaboration forward into a new and energising phase. This new model of partnership is a first we believe for museums in New Zealand and while it will require some hard work and strong communication, we are excited by the possibilities.

The TM team has worked hard to develop this SOI not the least in the development of programmes and a budget that allows us to maintain good stewardship and move forward – we thank them for their efforts. As always, we thank our partners, our principal funder PNCC, Iwi, our societies and all the organisations and communities that support and work with us.



John Fowke  
Chair, Te Manawa Museums Trust  
25 February 2021

# Purpose of the Statement of Intent

This Statement of Intent is presented by Te Manawa Museums Trust in accordance with the requirements of Section 64(1) of the Local Government Act 2002.

In accordance with the Local Government Act 2002, this annual Statement of Intent publicly states the activities and intention of Te Manawa Museums Trust for the next three years, and the objectives to which those activities will contribute.

This final Statement of Intent has taken shareholder comments into consideration and include performance measures and targets as the basis of organisational accountability.

## About Te Manawa Museums Trust

### Purpose

Amplifying possibilities

### Vision

‘Working Beyond Boundaries’

Built on a foundation of manaakitanga (inclusion, kindness, safety, hospitality)

### Mission

We will partner with communities, thought leaders, change makers and supporters, to inspire, broker and deepen connections among them, and with our world’s tangible and intangible treasures, so that we can create and deliver relevant, engaging programmes and experiences with and for our communities.

# Values

To co-create an energetic, surprising museum with multiple communities we embody these values:

- **Kaitiakitanga**  
We are passionate about the treasures we care for on behalf of the community, and their power to inform and transform us, now and into the future.
- **Courageous and experimental**  
We are committed to making a real and positive difference, thinking clearly and openly about how Te Manawa can best evolve to achieve this – and when and how we need to think outside the box, and be brave, daring and fearless in our thinking and actions.
- **Open and inclusive**  
The concept of *TĀTOU / WE* together is central to everything we do – acknowledging the mana of each person and the collective mana of all.  
Open communication – the ability to listen actively, with respect, and to frame relevant questions that will unlock meaning, insights and value – underpins our culture.
- **Smart and strategic**  
Our responsibility to our communities means we are strategic about where we are going, and smart, rigorous and pragmatic about how we will get there.  
Our decisions are based on prioritising and growing our resources and monitoring outcomes, with a focus on building our ability to impact and achieve sustainable success.
- **Generous and entrepreneurial**  
We believe our communities are part of a world full of the possibilities, talent, solutions and insight our future relies on. To realise this potential, we are generous in our approach - our ability to have fun, enjoy life and value each other underpins the spirit of entrepreneurship that drives us forward.

## Objectives of the Te Manawa Museums Trust deed

- To provide governance of an organisation which is a regional museum complex, advancing interest in art, heritage and science (including interactive science)
- To provide study, educational and enjoyment opportunities through acquiring, conserving, researching, communicating and exhibiting material evidence of people and their environment
- To develop, promote, enhance and maintain collections to make them relevant to the peoples of the Manawatū and New Zealand
- To recognise and act in accordance with the principles of the Treaty of Waitangi and to involve and give special attention to the history of the Tangata Whenua in the Region
- To ensure that the facility functions as a valued professional education resource and community asset for the citizens of Palmerston North and the Manawatū Region
- To encourage and support the kindred Societies in accordance with the objects of this Trust Deed
- To recognise the organisation's location in the Manawatū and to be aware of the Regional focus

# Statement of the Board's approach to governance

Te Manawa Museums Trust Board is established and governed in accordance with the Te Manawa Trust Deed; available on request from the Executive Assistant of Te Manawa.

The Board of up to seven trustees, is responsible for the strategic direction and control of Te Manawa's activities.

The Board guides and monitors the business and affairs of Te Manawa, in accordance with the Charitable Trusts Act 1957, the Local Government Act 2002, the Trust Deed and this Statement of Intent.

The Board's approach to governance is to adopt "good practice" with respect to:

- the operation and performance of the Board
- managing the relationship with the Chief Executive
- being accountable to the community and regularly reporting to the Arts, Culture and Heritage Committee of Palmerston North City Council
- enhancing Te Manawa's environmental sustainability.

The Chief Executive is responsible for the day-to-day operations of Te Manawa, engaging and oversight of staff and reporting to the trustees on performance against Te Manawa's performance objectives.

The Board encourages engagement on our strategic direction by stakeholders through three main avenues: the development and presentation of this Statement of Intent, a public Annual General Meeting held each year, and through presentations at Council's quarterly Arts, Culture and Heritage to report and outline new initiatives.

# Contribution to ‘Small city benefits, big city ambition’

Palmerston North City Council’s vision for the city is *Small city benefits, big city ambition*.

Council has identified five strategic goals for achieving this vision: Goal 1: An innovative and growing city; Goal 2: A creative and exciting city; Goal 3: A connected and safe community; Goal 4: An eco-city; and Goal 5: A driven and enabling Council.

Te Manawa contributes to all goals, but primarily to these priorities under Goal 2:

- Celebrate the city’s history and diversity, and build on the strength of being a city of many cultures and languages; and
- Develop the city into an arts powerhouse with a national reputation for creativity and the arts.

Te Manawa received a Statement of Expectation stating Council’s objectives relating to Te Manawa. The Board has worked through the Statement of Expectation and has responded to this throughout this Statement of Intent.

# Strategic objectives

We have identified interrelated areas of focus for the next three years to achieve our vision of a museum working beyond boundaries.

- **Objective 1: A collaborative and future-focussed organisation**

Te Manawa will connect to and amplify what's already happening in the community to make a bigger impact. Maintaining and enhancing our strategic relationships is key our success.

We will build Te Manawa's environmental and financial sustainability, ensuring it is well-placed to challenge boundaries and respond proactively to change. Te Manawa seeks to reduce carbon emissions. We will work strategically to accelerate revenue generation and embed a business development mindset within Te Manawa.

We will build our reputation as a creative and vibrant organisation, encouraging experimentation. Te Manawa will act as a testing ground for prototyping ideas.

- **Objective 2: Innovative experiences that attract visitors**

Te Manawa's multi-layered experiences champion the uniqueness of our region. We will focus on developing and hosting vibrant exhibitions, spanning and interconnecting art, heritage and science, that attract visitors, contributing to the city's liveability and sense of place. We will carry out creative marketing to build visitation, third-party investment, and Te Manawa's profile.

Through our exhibitions, both conventional and challenging, Te Manawa builds a national reputation. Digital engagement will help attract physical visitors but also provide for our collections and activities to be enjoyed and interacted with by those in our community who cannot visit our facilities.

By caring for its collections, Te Manawa provides access to the region's diverse cultural heritage. Existing collections are brought to life so residents and visitors can engage with the history of the Manawatū and New Zealand.

- **Objective 3: Enhanced learning and engagement**

Te Manawa, as a gathering place, builds tolerance and connections among Palmerston North's diverse cultures – one community, many cultures. We will ensure that Te Manawa enhances creativity, gives visibility to diverse viewpoints, and supports an inclusive community. We will provide opportunities to incubate ideas through collaboration and experimentation, leveraging opportunities to co-create with local communities.

Te Manawa opens doors for different conversations and engages people in learning experiences that are relevant and meaningful to them. Te Manawa, through its links to education, research institutes and local technology industries, develops science and technology-focussed exhibitions of local and national interest.

Our relationship with Rangitāne o Manawatū, as mana whenua, will evolve in line with their post-settlement aspirations. Te Manawa, in partnership with Rangitāne, protects its taonga, tells its stories and moves forward under the principles of Te Tiriti o Waitangi.

# What we will do

## Objective 1: A collaborative and future-focussed organisation

To achieve this objective, we will:

- Continue to maintain strong relationships with Rangitāne at governance levels and through activity-based approaches
- Complete the Strategic Relationship Strategy (2021/22).
- Implement a partner-based exhibition (by end of 2022/23).
- Develop short and long-term fundraising projects to realise the goal of sustainable external funding for programmes and exhibitions (2021-24).
- Finalise and make public a ten year business plan (to be reviewed annually) which provides a clear focus of long term development (2021-24).
- Trial and review one environmentally focussed project by end of 22/23.
- Promote and promulgate thought leadership across the national museum sector (2021-24).
- Initiate a project to scope, develop and increase revenue-generating product and services.

## Objective 2: Innovative experiences that attract and engage visitors

To achieve this objective, we will:

- Develop a Visitor Experience Plan to act on the findings of the visitor market research.
- Care for, develop, and add to Te Manawa's collections.
- Maintain a vibrant and balanced programme of exhibitions to engage audiences and contribute to building visitation (digital and physical), third-party investment and Te Manawa's profile locally and nationally.
- Continue with the established plan to exhibit the art collection physically and digitally within three years (by end of 2023/24).
- Implement and evaluate success of Exhibitions Strategy (by end of 2021/22).
- Develop a Digital Strategy to support development of online experiences that attract increasing interest. (by end of 2021/22). Implement and evaluate success by end of 22/23.
- Develop two new digital creative projects (by end of 2022/23), and two more by end of 2023/24.
- Develop economic impact reporting for major exhibitions hosted by Te Manawa (by end of 2021/22).

## Objective 3: Enhanced learning and engagement

To achieve this objective, we will:

- Develop a strategic approach to the implementation of international community engagement mentoring programme OF|BY|FOR ALL through the development of stakeholder and visitor experience strategies (21/23)
- Increase the impact of learning programmes and activities in formal and informal environments through Te Rangahau Curiosity Centre (2021-24).
- Implement a communications and marketing plan for learning activities (2021-24).
- Evaluate success of two creative projects (by end of 2021/22). Deliver two more projects (by end of 2022/23).
- Support implementation of phase 1 of Te Rangimārie project, a dual venue cultural tourism project undertaken by Te Rangimārie Marae Trustees (by end of 2021/22). Phase 1 includes training for Front of House staff to confidently engage with visitors, and co-creation of activities linked to Te Rangi Whenua.

# Performance measures

To track progress towards its objectives, Te Manawa will report on the following measures.

| Objective                                          | Performance measure                                              | Actual                     | Target                                     |                                                                                               |                                                                                                        |
|----------------------------------------------------|------------------------------------------------------------------|----------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
|                                                    |                                                                  | 2019/20<br>(C-19 affected) | 2020/21                                    | 2021/22                                                                                       | 2022/23                                                                                                |
| 1. A collaborative and future-focused organisation | Strength of relationship with strategic partners                 | <i>Not measured</i>        | Relationship strategy is under development | Strategic relationships defined and identified as part of the Strategic Relationship Strategy | Qualitative and quantitative parameters identified in conjunction with strategic relationship partners |
|                                                    | Revenue secured from sources outside PNCC                        | 337,060                    | \$574,154                                  | \$654,745                                                                                     | \$687,341                                                                                              |
|                                                    | Develop measures towards reduction of carbon emissions           | Not measured               | Not measured                               | Measure baseline carbon emissions                                                             | Develop measures to lower carbon emissions                                                             |
| 2. Innovative experiences that attract visitors    | Likelihood of visitors to positively endorse Te Manawa to others | <i>Not measured</i>        | Under development                          | Highly likely                                                                                 | Highly likely                                                                                          |
|                                                    |                                                                  |                            |                                            |                                                                                               |                                                                                                        |

|                                     |                                                 |                     |                   |         |         |         |
|-------------------------------------|-------------------------------------------------|---------------------|-------------------|---------|---------|---------|
|                                     | In-person visits to Te Manawa                   | 100,599             | 150,000           | 150,000 | 150,000 | 150,000 |
|                                     | Visits to Te Manawa experiences off-site        | 16,303              | 50,000            | 25,000  | 50,000  | 50,000  |
| 3. Enhanced learning and engagement | Visitor satisfaction (good/very good/excellent) | 99%                 | > 96%             | > 96%   | > 96%   | >96%    |
|                                     | Participation in learning programmes            | 21,316              | 30,000            | 24,000  | 24,000  | 24,000  |
|                                     | In-person visits to Rangimārie activities       | <i>Not measured</i> | Under development | 5,000   | 10,000  | 10,000  |

## How we operate

We aim to provide a hub for significantly growing the city's levels of learning and engagement, social cohesion and wellbeing, civic pride and vibrancy, and national reputation. We work to:

- open doors for different conversations;
- enhance through creativity;
- build a profile of and champion the uniqueness of our region;
- connect people with each other and unlock the riches of our treasures and stories;
- incubate ideas through collaboration and experimentation;
- amplify possibilities and potential, with and for our communities;
- challenge boundaries and respond proactively to change;
- develop a well-informed community armed with knowledge and understanding.

We are committed to staff development and provide training, performance reviews and development plans.

Our staff are qualified and experienced, and we adhere to rigorous and inclusive processes to ensure the best experience of, by and for the public.

## Working together

### Quarterly Report

Te Manawa Museums Trust will present at Palmerston North City Council's quarterly Arts, Culture and Heritage Committee meeting to report on progress against the SOI and outline new initiatives (unless the half-yearly or annual report is to be presented at the same meeting).

### Half-Yearly Report

By the end of February each year, Te Manawa Museums Trust will provide the Council with a half-yearly report complying with s 66 of the Local Government Act 2002. The report will include the following information:

- Chief Executive's commentary on operations for the relevant six-month period.
- Comparison of Te Manawa Museums Trust's performance with the objectives, planned activities and performance targets set out in the SOI, with an explanation of any material variances.
- Un-audited half-yearly financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity and statement of cashflows.

## Annual Report

By 30 September each year, Te Manawa Museums Trust will provide the Council with an annual report complying with s 67–69 of the Local Government Act 2002. Financial statements and audit clearance will be provided in early August to ensure timely availability of Council's annual report.

The annual report will contain the information necessary to enable an informed assessment of the operations of Te Manawa Museums Trust, and will include the following information:

- Chief Executive's commentary on operations for the relevant year.
- Comparison of Te Manawa Museums Trust's performance to the objectives, planned activities and performance targets set out in the SOI, with an explanation of any material variances.
- Financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity, statement of cashflows, statement of accounting policies and notes to the accounts.
- Auditor's report on the financial statements and the performance targets.
- Any other information that the Trustees consider appropriate.

## Signature

This Statement of Intent was approved by the Te Manawa Museums Trust Board on 2 June 2021



Caroline Tate

Acting Chair, Te Manawa Museums Trust Board

# Te Ara Tahua

## Statement of Intent (Financials)

BUDGET FOR THE YEARS ENDED 30 JUNE 2022, 2023 AND 2024

TE MANAWA MUSEUMS TRUST

## Contents

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# Budget Assumptions and Comments:

## Revenue

### 1. Palmerston North City Council (PNCC) Funding:

#### PNCC Operating Grant

2021/22: \$3,264,227 (2020/21 plus 1.0%)

2022/23: \$3,296,869 (2021/22 plus 1.0%)

2023/24: \$3,329,838 (2022/23 plus 1.0%)

### 2. Interest Revenue:

Interest Income has been based on average bank balances remaining between \$732k and \$900k (the approximate required level to preserve Te Manawa tagged reserves) with weighted average bank interest rates forecast at 0.6%.

### 3. Other Operating Revenue:

Other Operating Revenue is expected to increase from the 2020/21 budget, with increased targets for fundraising and sponsorship.

### 4. Net Collection Movements

The forecast level of donated collection assets is maintained level from prior years. (\$15,000).

The prospective financial statements do not provide for a forecast net movement in the market value of collections, as data are not readily available for assumptions regarding the future market value of collections assets. Revaluation of collection assets is a non-cash item. The most recent revaluation of the Art Collection took place during the final quarter of the 2020/21 financial year, and the next Heritage Collection revaluation is to take place during the 2023/2024 financial year. The revaluation conducted during the 2019/20 year resulted in a reduction in value of heritage items of \$1,273,084

## Expenditure

### 5. Payroll:

The Payroll budget for all years incorporates requirements of the remuneration system adopted by Te Manawa.

### 6. Operating Expenditure:

Operating costs have been budgeted for the next three years based on current contractual commitments, as well as anticipated maintenance costs (i.e. cleaning, repairs and maintenance, security and administrative costs).

### 7. Occupancy Costs:

Te Manawa has received notice of some suppliers' intention to increase costs. An inflation adjustment of 1.1% has been applied across most expense categories.

### 8. PNCC Leases and Service Level Agreements:

It has been assumed that there will be no increase in charges from PNCC in relation to service level agreements - IT, vehicles and phones.

**9. Depreciation:**

The forecast depreciation for the next financial years is based on the planned plant and equipment additions and the upgrade of the semi-permanent exhibition (Te Awa ).

**10. Operating Surplus/(Deficit) after Collection Movements:**

A net surplus has been budgeted for each of the three years covered by the financial statements 2021/22 (\$7.1k) 2022/23 (\$6.7k) and 2023/24(\$9.3k)

Prudent management of operating expenditure will be required to achieve the budgeted results. Revenue generation opportunities will be sought to ensure that operating cash surpluses are produced going forward.

**STATEMENT OF FINANCIAL POSITION:****11. Cash & Short-Term deposits:**

Cash & Cash Equivalents (including term deposits with a maturity of up to 3 months) are budgeted to remain relatively consistent at between \$1,064k and \$1,240k. This is enough to meet the Trust's current budgeted obligations and commitments.

**12. STATEMENT OF CASHFLOWS:**

Forecast net cash flows from operating activities are enough to cover the planned capital expenditure for the three financial years.

**13. STATEMENT OF CASH BALANCES & RESERVES:**

Careful managing of resources will be required to maintain positive untagged reserves over next years, in order to both meet our operational costs and gradually increase our semi-permanent and touring exhibition capabilities. There is also an increased reliance on third party revenue to meet the forecast level of operating costs and allow for the strategic reserves to be built up.

The tables below indicate the way Te Manawa intends to gradually build up its strategic reserves within the constraint of maintaining positive untagged reserves.

**Te Manawa Museums Trust  
Endowment Fund Forecast**

| <b>Endowment Fund</b>        | <b>Balance<br/>1/7/20</b> | <b>Actual at<br/>30/06/20</b> | Budget<br>transfers<br>in/(out) | <b>2020/21<br/>Budget</b> | Budget<br>transfers<br>in/(out) | Budget<br>transfers<br>in/(out) | <b>2021/22<br/>Budget</b> |
|------------------------------|---------------------------|-------------------------------|---------------------------------|---------------------------|---------------------------------|---------------------------------|---------------------------|
| Clevely Fund                 | 10,874                    | 10,874                        | -                               | 10,874                    | -                               | -                               | 10,874                    |
| <b>Total Endowment Funds</b> | <b>10,874</b>             | <b>10,874</b>                 | -                               | <b>10,874</b>             | -                               | -                               | <b>10,874</b>             |

The semi-permanent exhibition reserve is designed for the purpose of securing funding for future semi-permanent exhibition refresh and/or internally developed and built Te Manawa touring shows.

| <b>Specific Reserves</b>                            | <b>Balance<br/>1/7/20</b> | <b>Actual at<br/>30/06/20</b> | Budget<br>transfers<br>in/(out) | <b>2020/21<br/>Budget</b> | Budget<br>transfers<br>in/(out) | Budget<br>transfers<br>in/(out) | <b>2021/22<br/>Budget</b> |
|-----------------------------------------------------|---------------------------|-------------------------------|---------------------------------|---------------------------|---------------------------------|---------------------------------|---------------------------|
| Collection Development                              | 20,840                    | 16,362                        |                                 | 16,362                    | -                               | -                               | 16,362                    |
| Historical Building<br>Maintenance                  | 22,081                    | 22,081                        | -                               | 22,081                    | -                               | -                               | 22,081                    |
| Semi-Permanent<br>Exhibition Development<br>Reserve | 234,814                   | 299,674                       |                                 | 299,674                   | -                               |                                 | 299,674                   |
| <b>Total Specific Reserves</b>                      | <b>277,735</b>            | <b>338,117</b>                | -                               | <b>338,117</b>            | -                               | -                               | <b>338,117</b>            |

| Te Manawa Museums Trust                                        |       |                         |                         |                         |                         |                         |
|----------------------------------------------------------------|-------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Prospective Statement of Revenue and Expenses                  |       |                         |                         |                         |                         |                         |
| For the Three Years Ended 30 June 2022, 2023 & 2024            |       |                         |                         |                         |                         |                         |
|                                                                |       |                         |                         | 350,000                 | 659,377                 |                         |
|                                                                | Notes | Budget<br>2020/21<br>\$ | Actual<br>2019/20<br>\$ | Budget<br>2021/22<br>\$ | Budget<br>2022/23<br>\$ | Budget<br>2023/24<br>\$ |
| <b>Revenue</b>                                                 |       |                         |                         |                         |                         |                         |
| PNCC Operational Grant                                         | 1     | 3,231,908               | 3,199,909               | 3,264,227               | 3,296,869               | 3,329,838               |
| MDC Grant                                                      |       | 20,000                  | 20,000                  | 20,000                  | 20,000                  | 20,000                  |
| Interest Received                                              | 2     | 14,000                  | 15,486                  | 5,400                   | 7,930                   | 7,858                   |
| Fundraising & Sponsorship                                      | 3     | 250,000                 | 5,000                   | 320,000                 | 311,000                 | 438,000                 |
| Other Revenue                                                  | 3     | 290,154                 | 296,577                 | 309,345                 | 348,411                 | 200,987                 |
| <b>Total Revenue</b>                                           |       | <b>3,806,062</b>        | <b>3,536,972</b>        | <b>3,918,972</b>        | <b>3,984,211</b>        | <b>3,996,683</b>        |
| <b>Expenditure</b>                                             |       |                         |                         |                         |                         |                         |
| Personnel Costs                                                | 5     | 2,308,352               | 2,017,313               | 2,373,074               | 2,405,627               | 2,431,939               |
| Museum Activities                                              | 6     | 861,527                 | 767,717                 | 915,423                 | 934,286                 | 910,130                 |
| Occupancy Costs                                                | 7     | 281,943                 | 160,796                 | 266,988                 | 274,057                 | 277,212                 |
| PNCC Leases & SLA's                                            | 8     | 81,738                  | 81,738                  | 79,738                  | 79,738                  | 79,738                  |
| Depreciation/Amortisation                                      |       | 284,560                 | 259,017                 | 291,600                 | 298,788                 | 303,336                 |
| Assets Written Off                                             |       | -                       | 615                     | -                       | -                       | -                       |
| <b>Total Operating Expenditure</b>                             |       | <b>3,818,120</b>        | <b>3,287,196</b>        | <b>3,926,823</b>        | <b>3,992,496</b>        | <b>4,002,354</b>        |
| <b>Operating Surplus/(Deficit) Before Collection Movements</b> | 10    | <b>(12,058)</b>         | <b>249,776</b>          | <b>(7,851)</b>          | <b>(8,285)</b>          | <b>(5,671)</b>          |
| <b>Collection Movement Income</b>                              |       |                         |                         |                         |                         |                         |
| Custodial Assets                                               |       | -                       | -                       | -                       | -                       | -                       |
| Donated Assets                                                 |       | 15,000                  | 28,419                  | 15,000                  | 15,000                  | 15,000                  |
| <b>Collection Movement Expense</b>                             |       |                         |                         |                         |                         |                         |
| Custodial Assets Returned                                      |       | -                       | -                       | -                       | -                       | -                       |
| Collection Assets Deaccessioned                                |       | -                       | 184                     | -                       | -                       | -                       |
| <b>Net Collection Movements</b>                                | 4     | <b>15,000</b>           | <b>28,235</b>           | <b>15,000</b>           | <b>15,000</b>           | <b>15,000</b>           |
| <b>Net Surplus/(Deficit)</b>                                   |       | <b>2,942</b>            | <b>278,011</b>          | <b>7,149</b>            | <b>6,715</b>            | <b>9,329</b>            |
| <b>Other Comprehensive Revenue and Expenses</b>                | 4     | <b>-</b>                | <b>(1,273,084)</b>      | <b>-</b>                | <b>-</b>                | <b>-</b>                |
| <b>Total Comprehensive Revenue and Expense</b>                 |       | <b>2,942</b>            | <b>(995,073)</b>        | <b>7,149</b>            | <b>6,715</b>            | <b>9,329</b>            |

The accompanying notes and accounting policies form part of the prospective financial statements.

## Te Manawa Museums Trust

## Prospective Statement of Financial Position

As at 30 June 2022, 2023 &amp; 2024

| Notes                                    | Actual            | Budget            | Budget            | Budget            | Budget            |
|------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                          | 2019/20           | 2020/21           | 2021/22           | 2022/23           | 2023/24           |
|                                          | \$                | \$                | \$                | \$                | \$                |
| <b>Assets</b>                            |                   |                   |                   |                   |                   |
| <i>Current Assets</i>                    |                   |                   |                   |                   |                   |
| Cash & Cash Equivalents 11               | 694,163           | 156,105           | 284,425           | 369,876           | 683,912           |
| Short Term Deposits                      | 614,245           | 908,858           | 615,688           | 460,407           | 48,345            |
| Stock of Merchandise                     | 51,472            | 45,000            | 50,000            | 50,000            | 50,000            |
| Receivables                              | 10,509            | 50,000            | 20,000            | 20,000            | 20,000            |
| Interest Receivable                      | 2,022             | 1,600             | 1,500             | 1,500             | 1,500             |
| Prepayments                              | 8,125             | 57,000            | 50,000            | 50,000            | 50,000            |
| <b>Total Current Assets</b>              | <b>1,380,536</b>  | <b>1,218,563</b>  | <b>1,021,613</b>  | <b>951,783</b>    | <b>853,757</b>    |
| <i>Fixed Assets</i>                      |                   |                   |                   |                   |                   |
| Information Technology                   | 37,957            | 75,066            | 70,726            | 75,534            | 71,740            |
| Property Plant & Equipment               |                   |                   |                   |                   |                   |
| Exhibitions                              | 284,028           | 190,728           | 436,348           | 418,074           | 452,770           |
| Furniture & Fittings                     | 62,071            | 58,678            | 58,678            | 64,704            | 65,172            |
| Leasehold Improvements                   | 67,136            | 45,638            | 46,094            | 46,555            | 47,021            |
| Plant & Equipment                        | 320,695           | 308,673           | 319,859           | 380,130           | 412,285           |
| Collection Assets (Owned)                | 7,240,474         | 8,374,712         | 8,374,712         | 8,379,330         | 8,444,330         |
| Collection Assets (Custodial)            | 8,086,366         | 8,265,209         | 8,265,209         | 8,265,209         | 8,265,209         |
| Work in Progress                         | 61,809            | 30,000            | 30,000            | 30,000            | 30,000            |
| <b>Total Fixed Assets</b>                | <b>16,160,537</b> | <b>17,348,705</b> | <b>17,601,627</b> | <b>17,659,537</b> | <b>17,788,527</b> |
| <i>Other Non-Current Assets</i>          |                   |                   |                   |                   |                   |
| Intangible Assets - Software             | 12,713            | 20,113            | 140,112           | 155,795           | 137,480           |
| <b>Total Non-Current Assets</b>          | <b>16,173,250</b> | <b>17,368,818</b> | <b>17,741,739</b> | <b>17,815,332</b> | <b>17,926,007</b> |
| <b>Total Assets</b>                      | <b>17,553,786</b> | <b>18,587,381</b> | <b>18,763,353</b> | <b>18,767,115</b> | <b>18,779,765</b> |
| <i>Current Liabilities</i>               |                   |                   |                   |                   |                   |
| Payables Under Exchange Transactions     | 325,567           | 160,000           | 328,823           | 332,111           | 335,432           |
| Income Received in Advance)              | 82,858            | 30,000            | 30,000            | 30,000            | 30,000            |
| Provisions                               | -                 | -                 | -                 | -                 | -                 |
| Employee Benefits                        | 239,573           | 201,860           | 201,860           | 195,619           | 195,619           |
| Interest Payable                         | -                 | -                 | -                 | -                 | -                 |
| GST Payable (Receivable)                 | 46,335            | 55,000            | 55,000            | 55,000            | 55,000            |
| Current Portion of Term Liabilities      | -                 | -                 | -                 | -                 | -                 |
| <b>Total Current Liabilities</b>         | <b>694,333</b>    | <b>446,860</b>    | <b>615,683</b>    | <b>612,730</b>    | <b>616,051</b>    |
| <i>Non-Current Liabilities</i>           |                   |                   |                   |                   |                   |
| Employee Benefits                        | 3,465             | 3,266             | 3,266             | 3,266             | 3,266             |
| <b>Total Non-Current Liabilities</b>     | <b>3,465</b>      | <b>3,266</b>      | <b>3,266</b>      | <b>3,266</b>      | <b>3,266</b>      |
| <b>Total Liabilities</b>                 | <b>697,798</b>    | <b>450,126</b>    | <b>618,949</b>    | <b>615,996</b>    | <b>619,317</b>    |
| <b>Equity</b>                            |                   |                   |                   |                   |                   |
| Trust Equity                             | 10,428,880        | 10,712,132        | 10,715,074        | 10,722,223        | 10,728,938        |
| Retained Surplus Current Year            | 278,011           | 2,942             | 7,149             | 6,715             | 9,329             |
| Asset Revaluation Reserve                | 5,800,106         | 7,073,190         | 7,073,190         | 7,073,190         | 7,073,190         |
| Specific Reserves 13                     | 338,118           | 338,117           | 338,117           | 338,117           | 338,117           |
| Endowment Funds 13                       | 10,873            | 10,874            | 10,874            | 10,874            | 10,874            |
| <b>Total Trust Funds</b>                 | <b>16,855,988</b> | <b>18,137,255</b> | <b>18,144,404</b> | <b>18,151,119</b> | <b>18,160,448</b> |
| <b>Total Liabilities and Trust Funds</b> | <b>17,553,786</b> | <b>18,587,381</b> | <b>18,763,353</b> | <b>18,767,115</b> | <b>18,779,765</b> |

## Te Manawa Museums Trust

## Prospective Statement of Cash Flows

For the Three Years Ended 30 June 2022, 2023 &amp; 2024

| Notes                                            | Actual           | Budget             | Budget             | Budget           | Budget         |
|--------------------------------------------------|------------------|--------------------|--------------------|------------------|----------------|
|                                                  | 2019/20          | 2020/21            | 2021/22            | 2022/23          | 2023/24        |
|                                                  | \$               | \$                 | \$                 | \$               | \$             |
| <b>Cash Flows from Operating Activities</b>      |                  |                    |                    |                  |                |
| Cash was provided from:                          |                  |                    |                    |                  |                |
| PNCC Grants                                      | 3,199,909        | 3,231,908          | 3,264,227          | 3,296,869        | 3,329,838      |
| Fundraising Activities                           | 5,000            | 250,000            | 320,000            | 311,000          | 438,000        |
| Other Revenue                                    | 344,862          | 228,263            | 279,454            | 368,411          | 220,987        |
| Interest                                         | 16,191           | 14,000             | 5,400              | 7,930            | 7,858          |
|                                                  | 3,565,962        | 3,724,171          | 3,869,081          | 3,984,211        | 3,996,683      |
| Cash was disbursed to:                           |                  |                    |                    |                  |                |
| Payroll                                          | 875,274          | 2,308,352          | 2,373,074          | 2,405,627        | 2,431,939      |
| Suppliers                                        | 1,978,563        | 1,402,691          | 1,270,809          | 1,284,793        | 1,263,759      |
| Interest                                         | -                | -                  | -                  | -                | -              |
| GST                                              | -19,198          | -                  | -                  | -                | -              |
| Net Change in working Capital                    | -                | -                  | -                  | -                | -              |
|                                                  | 2,834,639        | 3,711,043          | 3,643,883          | 3,690,420        | 3,695,697      |
| <b>Net Cash Flows from Operating Activities*</b> | <b>731,323</b>   | <b>13,128</b>      | <b>225,198</b>     | <b>293,791</b>   | <b>300,986</b> |
| <b>Cash Flows from Investing Activities</b>      |                  |                    |                    |                  |                |
| Cash was provided from:                          |                  |                    |                    |                  |                |
| Sale of Assets                                   | -                | -                  | -                  | -                | -              |
| Cash was disbursed to                            |                  |                    |                    |                  |                |
| Change in short Term Investments                 | 464,245          | 600,000            | 356,556            | (197,818)        | (400,000)      |
| Purchase of Intangible Assets - Software         | 3,345            | 36,250             | 120,000            | 24,000           | 25,000         |
| Purchase of Leasehold Improvements               |                  | 30,000             | 30,000             | 16,000           | 9,000          |
| Purchase of Information Technology               |                  | 56,770             | 56,770             | 25,600           | 27,000         |
| Purchase of Exhibitions                          |                  | 185,000            | 185,000            | 250,000          | 250,000        |
| Purchase of Furniture & Fittings                 |                  | 10,000             | 10,000             | 35,558           | 20,950         |
| Purchase of Plant & Equipment                    | 122,386          | 168,910            | 168,910            | 30,000           | 5,000          |
| Purchase of Collection Assets                    | 29,364           | 78,500             | 78,500             | 25,000           | 50,000         |
| Work in Progress                                 |                  | -                  |                    | -                | -              |
|                                                  | 619,340          | 1,165,430          | 1,005,736          | 208,340          | (13,050)       |
| <b>Net Cash Flows from Investing Activities</b>  | <b>(619,340)</b> | <b>(1,165,430)</b> | <b>(1,005,736)</b> | <b>(208,340)</b> | <b>13,050</b>  |
| Net Increase/(Decrease) in Cash Held             | 111,983          | (1,152,302)        | (780,538)          | 85,451           | 314,036        |
| Opening Cash Balances                            | 582,450          | 1,308,407          | 1,064,963          | 284,425          | 369,876        |
| <b>Closing Total Cash Balances</b>               | <b>694,433</b>   | <b>156,105</b>     | <b>284,425</b>     | <b>369,876</b>   | <b>683,912</b> |

The accompanying notes and accounting policies form part of the prospective financial statements

# Notes to the Prospective Financial Statements

## Statement of Accounting Policies

### REPORTING ENTITY

Te Manawa Museums Trust (the Trust) is a charitable trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is controlled by Palmerston North City Council and is a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002, by virtue of the Council's right to appoint more than 50% of the Board of Trustees.

The Trust was incorporated on 20 August 1999, from that date, the Trust assumed responsibility for art works and heritage assets transferred to its care but held on behalf of others. From 1 July 2000 the Trust commenced leasing the premises and managing the institution under agreements entered into with the Palmerston North City Council. The principal place of business is 326-336 Main Street, Palmerston North.

The primary objective of the Trust is to provide interactive experience in art, science and history through acquiring, conserving, researching, developing, communicating and exhibiting material evidence of people and their environment, rather than making a commercial return. Accordingly, the Trust has designated itself as a public sector public benefit entity for the purposes of Public Benefit Entity Accounting Standards (PBE Standards).

### BASIS OF PREPARATION

The prospective financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the periods.

## Statement of Compliance

The prospective financial statements of the Trust have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The financial statements comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable Financial Reporting Standards, as appropriate for Tier 2 public sector public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

The Trust qualifies as a Tier 2 Public Sector PBE reporting entity as it is not publicly accountable and as for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure.

The reporting periods for these prospective financial statements are the years ending 30 June 2022, 30 June 2023 and respectively 30 June 2024. The prospective financial statements are presented in New Zealand dollars, unless otherwise stated.

## Measurement Base

The measurement basis applied is historical cost, modified by the revaluation of collection assets as identified in this summary of significant accounting policies. The accrual basis of accounting has been used unless otherwise stated.

## Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted

There are no standards, amendments, and interpretations, issued but not yet effective that have not been early adopted, and which are relevant to the Trust.

# Significant Accounting Policies

## Revenue

Revenue is measured at fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

## Revenue from Non-exchange transactions

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. In non-exchange transactions, the Trust either receives value from or gives value to another party without directly giving or receiving approximately equal value in exchange.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Many of the services that the Trust provides for a fee are charged at below market value as they are subsidised by Palmerston North City Council operational grant, sponsorship and government/non-government grants. Other services operate on a cost recovery or breakeven basis and are not considered to reflect a market return. Most of the Trust's revenue is therefore categorized as non-exchange.

This includes PNCC grants, transfers from government/non-government entities, donations, donated/vested and custodial collection items, sponsorship, in kind sponsorship, revenue from services supplied at subsidised price.

Specific accounting policies for major categories of revenue from non-exchange transactions are outlined below:

## Grants

Grants received from PNCC are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's trust deed.

Revenues from non-exchange transactions with Council/other government/non-government entities are measured at fair value and recognised when the event occurs and the asset recognition criteria are met, if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Trust and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount if conditions of the grant are not met, deferred income is recognised instead of revenue, and recognised as revenue when conditions of the grant are satisfied.

**Rendering of services**

Revenue from the rendering of services is recognised when the transaction occurs to the extent that a liability is not also recognised. For these transactions the revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

All revenues from rendering of services are non-exchange, except for revenue from Venue Hire which is classified as exchange transaction.

**Vested or donated physical assets**

Where a physical asset is gifted to or vested in the Trust for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Such income is recognised when control over the asset is obtained, unless there is a use or return condition attached to the asset.

The fair value of vested or donated physical assets is determined by reference to the market value of comparable assets available.

**'In Kind' Sponsorship**

The Trust receives sponsorship 'in kind' by way of goods and services provided at discounted or nil charge. Where the fair value of these goods and services can be reliably measured, the income (and expense) is recognised as 'sponsorship - in kind' in the period in which the goods or services are received or there is a binding arrangement to receive the goods.

**Volunteer Services**

Volunteer services received are not recognised as revenue or expenditure as the Trust is unable to reliably measure the fair value of the services received.

**Revenue from Exchange transactions****Sales of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Trust.

**Interest Income**

Interest income is recognised using the effective interest method.

**Advertising Costs**

Advertising costs are expensed when the related service has been rendered.

**Borrowing Costs**

Interest expense is recognised using the effective interest rate method. All borrowing costs are expensed in the period in which they are incurred.

**Depreciation and amortisation**

Depreciation of property, plant and equipment and amortisation of intangible assets are charged on a straight-line basis over the estimated useful life of the associated assets.

## **Leases**

### ***Finance Leases***

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Trust will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

### ***Operating Leases***

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit over the lease term as an integral part of the total lease expense.

## **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are presented within borrowings as a current liability in the statement of financial position.

## **Debtors and other receivables**

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of a receivable is established when there is objective evidence that the Trust will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation, and default in payments are considered indicators that the receivable is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of an impaired receivable is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account for receivables. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

## **Financial Assets**

Financial assets are categorised into the following four categories: financial assets at fair value through surplus or deficit; held-to-maturity investments; loans and receivables; and financial assets at fair value through other comprehensive revenue and expense. The classification depends on the purpose for which each investment was acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

The fair value of financial instruments traded in active markets is based upon the quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows are used to determine fair value for the remaining financial instruments.

*a) Financial Assets at Fair Value through Surplus or Deficit*

This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading. After initial recognition they are measured at their fair values. Gains or losses due to change in fair value are recognised in the surplus or deficit.

Currently, the Trust does not hold any financial assets in this category.

*b) Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets. After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

*c) Held to Maturity Investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets. After initial recognition they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Currently, the Trust does not hold any financial assets in this category.

*d) Financial Assets at Fair Value through Other Comprehensive Revenue and Expense*

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into this category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Currently, the Trust does not hold any financial assets in this category.

**Impairment of financial assets**

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

*Loans and receivables, and held-to-maturity investments*

Impairment is established when there is evidence that the Trust will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate.

For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits are recognised directly against the instrument's carrying amount.

#### *Financial assets at fair value through other comprehensive revenue and expense*

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

### **Inventories**

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost (using the FIFO method), adjusted, when applicable, for any loss of service potential.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

### **Property, Plant and Equipment**

Items of property, plant and equipment are stated at historical or deemed cost, less accumulated depreciation and impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

#### *Additions*

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

#### *Disposals*

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are presented net in the surplus or deficit.

### *Work in Progress*

All assets constructed by Trust are initially recorded as work in progress. Work in progress is recognised at cost less impairment and it is not depreciated. Upon completion, these assets are transferred to their relevant asset class and depreciation commences.

### *Subsequent costs*

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised as an expense as they are incurred.

#### (a) Furniture, Equipment and Exhibits

Furniture, equipment and exhibits (excluding art and heritage collections) are valued at cost less accumulated depreciation and impairment losses.

##### *Depreciation*

Assets are depreciated on a straight-line basis at rates that will write off their cost less any estimated residual value over the expected useful life of the asset. The useful lives of major classes of assets have been estimated as follows:

|                        |               |
|------------------------|---------------|
| Computer Hardware      | 1 to 5 years  |
| Exhibitions            | 2 to 10 years |
| Furniture & Fittings   | 4 to 10 years |
| Leasehold Improvements | 4 to 10 years |
| Office Equipment       | 4 to 10 years |
| Plant                  | 4 to 20 years |

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

#### (b) Collection Assets

As the Heritage Collection and Art Collection assets are intended to have an indefinite life, they are held in trust in perpetuity for the benefit of the public.

The Heritage Collection and Art Collection have not been depreciated, as it is the Trust's policy to maintain the collections in their current state, in accordance with the Trust's Collection Policies.

All additions to the Heritage and Art Collection are recorded at cost. These additions will be revalued in accordance with the Trust's Valuation Policy. Donated objects are recorded at fair value, or depreciated replacement cost, or nil value if considered unrealisable or irreplaceable.

Custodial Collection Assets are objects within the Heritage and Art Collections not formally owned by the Trust, where the Trust has assumed all the rights and obligations of ownership. Within the Heritage Collection this is limited to items on loan for an indefinite period, excluding works on loan from other Museums and Cultural organisations. In relation to the Art Collection, the nature of artworks and anecdotal evidence suggests that there is a high likelihood of request for return of loaned assets, irrespective of the loan period, therefore only items on loan from the Te Manawa Art Society Inc. are recognised as custodial assets. These assets are held and maintained by the Trust by agreement with the owners.

*Revaluation*

The Art Collection assets are revalued to fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by *Art + Object* Auckland during January 2018. Trust's policy is to revalue the Art Collection assets every three years.

The Heritage Collections assets are revalued to fair value as determined from market-based evidence by an independent valuer. Trust's policy is to revalue the Heritage Collection assets every four years to ensure that their carrying amount does not differ materially from fair value.

All other asset classes are carried at depreciated historical cost.

*Accounting for Revaluations*

The results of revaluing are credited or debited to an asset revaluation reserve. Where this results in a debit balance in the asset revaluation reserve, this balance is charged to the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in a previous year surplus or deficit, will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve.

**Intangible Assets***Recognition and measurement*

Intangible assets are initially measured at cost, except for Intangible assets acquired through non-exchange transactions (measured at fair value).

All of the Trust's intangible assets are subsequently measured in accordance with the cost model, being cost (or fair value for items acquired through non-exchange transactions) less accumulated amortisation and impairment, except for the items which are not amortised and instead tested for impairment such as Intangible assets with indefinite useful lives, or not yet available for use. The Trust has no intangible assets with indefinite useful lives.

*Software acquisition and development*

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the Trust's website are recognised as an expense when incurred.

*Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in surplus or deficit as incurred.

*Amortisation*

Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each amortisable intangible asset. Amortisation begins when the asset is available for use and ceases at the date that the asset is disposed of.

The estimated useful lives are as follows:

Software: 1 to 7 years, Website: 3 to 5 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### **Impairment of property, plant and equipment and intangible assets**

For the purpose of impairment of Property, plant and equipment and intangible assets, which are carried at cost less accumulated depreciation and impairment losses, the Trust classifies its items of property plant and equipment and intangibles as non-cash generating assets, as these are not held with the primary objective of generating a commercial return, but rather for service delivery purposes and to deliver to Trust's public benefit objectives. Property, plant, and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

#### *Value in use for non-cash-generating assets*

For Trust's non-cash generating assets, value in use is determined based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

#### *Value in use for cash-generating assets*

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets is the present value of expected future cash flows. The Trust does not currently hold property plant and equipment and intangible assets in this category.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

### **Creditors and Other Payables**

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

### **Borrowings**

Borrowings are initially recognised at their fair value plus transaction costs, if any. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Trust has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are not expected to be settled within 12 months of balance date.

### **Employee Entitlements**

#### *Short-term employee entitlements*

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned to, but not yet taken at balance date. Sick leave has not been included, as the amount of accumulated sick leave that is anticipated to be taken in future periods is not considered to be material.

### *Long-term employee entitlements*

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

### **Provisions**

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in 'finance costs.

### **Goods and Services Tax (GST)**

All items in the financial statements are stated exclusive of Goods and Services Tax (GST), except for trade receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Income Tax**

The Trust is exempt from Income Tax by virtue of its charitable status.

### **Equity**

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- Trust's contributed capital;
- Retained earnings;
- Restricted reserves;
- Collections revaluation reserve;

### *Restricted reserves*

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Trust.

Restricted reserves include those which have specific conditions accepted as binding by the Trust and which may not be revised by the Trust without reference to the Courts or a third party (i.e. endowment funds). Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Trust's decision. The Trust may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Trust.

### **Critical Accounting Estimates and Assumptions**

In preparing these prospective financial statements, the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### *Property, Plant and Equipment Useful Lives and Residual Values*

The Trust reviews the useful lives and residual values of its property, plant and equipment annually. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Trust to consider a number of factors including the physical condition of the asset, expected period of use of the asset by the Trust, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the surplus or deficit and the carrying amount of the asset in the statement of financial position. The Trust minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programmes;
- review of second-hand market prices for similar assets; and
- analysis of prior asset sales.

The Trust has not made significant changes to past assumptions concerning useful lives and residual values.

## Public benefit entity prospective financial statements (PBE FRS 42)

The Trust has complied with PBE FRS 42 in the preparation of these prospective financial statements. In accordance with PBE FRS 42, the following information is provided:

*(i) Description of the nature of the entity's current operation and its principal activities*

The Trust is a Council Controlled Organisation, as defined in the Local Government Act 2002. The Trust's principal activities are outlined within this Statement of Intent.

*(ii) Purpose for which the prospective financial statements are prepared*

It is a requirement of the Local Government Act 2002 to present prospective financial statements that cover 3 years and include them within the Statement of Intent. The purpose of the Statement of Intent is to state publicly the activities and intentions of Te Manawa for the year and the objectives to which these activities will contribute. Prospective financial statements are revised annually to reflect updated assumptions and costs.

*(iii) Bases for assumptions, risks and uncertainties*

The financial information has been prepared on the basis of best estimate assumptions as the future events which the Trust expects to take place. The Trust has considered factors that may lead to a material difference between information in the prospective financial statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined within this Statement of Intent.

*(iv) Cautionary Note*

The financial information is prospective. Actual results are likely to vary from the information presented, and the variations may be material.

*(iv) Other Disclosures*

These prospective financial statements have been authorised by the Board, on 2 June 2021, for delivery to the Palmerston North City Council. The Trust is responsible for the prospective financial statements presented, including the assumptions underlying prospective financial statements and all other disclosures. The Statement of Intent is prospective and as such contains no actual operating results.



## MEMORANDUM

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** Te Manawa Museums Trust - Nine Month Performance Report 2020/21

**PRESENTED BY:** Hannah White, Democracy & Governance Manager

**APPROVED BY:** Sheryl Bryant, Assistant Chief Executive

### RECOMMENDATION TO ARTS, CULTURE & HERITAGE COMMITTEE

1. That the Te Manawa Museums Trust's Nine Month Performance Report 2020/2021 (Attachment 1 and 2) presented to the Arts, Culture & Heritage Committee on 18 August 2021, be received for information.

### 1. ISSUE

Attached is Te Manawa Museums Trust's (Te Manawa) Nine Month Performance Report (July 2020- March 2021).

In addition to the performance reports, Te Manawa has also highlighted their work here: [Te Manawa Museums Trust 2020\\_21\\_Nine Month highlights](#).

Quarterly reporting provides the Trust with a forum to discuss proposed new initiatives with the Committee. Te Manawa Museums Trust's Statement of Expectation requires the Trust to report to the Arts, Culture & Heritage Committee on a quarterly basis and for the third quarter report to be delivered to Council officers by 31 May.

The full year report is due to Council officers by 30 September and will be presented to the Committee when it meets in November.

### ATTACHMENTS

1. Te Manawa - Nine Month Performance Report  
2. Te Manawa - Nine Month Financial Report  





## Nine Month Report

1 July 2020 - 31 March 2021

Te Manawa Museums Trust

**Goals:**

- Te Manawa's profile as a place with which to engage is maintained and enhanced
- Te Manawa's relationship with Rangitāne is a priority
- Third party revenue generation and excellent visitor feedback statistics are a priority
- Te Manawa is focussed on developing for the future
- Prioritise staff development

## 1. Enhanced learning and engagement

| Performance Measures                              | 2020/2021 Target  | Status            | Result                                                                                                                                                  | Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------|-------------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Visitor satisfaction (good/very good/excellent)   | >96%              | On track          | 99% as at 31 March<br><br>(2019/20 Achieved: 99% against a target of >96%)                                                                              | 99% rating for Good to Excellent<br><br>1% rating for average<br><br>0% below average<br><br>Feedback from 771 visitors received at 31 March                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Participation in learning programmes <sup>1</sup> | 30,000            | On track          | 14,920 as at 31 March. (66% of full year target)<br><br>(2019/20 Not Achieved: 21,316 against a target of 30,000, due to COVID-19 Pandemic constraints) | Strong bookings in the second and third quarters brought the visit numbers up sharply, in part due to 'BUGS! Our Backyard Heroes' exhibition. Overall learning visitation and participation is now tracking at 66% at 31 March. Contracted LEOTC visits are at 103% achieved for the financial year to date (3091/3000).<br><br>A review of the Learning Strategy has been completed, and implementation is well under way.<br><br>We are awaiting notification from the Ministry of Education about intentions for the future of Learning Outside the Classroom. This is expected during May 2021. |
| In-person visits to Rangimarie activities         | Under Development | Under Development | (2019/20 – Not Measured)                                                                                                                                | Jan-Mar - systems for Rangimarie programmes being embedded before activities will be counted within this measure.<br><br>Performance against this measure was contingent upon the settling of service arrangements, which were not finalised till December 2020.                                                                                                                                                                                                                                                                                                                                    |

<sup>1</sup> Learning programmes participation in accordance with Te Rangahau Curiosity Centre. Includes LEOTC visits of 3,000 (10%) per annum

| 2. Innovative experiences that attract visitors                               |                   |                   |                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------------|-------------------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Performance Measures                                                          | 2020/2021 Target  | Status            | Result                                                                                                                                                                 | Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Likelihood of visitors to positively endorse Te Manawa to others <sup>2</sup> | Under development | Under development | (2019/20 Not measured)                                                                                                                                                 | Visitor market research brief has been approved by the Board. Implementation is due to start late May 2021.<br><br>A survey to measure economic impact of the World Wildlife Photographer of the Year exhibition is under way. Visitors are being asked to rate their likelihood of positively recommending Te Manawa as a place to visit.                                                                                                                                               |
| In-person visits to Te Manawa                                                 | 150,000           | At risk           | 101, 513 as at 31 March 21 (Target 112,500 at 31 March)<br><br>(2019/20 Not Achieved: 100,599 at fye against a target of 170,000 due to COVID-19 Pandemic constraints) | In person visitor numbers are slightly down due to Level 2 Restrictions in February and March.                                                                                                                                                                                                                                                                                                                                                                                           |
| Visits to Te Manawa experiences off-site <sup>3</sup>                         | 50,000            | At risk           | 12,517 at 31 March<br><br>(2019/20 Not Achieved: 16,303 against a target of 50,000)                                                                                    | This figure is a total visitor numbers to off-site events and exhibitions.<br><br>The target of 50,000 includes out-touring exhibition visitors. We have not toured any of our existing exhibitions due to the impact of COVID-19 with reduced numbers of interested participating venues.<br><br>There are no new touring shows in development at this point. We are moving to a three-year cycle for development, fabrication and touring of new Te Manawa developed touring packages. |
| On-line reach <sup>4</sup>                                                    | 500,000           | On Track          | 407,940<br><br>(2019/20 Achieved: 664,932 against a target of 400,000)                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

<sup>2</sup> As measured by Net Promoter Score (NPS). Target will be set once baseline established.

<sup>3</sup> Includes both touring exhibitions and people participating in Te Manawa activities at events.

<sup>4</sup> Includes both unique e-visits to Te Manawa website and online reach of social media

### 3. A collaborative and future-focussed organisation

| Performance Measures                                           | 2020/2021 Target  | Status   | Result                                                                                                                                                                                                                                                                             | Comments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------|-------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Strength of relationships with strategic partners <sup>5</sup> | Under development | On track | (2019/20 Not Measured)                                                                                                                                                                                                                                                             | Solid working relationship with PNCC established.<br><br>Strategy commenced in February with the drafting of an overall Strategic Framework. Fundraising and Relationship Strategy are both being developed now.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Revenue secured from sources other than PNCC <sup>6</sup>      | 574,154           | On track | <p>\$326,031 received by 31 March-56.8% of annual target</p> <p>(19/ 20- \$300,086k achieved by 31 March (61% of 9 month's target of \$492,026 – 44.9 % of 19/20 annual target of \$667,443)</p> <p>(2019/20 Not Achieved: \$447,179 (65%) against annual target of \$687,443)</p> | <p>Third party revenue to 31 March 2021:</p> <ul style="list-style-type: none"> <li>\$1.0k from FMG</li> <li>\$28.0k anonymous donation for purchase of Andrew Drummond sculpture</li> <li>\$20.0k MDC</li> <li>\$14.8k from Science Centre Trust for Bugs exhibition cases and other costs for Bugs</li> <li>\$24.0k from PNPST for Head of John Doe Sculpture</li> <li>\$50.4k Shop and other sales</li> <li>\$77.6k Learning</li> <li>\$17.1k Donations from public visiting Bugs and Santa' Cave</li> <li>\$26.0k Donations from Westpac, Beca and Vitae for Tamariki</li> <li>\$13.0k Methodist Church Cost of Window extraction</li> <li>\$26.6k Venue Hire and other activities</li> <li>\$19.0k Public Events</li> <li>\$3.0k from YORB</li> <li>\$5.5k Interest</li> <li>Received <b>notification</b> from CET that we are to receive \$172,500k for exhibition lighting upgrade on purchase of the lighting before FYE. Notification has also been received of tagged grants amounting to @102,500 from Clevely Trust and Lotteries, to be received during Q4, and a bequest of \$90k.</li> <li>Received <b>notification</b> from Department of Internal Affairs of approval of \$30,000 for the Poutama project. Only \$7,500 relates to this financial year.</li> </ul> |

<sup>5</sup> Measure to be developed. Target will be set once baseline established.

<sup>6</sup> Includes private and corporate sponsorship, grants, event and shop proceeds, and Ministry of Education contracts

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Te Manawa was closed to the public at Alert levels 3 and 4.

Te Manawa moved to operate under COVID-19 level 2 on 12 August. The July school holidays were busy, but numbers slowed down in August and rose again in September. Te Manawa moved to Alert level 1 on the 21 September and visitors started to return.

Te Manawa moved to operate under Level 2 from 28 February – 6 March 2121 which impacted visitor numbers for that week (est. 4,000)

#### Other Progress/ Highlights:

Implementation of planning for two international touring exhibitions for 2021– International Photographer of the Year and Curious Contraptions.

The Children’s Holocaust Memorial exhibition opening at the beginning of March. Massey University contributed in a major way to the Children’s Holocaust Memorial through the involvement of designer, Mathijs Siljee, (School of Design, Massey University) and his work with the Holocaust Centre New Zealand to bring this Memorial to life as a touring exhibition. Numerous secondary school teachers attended as well. A learning programme as part of this exhibition experience is currently being taught to secondary schools across the region and has already engaged more than 163 students as at end of March.

Wellbeing plan is being implemented, with the latest initiative focussed on improving organisational communication. Our staff intranet launched on the 20 March 2021. Leadership and Managers are undertaking a programme endorsed by Chard Consultants and developed by Spirited Leadership to incorporate Te Ao Māori.

The ground-breaking NZ film, Rūrangi, was shown at Te Manawa as a first for the Manawatū region. During his visit, the Co-Director of the film, Max Currie, visited his previous schools Palmerston North Boys High and Awatapu College, as well as Palmerston North Girls High, to talk about his work in the film industry and in the rainbow community.

Dementia Friendly certification presented. First museum in New Zealand to be certified.

#### PN150

Initiation of programme of events and activities to celebrate the 150th Anniversary of Palmerston North City. **"Who We are?"** is a project which is a Manawatū performing artists collaboration with the Globe Theatre and Te Manawa. Happening on Saturday, 21 August, it will feature a trail of performances through the museum or art gallery with participation from multiple groups.

With the launch of our brand-new website (the most significant upgrade in more than six years) we've added a number of interactive puzzles under the PN150 umbrella. With the aim of engaging more people with our collection items and images digitally, this first handful of jigsaws features photographs from the City centenary in 1971. The Museum in a Box programme covering the history of 'The Square' was reformatted and delivered to more than 200 Freyberg Year 10 students at school.

| IE MAHAWA. PERFORMANCE TARGET DASHBOARD - 3 MONTHS |                  |                        |                        |                        |                        |                 |
|----------------------------------------------------|------------------|------------------------|------------------------|------------------------|------------------------|-----------------|
|                                                    |                  | YTD<br>31 Mar<br>2018  | YTD<br>31 Mar<br>2019  | YTD<br>31 Mar<br>2020  | YTD<br>31 Mar<br>2021  | 3 year<br>trend |
| Measure                                            |                  |                        |                        |                        |                        |                 |
| Visits to TM                                       | Actual<br>Target | 111,395<br>137,000     | 98,638<br>133,500      | 94,262<br>112,500      | 101,513<br>112,500     | →               |
| Visits to TM<br>exhibitions at<br>other venues     | Actual<br>Target | 95,087<br>105,500      | 99,068<br>75,000       | 16,303<br>37,500       | 12,517<br>37,500       | ↓               |
| Online reach                                       | Actual<br>Target | 419,808<br>195,000     | 461,711<br>300,000     | 533,329<br>300,000     | 407,940<br>375,000     | ↓               |
| Third-party<br>revenue                             | Actual<br>Target | \$387,580<br>\$411,750 | \$367,000<br>\$447,000 | \$300,096<br>\$488,250 | \$326,031<br>\$430,615 | ↑               |
| Visitor<br>satisfaction<br>(TM surveys)            | Actual<br>Target | 99%<br>>96%            | 98%<br>>93%            | 99%<br>>96%            | 99%<br>>96%            | →               |
| Activity<br>participation                          | Actual<br>Target | No data<br>11,000      | Not<br>measured        | 11,012<br>15,000       | N/A                    | N/A             |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                |                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| <b>Objective 1: Enhanced learning and engagement</b> <ul style="list-style-type: none"> <li>Implementation of phase 1 of Te Rangimarie project, a dual venue cultural tourism project undertaken by Te Rangimarie Marae Trustees</li> <li>Review of Learning Strategy</li> <li>Identify and deliver two creative projects alongside local communities</li> </ul>                                                                                                                                                                                                                                             | <b>Progress as at 31 Mar 2021</b><br>Completed<br><br>Completed<br>Completed                                                                                                                                   | <b>Expected Completion</b><br>Completed<br><br>Completed<br>Completed (Common Pause and EveryDay people exhibitions) |
| <b>Objective 2: Innovative experiences that attract visitors</b> <ul style="list-style-type: none"> <li>Develop an Exhibition Strategy that includes development of touring exhibitions</li> <li>Develop a Digital Strategy to support online experiences</li> </ul>                                                                                                                                                                                                                                                                                                                                         | In progress<br><br>More time required to connect into the exhibition strategy which is not due until June 2021                                                                                                 | June 2021<br><br>Sep 2021                                                                                            |
| <b>Objective 3: A collective and future-focused organisation</b> <ul style="list-style-type: none"> <li>Develop a business plan</li> <li>Review scope of existing strategic partnerships</li> <li>Develop concept for a partner-based exhibition of national significance</li> <li>Develop short- and long-term funding strategies that source sustainable external funding for programmes and exhibitions</li> <li>Develop an environmental impact framework that drives environmentally focused projects.</li> <li>Establish Future Museum principles - three examples to use and test concepts</li> </ul> | Draft complete.<br><br>In progress<br><br>In progress. Concept proposed<br>In progress<br><br>Not started. Awaiting results of VMR on Te Awa exhibition<br>In progress. One example (Rongomau) is implemented. | June 2021<br><br>May 2021<br><br>June 2022<br>July 2021<br><br>Sep 2021<br>Sep 2021                                  |



**Financial Report**  
**(Internal Management)**  
For the nine months 31 March 2021

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- Category View

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Analysis of Third-Party Income

Notes to Financial Statements

Details of Payments requiring Board Approval for quarter ended 31 March 2021

## **Financial Reports for Te Manawa Museums Trust Board**

### **Statement of Financial Performance**

Two versions of the Statement of Financial Performance have been presented to provide different views of the same data. The Activity Report is based on internal Management Reports and provides summary income and expenditure information for each reporting activity.

The Income/Expenditure Category Report adopts a more traditional view detailing income and expenditure by category, which follows on to the Statement of Financial Position and Cash flows, providing information on the sources of income and expenditure relating specifically to the type of revenue or cost.

### **Statement of Financial Position**

The Statement of Financial Position provides information about the assets, liabilities and equity of the Trust for the current reporting period and current year end forecast and the relationship of these elements to each other at a point in time.

### **Statement of Cash flows**

The Statement of Cash Flows reflects the Trust's cash receipts and cash payments during the period and provides useful information about the Trust's activities in generating cash from operations, investing and financing activities.

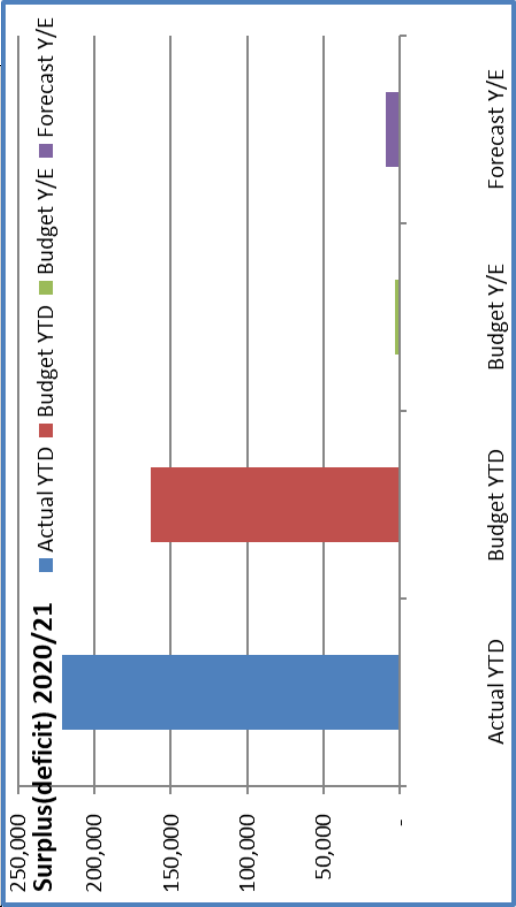
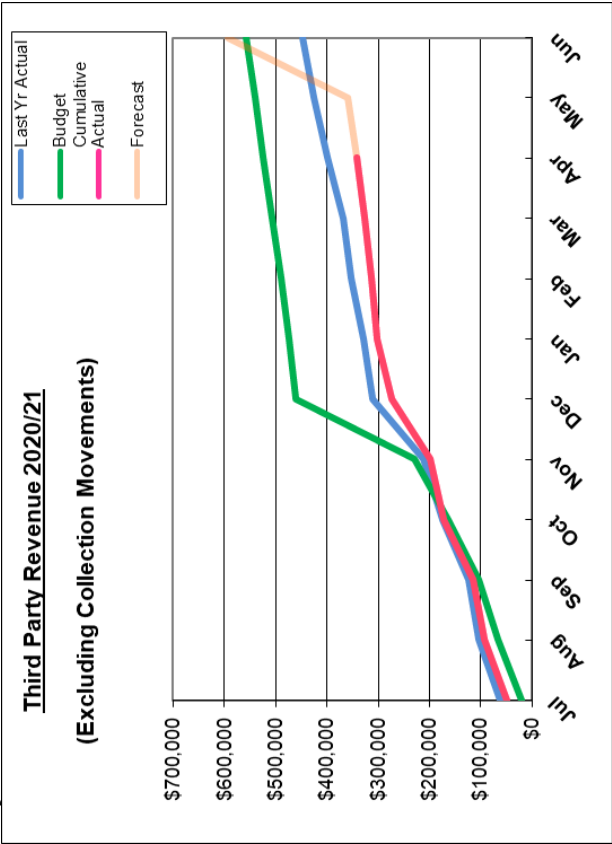
### **Statement of Cash flows, Cash Balances and Reserves**

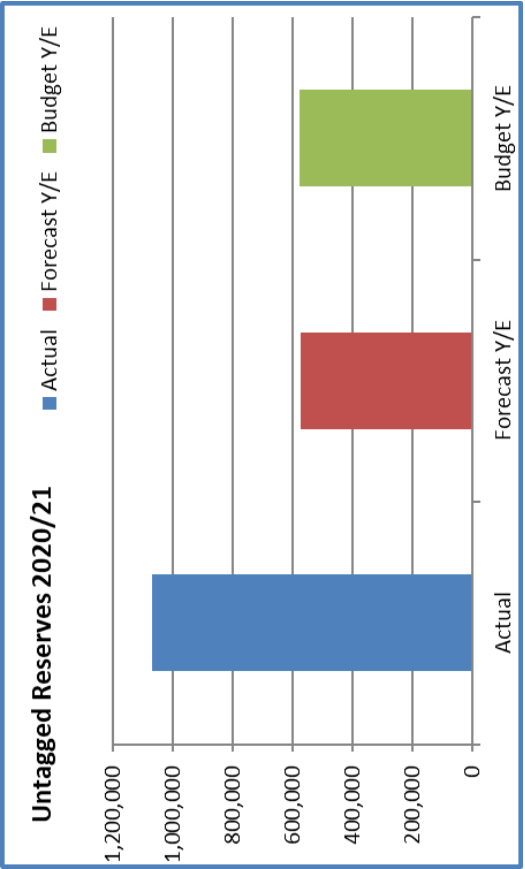
### **Other Information**

Other reports have been provided with commentary to supplement the financial information. These include:

|        |                                                                                |
|--------|--------------------------------------------------------------------------------|
| Note 1 | - Payroll costs                                                                |
| Note 2 | - Details of Cash and Cash Equivalents                                         |
| Note 3 | - Short Term Deposits                                                          |
| Note 4 | - Fixed Asset Additions                                                        |
| Note 5 | - Specific Reserves                                                            |
| Note 6 | - Endowment Funds                                                              |
| Note 7 | - Details of Payments Requiring Board approval for quarter ended 31 March 2021 |

Key Result Indicators as at 31 March 2021





# Te Manawa Museums Trust

## EXECUTIVE SUMMARY

The operating surplus, after Collection Movements, for the nine months ended 31 March, is **\$221,695** compared with the budgeted surplus of **\$163,441** Year to date revenue is below budget by **\$197,306**. As previously outlined, one of the reasons is that \$200,000 grant from CET, budgeted to be received during December, will not be received until the project is completed. The actual grant is only \$172,500, so less than budgeted.

The funds from the Clevely Trust, and the bequest from the Dear Estate have been received but have been held as income in advance. The Clevely funds are tagged to a project which is unlikely to be commenced this financial year so these will be transferred at year end, to the Endowment Fund already held in reserves. It is likely that only \$9,790 of the Dear bequest will have been spent at year end.

Payroll costs are currently \$176,298 less than budget for the period. Operating costs are below budget by \$27,524. These are forecast to exceed budget by year end as contractors are used to assist the exhibition team due to staff vacancies.

## Te Manawa Museums Trust

### Summary Statement of Financial Performance for March 2021

|                                                  | A      |           | B           |          | C      |        | D           |       | E                         |           | F           |       | G         |           | I        |       |
|--------------------------------------------------|--------|-----------|-------------|----------|--------|--------|-------------|-------|---------------------------|-----------|-------------|-------|-----------|-----------|----------|-------|
|                                                  |        |           | Mar-21      |          |        |        |             |       | Year to Date (March 2021) |           |             |       | Year End  |           |          |       |
|                                                  | Actual | Budget    | Variance    | A - B    | Actual | Budget | Variance    | D - E | Actual                    | Budget    | Variance    | D - E | Forecast  | Budget    | Variance | H - G |
|                                                  | \$     | \$        | fav/(unfav) |          | \$     | \$     | fav/(unfav) |       | \$                        | \$        | fav/(unfav) |       | \$        | \$        |          |       |
| Operating Income                                 | 1      | 291,064   | 286,640     | 4,424    |        |        |             |       | 2,750,074                 | 2,947,380 | (197,306)   |       | 3,824,726 | 3,806,062 | 18,664   |       |
| Operating Expenditure                            | 2      | 409,537   | 353,770     | (55,767) |        |        |             |       | 2,569,118                 | 2,794,419 | 225,301     |       | 3,856,249 | 3,818,122 | (38,127) |       |
| Surplus/(Deficit) before Collection Movement     |        | (118,473) | (67,130)    | (51,343) |        |        |             |       | 180,956                   | 152,961   | 27,995      |       | (31,523)  | (12,060)  | (19,463) |       |
| Collection Movement Income                       |        | 1,744     | 1,500       | 244      |        |        |             |       | 44,217                    | 10,500    | 33,717      |       | 44,216    | 15,000    | 29,217   |       |
| Collection Movement Expense                      |        | -         | -           | -        |        |        |             |       | 3,478                     | 20        | 3,458       |       | 3,478     | -         | (3,478)  |       |
| Net Collection Movements                         |        | 1,744     | 1,500       | 244      |        |        |             |       | 40,739                    | 10,480    | 30,259      |       | 40,738    | 15,000    | 25,739   |       |
| Surplus/(Deficit) Including Collection Movements |        | (116,728) | (65,630)    | (51,098) |        |        |             |       | 221,695                   | 163,441   | 58,254      |       | 9,215     | 2,940     | 6,275    |       |

**Te Manawa Museum Trust**  
**Entity (by Activity)**

**Statement of Financial Performance**  
**for the Month Ended 31 March 2021**

|                                         | Mar-21         |                |                        | Year to Date     |                  |                        | Year End         |                  |                        |
|-----------------------------------------|----------------|----------------|------------------------|------------------|------------------|------------------------|------------------|------------------|------------------------|
|                                         | Actual         | Budget         | Var to Bud fav/(unfav) | Actual           | Budget           | Var to Bud fav/(unfav) | Forecast         | Budget           | Var to Bud fav/(unfav) |
| <b>Revenue</b>                          |                |                |                        |                  |                  |                        |                  |                  |                        |
| Collection Management                   | 1,744          | 1,500          | 244                    | 109,223          | 117,000          | (7,777)                | 161,513          | 121,500          | 40,013                 |
| Corporate Services                      | 1,047          | 1,750          | (703)                  | 10,814           | 15,750           | (4,936)                | 13,763           | 21,000           | (7,237)                |
| Learning                                | 8,060          | 6,783          | 1,277                  | 77,623           | 61,044           | 16,579                 | 95,362           | 81,394           | 13,968                 |
| Concepts & Engagement                   | 283            | 121            | 162                    | 57,976           | 45,937           | 12,039                 | 57,976           | 46,300           | 11,676                 |
| Executive                               | 269,326        | 269,951        | (625)                  | 2,444,543        | 2,445,805        | (1,262)                | 3,252,521        | 3,254,408        | (1,887)                |
| Marketing                               | -              | -              | -                      | 23               | -                | 23                     | 23               | -                | 23                     |
| Public Programmes & Events              | 6,287          | 1,000          | 5,287                  | 19,235           | 9,000            | 10,235                 | 22,183           | 12,000           | 10,183                 |
| Sponsorship                             | 1,000          | -              | 1,000                  | 4,000            | 200,000          | (196,000)              | 179,500          | 200,000          | (20,500)               |
| Customer Services                       | 5,061          | 7,035          | (1,974)                | 70,853           | 63,344           | 7,509                  | 86,101           | 84,460           | 1,641                  |
| Volunteers                              | -              | -              | -                      | -                | -                | -                      | -                | -                | -                      |
| <b>Total</b>                            | <b>292,808</b> | <b>288,140</b> | <b>4,668</b>           | <b>2,794,291</b> | <b>2,957,880</b> | <b>(163,589)</b>       | <b>3,868,943</b> | <b>3,821,062</b> | <b>47,881</b>          |
| <b>Operating</b>                        |                |                |                        |                  |                  |                        |                  |                  |                        |
| Collection Management                   | 26,988         | 40,834         | 13,846                 | 110,534          | 241,869          | 131,336                | 359,615          | 333,834          | (25,780)               |
| Corporate Services & Facilities         | 58,170         | 59,017         | 847                    | 448,888          | 506,037          | 57,149                 | 724,095          | 735,069          | 10,974                 |
| Learning                                | 24,017         | 38,241         | 14,224                 | 200,625          | 260,560          | 59,935                 | 266,105          | 339,444          | 73,339                 |
| Concepts & Engagement                   | 101,154        | 60,464         | (40,690)               | 552,180          | 550,510          | (1,669)                | 739,052          | 736,318          | (2,733)                |
| Kaihauti                                | 9,167          | 8,846          | (321)                  | 33,911           | 33,061           | (850)                  | 61,412           | 48,752           | (12,660)               |
| Executive                               | 75,261         | 49,119         | (26,142)               | 461,516          | 448,113          | (13,403)               | 620,245          | 617,231          | (3,014)                |
| Marketing                               | 19,450         | 17,874         | (1,576)                | 138,449          | 156,823          | 18,374                 | 201,828          | 214,910          | 13,082                 |
| Public Programmes & Events              | 21,267         | 18,826         | (2,441)                | 112,993          | 127,364          | 14,371                 | 151,734          | 168,993          | 17,259                 |
| Sponsorship                             | -              | -              | -                      | -                | -                | -                      | -                | -                | -                      |
| Customer Services                       | 52,751         | 36,363         | (16,388)               | 319,062          | 257,366          | (61,696)               | 411,185          | 338,160          | (73,025)               |
| Volunteers                              | -              | 25             | 25                     | 264              | 638              | 374                    | 476              | 850              | 374                    |
| Depreciation                            | 21,313         | 24,161         | 2,848                  | 190,645          | 212,077          | 21,432                 | 280,451          | 284,560          | 4,109                  |
| Net loss/(gain) on disposal of fixed as | -              | -              | -                      | 51               | -                | (51)                   | 40,051           | -                | (40,051)               |
| Custodial Assets Returned               | -              | -              | -                      | -                | -                | -                      | -                | -                | -                      |
| Collection Assets Deaccessioned         | -              | -              | -                      | 3,478            | 20               | (3,458)                | 3,478            | -                | (3,478)                |
| <b>Total</b>                            | <b>409,537</b> | <b>353,770</b> | <b>(55,767)</b>        | <b>2,572,596</b> | <b>2,794,439</b> | <b>221,843</b>         | <b>3,859,727</b> | <b>3,818,122</b> | <b>(41,605)</b>        |

**Te Manawa Museum Trust**  
**Entity (by Category)**

**Statement of Financial Performance**  
**for the Month Ended 31 March 2021**

|                                          | Mar-21           |                 | Year to Date     |                  |                       | Year End         |                  |                       |
|------------------------------------------|------------------|-----------------|------------------|------------------|-----------------------|------------------|------------------|-----------------------|
|                                          | Actual           | Budget          | Actual           | Budget           | Var to<br>fav/(unfav) | Forecast         | Budget           | Var to<br>fav/(unfav) |
| <b>Revenue</b>                           |                  |                 |                  |                  |                       |                  |                  |                       |
| PNCC Operating Grant                     | 269,326          | 269,326         | 2,423,931        | 2,423,930        | 1                     | 3,231,909        | 3,231,908        | 1                     |
| MDC Grant                                | -                | 625             | 20,000           | 20,000           | -                     | 20,000           | 20,000           | -                     |
| Interest Received                        | 464              | 1,167           | 5,536            | 10,499           | (4,963)               | 6,736            | 14,000           | (7,264)               |
| Other Income                             | 21,274           | 15,522          | 300,607          | 492,951          | (192,344)             | 566,081          | 540,154          | 25,927                |
| <b>Total</b>                             | <b>291,064</b>   | <b>286,640</b>  | <b>2,750,074</b> | <b>2,947,380</b> | <b>(197,306)</b>      | <b>3,824,726</b> | <b>3,806,062</b> | <b>18,664</b>         |
| <b>Operating</b>                         |                  |                 |                  |                  |                       |                  |                  |                       |
| Payroll                                  | 247,163          | 248,884         | 1,522,361        | 1,698,659        | 176,298               | 2,034,250        | 2,303,043        | 268,793               |
| Operating Interest                       | 134,249          | 73,915          | 794,758          | 822,375          | 27,524                | 1,419,764        | 1,148,781        | (270,983)             |
| PNCC Leases & SLA's                      | -                | -               | -                | -                | -                     | -                | -                | -                     |
| Depreciation                             | 6,811            | 6,810           | 61,303           | 61,308           | (5)                   | 81,733           | 81,738           | 5                     |
| Net loss on FOREX                        | 21,313           | 24,161          | 190,645          | 212,077          | 21,432                | 280,451          | 284,560          | 4,109                 |
| Gain/(loss) on disposals                 | -                | -               | 51               | -                | -                     | -                | -                | -                     |
| <b>Total</b>                             | <b>409,537</b>   | <b>353,770</b>  | <b>2,569,118</b> | <b>2,794,419</b> | <b>225,301</b>        | <b>3,856,249</b> | <b>3,818,122</b> | <b>(38,127)</b>       |
| <b>Surplus/(Deficit) Pre Colln Mvmts</b> | <b>(118,473)</b> | <b>(67,130)</b> | <b>180,956</b>   | <b>152,961</b>   | <b>27,995</b>         | <b>(31,523)</b>  | <b>(12,060)</b>  | <b>(19,463)</b>       |
| <b>Unbudgeted Colln Mvmt Income</b>      |                  |                 |                  |                  |                       |                  |                  |                       |
| Custodial Assets Received                | 1,440            | -               | 8,397            | -                | 8,397                 | 8,397            | -                | 8,397                 |
| Donated Assets                           | 304              | 1,500           | 35,821           | 10,500           | 25,321                | 35,821           | 15,000           | 20,821                |
| <b>Unbudgeted Colln Mvmt Expense</b>     |                  |                 |                  |                  |                       |                  |                  |                       |
| Custodial Assets Returned                | -                | -               | -                | -                | -                     | -                | -                | -                     |
| Collection Assets Deaccessioned          | -                | -               | 3,478            | 20               | -3458.26              | 3,478            | -                | (3,478)               |
| <b>Net Collection Movements</b>          | <b>1,744</b>     | <b>1,500</b>    | <b>40,739</b>    | <b>10,480</b>    | <b>30,259</b>         | <b>40,739</b>    | <b>15,000</b>    | <b>25,739</b>         |

**Te Manawa Museums Trust**  
**Statement of Financial Position**  
**As at 31 March 2021**

|                                 |          | Actual<br>30/06/2020 | Actual<br>31/03/2021 | Budget<br>\$      | Variance<br>\$     |
|---------------------------------|----------|----------------------|----------------------|-------------------|--------------------|
| <b>Assets</b>                   |          |                      |                      |                   |                    |
| Current Assets                  | <b>3</b> |                      |                      |                   |                    |
| Cash and Cash Equivalents       |          | 694,163              | 1,241,967            | 156,105           | 1,085,862          |
| Stock of Merchandise            |          | 51,472               | 49,502               | 45,000            | 4,502              |
| Debtors and Sundry Receivables  |          | 10,509               | 1,885                | 50,000            | (48,115)           |
| Interest Receivable             |          | 2,022                | 982                  | 1,600             | (618)              |
| Prepayments                     |          | 8,125                | 24,829               | 57,000            | (32,171)           |
| Short Term Deposits             | <b>3</b> | 614,245              | 181,396              | 908,858           | (727,462)          |
| <b>Total Current Assets</b>     |          | <b>1,380,536</b>     | <b>1,500,561</b>     | <b>1,218,563</b>  | <b>281,998</b>     |
| <b>Non-Current Assets</b>       |          |                      |                      |                   |                    |
| Intangible Assets               |          | 12,713               | 9,339                | 20,113            | (10,774)           |
| Property Plant & Equipment:     |          |                      |                      |                   |                    |
| Computer Hardware               |          | 37,957               | 24,941               | 75,066            | (50,125)           |
| Exhibitions                     |          | 284,028              | 241,112              | 190,728           | 50,384             |
| Furniture & Fittings            |          | 62,071               | 47,710               | 58,679            | (10,969)           |
| Leasehold Improvements          |          | 67,136               | 51,715               | 45,638            | 6,077              |
| Plant & Equipment               |          | 320,695              | 270,170              | 308,673           | (38,503)           |
| Work in Progress                |          | 61,809               | 188,384              | 30,000            | 158,384            |
| Collection Assets - Owned       |          | 7,240,473            | 7,360,334            | 8,374,712         | (1,014,378)        |
| Collection Assets - Custodial   |          | 8,086,365            | 8,091,283            | 8,265,209         | (173,926)          |
| <b>Total Non-Current Assets</b> |          | <b>16,173,247</b>    | <b>16,284,987</b>    | <b>17,368,818</b> | <b>(1,083,831)</b> |

**Te Manawa Museums Trust**  
**Statement of Financial Position**  
**As at 31 March 2021**

|                                       | Actual<br>30/06/2020 | Actual<br>31/03/2021 | Budget<br>\$      | Variance<br>\$     |
|---------------------------------------|----------------------|----------------------|-------------------|--------------------|
| <b>Current Liabilities</b>            |                      |                      |                   |                    |
| Creditors, Provisions & Payables      | 284,622              | 180,026              | 160,000           | 20,026             |
| Employee Liabilities                  | 280,515              | 232,769              | 201,860           | 30,909             |
| Provisions                            | -                    | -                    | -                 | -                  |
| GST Payable (Receivable)              | 46,336               | 34,382               | 55,000            | (20,618)           |
| Income received in advance            | 82,858               | 257,224              | 30,000            | 227,224            |
| <b>Total Current Liabilities</b>      | 694,331              | <b>704,400</b>       | <b>446,860</b>    | <b>257,540</b>     |
| <b>Non-Current Liabilities</b>        |                      |                      |                   |                    |
| Employee Benefit Liabilities          | 3,463                | 3,464                | 3,266             | 198                |
| <b>Total Non-Current Liabilities</b>  | 3,463                | <b>3,464</b>         | <b>3,266</b>      | <b>198</b>         |
| <b>Total Liabilities</b>              | <b>697,794</b>       | <b>707,864</b>       | <b>450,126</b>    | <b>257,738</b>     |
| <b>Equity</b>                         |                      |                      |                   |                    |
| Trust Equity                          | 10,428,878           | 10,706,889           | 10,712,131        | (5,242)            |
| Retained Surplus Current Year         | 278,012              | 221,695              | 2,942             | 218,753            |
| Asset Revaluation Reserve             | 5,800,107            | 5,800,107            | 7,073,191         | (1,273,084)        |
| Specific Reserves                     | 338,118              | 338,118              | 338,117           | 1                  |
| Endowment Funds                       | 10,874               | 10,874               | 10,874            | 0                  |
| <b>Total Equity</b>                   | <b>16,855,990</b>    | <b>17,077,684</b>    | <b>18,137,255</b> | <b>(1,059,571)</b> |
| <b>Total Equity &amp; Liabilities</b> | <b>17,553,783</b>    | <b>17,785,548</b>    | <b>18,587,381</b> | <b>(801,833)</b>   |

| Te Manawa Museums Trust                         |                      |                        |              |                |  |
|-------------------------------------------------|----------------------|------------------------|--------------|----------------|--|
| Statement of Cash flows                         |                      |                        |              |                |  |
| For the Nine Months Ended 31 March 2021         |                      |                        |              |                |  |
| Description                                     | Actual<br>30/06/2020 | Actual<br>Year to date | Budget<br>\$ | Variance<br>\$ |  |
| <b>Cash Flows from Operating Activities</b>     |                      |                        |              |                |  |
| Cash was provided from:                         |                      |                        |              |                |  |
| PNCC Grants                                     | 3,199,909            | 2,423,931              | 1,615,954    | 807,977        |  |
| Other Revenue                                   | 349,862              | 320,607                | 492,951      | (172,344)      |  |
| Reduction in Reserves                           |                      |                        |              |                |  |
| Interest                                        | 16,191               | 5,536                  | 10,499       | (4,963)        |  |
| Cash was disbursed to:                          |                      |                        |              |                |  |
| Payroll                                         | 3,565,962            | 2,750,074              | 2,119,404    | 630,670        |  |
|                                                 | 1,978,563            | 1,474,616              | 1,698,659    | (224,043)      |  |
| Suppliers                                       | 875,274              | 794,758                | 822,375      | (27,617)       |  |
| Interest                                        | -                    | -                      | -            | -              |  |
| Net GST Outflow (Inflow)                        | (19,198)             | (11,954)               | 3,000        | (14,954)       |  |
|                                                 | 2,834,639            | 2,257,420              | 2,524,034    | (266,614)      |  |
| <b>Net Cash Flows from Operating Activities</b> | 731,323              | 492,653                | (404,630)    | 897,283        |  |
| <b>Cash Flows from Investing Activities</b>     |                      |                        |              |                |  |
| Cash was provided from:                         |                      |                        |              |                |  |
| Sale of Assets                                  |                      | -                      | -            | -              |  |
| Cash was disbursed to                           |                      |                        |              |                |  |
| Purchase of Intangible Assets - Software        | 3,345                | -                      | -            | 0              |  |
| Purchase of Property Plant & Equipment          | 122,386              | 140,568                | 213,300      | 72,732         |  |
| Purchase of Collection Assets                   | 29,634               | 54,285                 | 50,000       | (4,285)        |  |
| Increase deposits                               | 464,245              | (250,004)              | (360,109)    | (110,105)      |  |
| Total                                           | 619,610              | (55,151)               | (96,809)     | (41,658)       |  |
| <b>Net Cash Flows from Investing Activities</b> | (619,610)            | 55,151                 | 96,809       | 41,657         |  |
| <b>Cash Flows from Financing Activities</b>     |                      |                        |              |                |  |
| Cash was provided from:                         |                      |                        |              |                |  |
| PNCC Long-term Exhibition Development Grant     |                      | -                      | -            | -              |  |
| Capital Introduced                              |                      | -                      | -            | -              |  |
| Proceeds of Term Loans/Finance Leases           |                      | -                      | -            | -              |  |
| Cash was disbursed to:                          |                      |                        |              |                |  |
| <b>Net Cash Flows from Financing Activities</b> | -                    | -                      | -            | -              |  |
| Net Increase/(Decrease) in Cash Held            | 111,713              | 547,805                | (307,821)    | 855,626        |  |
| Opening Cash Balances                           | 582,450              | 694,163                | 463,926      | 230,237        |  |

# Analysis of External Revenue to 31 March 2021

| 3rd Party Revenue                                                                                    | Actual Month  | Budget Month  | Actual YTD     | Budget YTD     | Annual Budget  | Last Year      | Comments                                                                                                                          |
|------------------------------------------------------------------------------------------------------|---------------|---------------|----------------|----------------|----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------|
| Grants Distributions - Heritage and co                                                               | -             | -             | 52,000         | 50,000         | 106,500        | -              | Includes contribution from the Methodist Church towards te removal and transportation of the stained glass windows.               |
| LEOTC Contract                                                                                       | 5,010         | 4,370         | 45,086         | 39,334         | 52,444         | 36,688         | MoE Grant . The formal agreement ceased at 31 December but the MOE has rolled this over for another calendar year.                |
| Other Education programmes                                                                           | 3,050         | 2,413         | 32,537         | 21,710         | 28,950         | 31,097         |                                                                                                                                   |
| Public programmes & Events                                                                           | 6,176         | 1,000         | 19,124         | 9,000          | 12,000         | 5,866          | Proceeds from activities such as laser tag, Nerf Wars and Drag nights.                                                            |
| Public programmes - Education Led                                                                    | 111           | -             | -              | -              | -              | 26,180         |                                                                                                                                   |
| Touring Revenue                                                                                      | -             | -             | -              | -              | -              | 59,368         |                                                                                                                                   |
| Admission Fees                                                                                       | -             | -             | -              | -              | -              | 6,700          |                                                                                                                                   |
| Donations                                                                                            | 283           | 121           | 17,122         | 10,937         | 11,300         | 17,736         | Donations re Koru warrior, Santa's cave and Bugs.                                                                                 |
| Fundraising (Grants- no restriction No G                                                             | 1,000         | -             | 4,000          | 200,000        | 200,000        | 18,197         | CET awarded \$172,500 to be received on completion of lighting project. At this stage it is hoped this will be completed in June. |
| Grants                                                                                               | -             | -             | 53,861         | 91,500         | 35,000         | 123,048        | These include the recognition of \$26k funding, from Westpac, Beca and Vitae, towards Tamariki.                                   |
| Front of House Revenue, including Shop Sales and Venue Hire (Not including front of house donations) | 4,913         | 7,035         | 67,898         | 63,344         | 84,460         | 72,584         |                                                                                                                                   |
| In house donation received                                                                           | 148           | -             | 2,955          | -              | -              | 7,878          | These are received at Front of House either at the Museum or Art Gallery.                                                         |
| Interest Revenue                                                                                     | 464           | 1,167         | 5,536          | 10,499         | 14,000         | 13,892         |                                                                                                                                   |
| Sundry Income                                                                                        | 583           | 1,208         | 5,914          | 7,126          | 9,500          | 7,585          | Monthly rent from Darkroom .                                                                                                      |
| Grant MDC                                                                                            | -             | -             | 20,000         | 20,000         | 20,000         | 20,360         |                                                                                                                                   |
| <b>Total Third Party Revenue (excluding Collection</b>                                               | <b>21,738</b> | <b>17,314</b> | <b>326,031</b> | <b>523,450</b> | <b>574,154</b> | <b>447,179</b> |                                                                                                                                   |

## 1. Payroll Costs

Te Manawa Museums Trust  
Payroll Analysis  
As at 31 March 2021

| Payroll Analysis                                                              | Actual<br>31 March 2021 | Budget<br>31 March 2021 | Variance Actual<br>from Budget | Forecast<br>30 June 2021 | Budget<br>30 June 2021 | Variance<br>Annual<br>Forecast from<br>Annual Budget | Comments                                                                                                                                                                                                                           | Actual<br>FTEs | 20/21<br>Budget<br>FTEs | Variance<br>Actual<br>from<br>Budget |
|-------------------------------------------------------------------------------|-------------------------|-------------------------|--------------------------------|--------------------------|------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------|--------------------------------------|
| Finance and Facilities                                                        | 123,314                 | 138,573                 | (15,259)                       | 198,261                  | 197,019                | 1,242                                                | At this stage an assistant accountant has not been employed as anticipated. Andy wants the salary to be redeployed to pay a dedicated fundraiser.                                                                                  | 2.44           | 2.00                    | 0.44                                 |
| Collection & Knowledge                                                        | 52,251                  | 149,887                 | (97,636)                       | 69,861                   | 210,907                | (141,046)                                            | At this stage an art collections manager and a digital person have not been recruited.                                                                                                                                             | 1.00           | 3.00                    | (2.00)                               |
| Learning                                                                      | 183,320                 | 238,512                 | (55,192)                       | 238,467                  | 310,064                | (71,597)                                             | This reduction is not the result of savings but of allocating half ( \$44K) of the salary of the Curiosity Experience Manager to Customer Services.                                                                                | 4.09           | 4.75                    | (0.66)                               |
| Events                                                                        | 84,113                  | 92,944                  | (8,831)                        | 109,442                  | 123,109                | (13,667)                                             | This is below budget as one team member elected to reduce her hours.                                                                                                                                                               | 1.50           | 2.00                    | (0.50)                               |
| Visitors' Engagement                                                          | 283,996                 | 220,198                 | 63,798                         | 362,179                  | 286,555                | 75,624                                               | Some of this increase relates to the reallocation of 40% of the Curiosity Experience manager's salary ( see above) and the balance arises from underbudgeting on the staff deployed in Customer Services.                          | 7.28           | 5.92                    | 1.36                                 |
| Communications                                                                | 89,574                  | 84,175                  | 5,399                          | 116,076                  | 116,085                | (9)                                                  |                                                                                                                                                                                                                                    | 1.69           | 1.69                    | -                                    |
| Concepts & Engagement                                                         | 280,453                 | 319,915                 | (39,462)                       | 351,664                  | 420,442                | (68,778)                                             | There are still vacant positions for a designer and a technician. One technician has been employed and is to commence in February 2021                                                                                             | 4.14           | 8.00                    | (3.86)                               |
| Executive                                                                     | 396,088                 | 405,651                 | (9,563)                        | 518,203                  | 565,213                | (47,010)                                             | Recruitment is underway for a full time Executive assistant                                                                                                                                                                        | 5.00           | 4.80                    | 0.20                                 |
| Plus Annual Leave movement in provision and KiwiSaver Employer's contribution | 29,251                  | 48,804                  | (19,553)                       | 70,096                   | 73,649                 | (3,553)                                              |                                                                                                                                                                                                                                    |                |                         | -                                    |
| <b>Total Operational Payroll</b>                                              | <b>1,522,361</b>        | <b>1,698,659</b>        | <b>(176,298)</b>               | <b>2,034,250</b>         | <b>2,303,043</b>       | <b>(268,793)</b>                                     | The Actual to date and Forecast payroll does not include budgeted performance adjustments or a budgeted CPI adjustment as CCO's have been recommended to follow PNCC's lead in not increasing salaries during this financial year. | <b>27.14</b>   | <b>32.16</b>            | <b>(5.02)</b>                        |

| Permanent/ Fixed term staff movement reported for the nine months ended 31 March 2021. |                     |             |            |            |            |  |
|----------------------------------------------------------------------------------------|---------------------|-------------|------------|------------|------------|--|
| Started                                                                                |                     |             |            |            |            |  |
| Name                                                                                   | Position            | Team*       | Start Date | Movement   | End Date   |  |
| Clayton Tansley                                                                        | Technician          | Exhibitions | permanent  | 9/02/2021  |            |  |
| Julie Bow e                                                                            | Executive Assistant | Executive   | permanent  | 9/02/2021  |            |  |
| <b>Left</b>                                                                            |                     |             |            |            |            |  |
| Maggie Vine                                                                            | Executive Assistant | Executive   | Permanent  | 28/04/2014 | 10/02/2021 |  |
| Pip Steel                                                                              | Educator            | Education   | Permanent  | 5/09/2016  | 10/02/2021 |  |
| Imogen Stockwell                                                                       | Programme Developer | Exhibitions | Permanent  | 19/11/2018 | 5/03/2021  |  |

## 2. Cash and Cash Equivalents

### Te Manawa Museums Trust Details of Cash & Cash Equivalents As at 31 March 2021

| Cash & Cash Equivalents            | Interest Rate        | 31 March 2021      |
|------------------------------------|----------------------|--------------------|
| <b>Term Investments</b>            | <b>Maturity date</b> |                    |
| Term Investment - BNZ0001 CCE      | 13/06/2021           | \$135,747          |
|                                    |                      | \$0                |
| Term Investment - Westpac 0023 CCE | 5/08/2021            | \$156,122          |
| Term Investment - Westpac 0024 CCE | 5/08/2021            | \$125,127          |
| Term Investment - Westpac 0025 CCE | 18/06/2021           | \$202,376          |
|                                    |                      | <b>\$619,372</b>   |
| Westpac Cheque Account             |                      | \$4,715            |
| Westpac Online Saver Account       |                      | \$616,460          |
| BNZ Cheque Account                 |                      | \$11               |
| Petty Cash / Cash Floats           |                      | \$1,000            |
|                                    |                      | <b>\$1,241,558</b> |

## 3. Short Term Investments

| Short Term Deposit                 | Interest Rate        | 31 March 2021    |
|------------------------------------|----------------------|------------------|
| <b>Term Investments</b>            | <b>Maturity date</b> |                  |
| Short Term Deposits - Westpac 0022 | 30/07/2021           | \$181,396        |
|                                    |                      | \$0              |
|                                    |                      | <b>\$181,396</b> |

#### 4. Specific Reserves

| Specific Reserves                             |                        |                                           |                                     |                                   |                                   |                              |  |  |  |
|-----------------------------------------------|------------------------|-------------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------|--|--|--|
|                                               | Balance at<br>01/07/20 | Transfers<br>from<br>Retained<br>Earnings | Disbursements /<br>Release of Funds | Balance as at<br>31 March<br>2021 | Forecast<br>transfers<br>in/(out) | Year-End Forecast<br>Balance |  |  |  |
| <b>Specific Reserves</b>                      |                        |                                           |                                     |                                   |                                   |                              |  |  |  |
| Collection Development Fund -<br>General      | - 16,364               | -                                         |                                     | - 16,364                          | -                                 | 16,364                       |  |  |  |
| Historical Building Maintenance               | - 22,081               |                                           | -                                   | - 22,081                          | -                                 | 22,081                       |  |  |  |
| Exhibition Revitalisation/Development<br>Fund | - 299,674              |                                           | -                                   | - 299,674                         | -                                 | 299,674                      |  |  |  |
| Unspent Santa's Cave Funds                    | -                      |                                           | -                                   | -                                 |                                   | -                            |  |  |  |
| <b>Total Specific Reserves</b>                | <b>- 338,118</b>       | <b>-</b>                                  | <b>-</b>                            | <b>- 338,118</b>                  | <b>-</b>                          | <b>338,118</b>               |  |  |  |

#### 5. Endowment Funds

Te Manawa Museums Trust

|                              | Balance at<br>01/07/20 | Additional<br>Endowments | Disbursements /<br>Release of Funds | Balance as at<br>31 March<br>2021 | Forecast<br>transfers<br>in/(out) | Year-End Forecast<br>Balance |  |  |  |
|------------------------------|------------------------|--------------------------|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------|--|--|--|
| <b>Endowment Fund</b>        |                        |                          |                                     |                                   |                                   |                              |  |  |  |
| Clevely Fund                 | 10,874                 | -                        | -                                   | 10,874                            | -                                 | 10,874                       |  |  |  |
| <b>Total Endowment Funds</b> | <b>10,874</b>          | <b>-</b>                 | <b>-</b>                            | <b>10,874</b>                     | <b>-</b>                          | <b>10,874</b>                |  |  |  |

**6. Details of Payments Requiring Board approval for quarter ended 31 March 2021**

<sup>1</sup> Operating Contracts in excess of \$50,000 or outside approved budget - Rongomau Productions Limited \$110,000 p.a.

<sup>2</sup> Capital items over \$30,000 or outside approved budget - NIL

<sup>3</sup>Employment contracts over \$100,000 - NIL



## MEMORANDUM

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** Military Heritage Update 2020/21

**PRESENTED BY:** Michael Duindam, Acting City Planning Manager

**APPROVED BY:** David Murphy, Chief Planning Officer

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### RECOMMENDATION(S) TO ARTS, CULTURE & HERITAGE COMMITTEE

1. That the memorandum titled 'Military Heritage Update 2020/21', reported to the Arts, Culture & Heritage Committee on 18 August 2021, be received.
- 

#### 1. ISSUE

The purpose of this memorandum is to update the Committee on the work that has been completed in the 2020/21 period. This includes the following significant projects:

- Opening and blessing of the redeveloped Memorial Park poppy playground (Stage 2).
- Opening and blessing of the CET Arena / Showgrounds with military heritage themed story telling.

#### 2. BACKGROUND

In June 2018 the Arts, Culture and Heritage Committee passed the following resolution:

- That the Chief Executive provide an annual progress report on the development of a Military Heritage Theme across Council Programmes to Arts, Culture & Heritage from June 2019.

The Arts, Culture & Heritage Committee also recommended next steps for work to be advanced, including:

- Commence work with the Palmerston North Defence Heritage Advisory Group (PNDHAG) on a military heritage trail.
- Alert Council staff on the availability of the GIS as an input into the programme planning.

The Arts and Heritage Plan (2021) includes the following action:

*'Provide an annual progress report on military heritage themed Council run programmes to the Arts, Culture & Heritage Committee'.*

Section 3 below outlines the military heritage themed activities that were undertaken in the 2020-2021 period.

### 3. MILITARY HERITAGE THEMED ACTIVITIES 2020-2021

| ACTIVITY TYPE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Meetings</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"> <li>Representation on PNDHAG</li> <li>Quarterly progress update meetings between PNCC Planning and PNHDAG Chair</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Plaques</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <ul style="list-style-type: none"> <li>Purchased new Historic Places plaque for installation on Café Cuba (Former Soldiers Club site of military significance)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Local History Week: 2-8 November 2020</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <ul style="list-style-type: none"> <li>Bus trip to Linton Military Camp – 4<sup>th</sup> November <ul style="list-style-type: none"> <li>Included visit to Engineer Corps Memorial Centre</li> <li>Bus tour of the camp</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Displays</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"> <li>WWII display on second floor and mezzanine floor of the library during ANZAC period</li> <li>Awapuni Military Camp display on the mezzanine floor during LHW – involved audio/video and display boards</li> <li>Display banners for ANZAC Day and Armistice Day functions</li> <li>Created display boards on the history of Awapuni Military Camp</li> <li>Created display boards of those who died in the South African War, WWII and subsequent conflicts (in addition to that held for WWI) – erected for 2021 ANZAC Day commemoration in Te Marae o Hine.</li> <li>Created display board on the history of Linton Military Camp – for installation at the Linton Camp end of He Ara Kotahi.</li> </ul> |
| <b>Content Creation - Acquisition of military archives</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <ul style="list-style-type: none"> <li>Documented sites of military significance in Palmerston North</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| through photographs (David Lupton, photographer) – for Manawatū Heritage.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Presentations and Lectures</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <ul style="list-style-type: none"> <li>• Hiroshima commemoration event 6/8/2020</li> <li>• Ian McGibbon - Armistice Day (Korean War) evening event 11/11/2020</li> <li>• Barry O'Sullivan (Military Uniforms) presentation 15/4/2021</li> <li>• Leanne Hickman / George Kereama (Military History of Palmerston North) - evening presentation 29/6/2021</li> <li>• Venue / promotion for midday monthly military history presentations, co-hosted by PNCL and ECMC/ RNZE CT</li> </ul>                                                                                                                                                                                                                                                                                           |
| <b>Military Themed Events</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <ul style="list-style-type: none"> <li>• Victory in the Pacific (VJ Day) flag raising - 15/8/20</li> <li>• Armistice Day 11/11/20</li> <li>• Anzac Day services including the 150<sup>th</sup> Charter Parade on 25/4/21 this year.</li> </ul> <p>Other events were planned but not delivered due to COVID 19 restrictions and Defence Force capacity at MIQ, eg. Battle of the Bridges (secondary school competition)</p>                                                                                                                                                                                                                                                                                                                                                       |
| <b>Parks and Reserves</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <ul style="list-style-type: none"> <li>• Opening of the redeveloped Memorial Park poppy playground (Stage 2)</li> <li>• Support to the Palmerston North RSA for the NZ remembrance army service grave restoration project</li> <li>• Opening of the CET Arena/ Showgrounds with military heritage themed story telling</li> <li>• Original Memorial Park flagpole refurbished</li> <li>• Stakeholder workshops for redevelopment of Te Motu o Poutoa ANZAC Park (Military heritage input)</li> <li>• Cuba Street Redevelopment Project             <ul style="list-style-type: none"> <li>○ In the construction of the next stage of the Cuba Street redevelopment a provision will be made for the future inclusion of recognition of military heritage.</li> </ul> </li> </ul> |

#### 4. NEXT STEPS

Explore further opportunities to incorporate the military heritage theme across Council projects and activities, including planned actions such as:

- Reinstate and install Memorial Park Flagpole
- Nga Toa O Manawatū – Bronze Soldier Sculpture along the Manawatū River Pathway near Linton Military Camp
- Design of the Heroes Walk (for Memorial Park redevelopment) that will celebrate WW2 volunteers and servicemen and women.
- Poppy Places signage on buildings and sites of significance
- Decision required regarding continuing the dawn and civic ANZAC day services
- Listing of Military Heritage memorials in the District Plan (Update)
- Update Spatial Database to include heritage layer and military heritage aspects
- Investigate options for a broader Heritage Advisory Panel

#### 5. COMPLIANCE AND ADMINISTRATION

|                                                                                                                                                 |                                                                                                                                                                                                                                                                |            |
|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Does the Committee have delegated authority to decide?<br>If Yes quote relevant clause(s) from Delegations Manual                               |                                                                                                                                                                                                                                                                | <b>Yes</b> |
| Are the decisions significant?                                                                                                                  |                                                                                                                                                                                                                                                                | <b>No</b>  |
| If they are significant do they affect land or a body of water?                                                                                 |                                                                                                                                                                                                                                                                | <b>No</b>  |
| Can this decision only be made through a 10 Year Plan?                                                                                          |                                                                                                                                                                                                                                                                | <b>No</b>  |
| Does this decision require consultation through the Special Consultative procedure?                                                             |                                                                                                                                                                                                                                                                | <b>No</b>  |
| Is there funding in the current Annual Plan for these actions?                                                                                  |                                                                                                                                                                                                                                                                | <b>No</b>  |
| Are the recommendations inconsistent with any of Council's policies or plans?                                                                   |                                                                                                                                                                                                                                                                | <b>No</b>  |
| The recommendations contribute to Goal 2: A Creative and Exciting City                                                                          |                                                                                                                                                                                                                                                                |            |
| The recommendations contribute to the achievement of action/actions in Arts and Heritage                                                        |                                                                                                                                                                                                                                                                |            |
| The action is: Provide an annual progress report on military heritage themed Council run programmes to the Arts, Culture and Heritage Committee |                                                                                                                                                                                                                                                                |            |
| Contribution to strategic direction and to social, economic, environmental                                                                      | The recommendation contributes to fulfilling the action of raising awareness of cultural heritage through the delivery of Council activities, because it demonstrates the projects that have been undertaken in relation to the military heritage of the city. |            |

|                         |  |
|-------------------------|--|
| and cultural well-being |  |
|-------------------------|--|

**ATTACHMENTS**

Nil



## MEMORANDUM

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** 2021/22 Maintenance and Renewal Plans and Budgets for Cultural Facilities

**PRESENTED BY:** Bryce Hosking, Manager - Property

**APPROVED BY:** Sarah Sinclair, Chief Infrastructure Officer

### RECOMMENDATION(S) TO ARTS, CULTURE & HERITAGE COMMITTEE

1. That the memorandum titled '2021/22 Maintenance and Renewal Plans and Budgets for Cultural Facilities' presented to the Arts, Culture & Heritage Committee on 18 August 2021 be received for information.

#### 1. ISSUE

- 1.1 The Arts, Culture and Heritage Committee Meeting on 11 June 2018 resolved:  
*'That the Chief Executive be instructed to present annual maintenance and renewal plans and budgets for the cultural facilities to the Arts, Culture and Heritage Committee, excluding the Central Library.'*
- 1.2 This report addresses this resolution.

#### 2. BACKGROUND

- 2.1 The buildings that sit in the Cultural Facilities portfolio include:
  - The Globe Theatre;
  - The Regent Theatre;
  - Square Edge Building;
  - Te Manawa and the Art Gallery;
  - Creative Sounds;
  - Caccia Birch; and
  - Central Library Building.
- 2.2 There is a clear and consistent demarcation for who is financially responsible for outgoings across the cultural facilities portfolio; Council or the Tenant/CCO. This allows for both parties to plan and budget for the outgoings which are their responsibility.

- 2.3 Most of the building maintenance and renewals are the responsibility of Council as the Landlord and are undertaken by the Property Division.
- 2.4 The Property Division works with the various Tenants/ CCO's to plan and prioritise Council's capital renewal works and planned preventative maintenance each year. The planning and prioritisation of works are undertaken at both a facility-by-facility level and at a portfolio level to ensure the best use of available funds.
- 2.5 Capital renewal works are delivered within the cultural facilities portfolio via Programme 213 – Cultural Facilities – Renewals, whereas the maintenance is undertaken through Council's operational maintenance budgets.
- 2.6 The resolution in Clause 1.1 excludes the Central Library. Therefore this report does not discuss the renewals to be undertaken within the Central Library Building. For clarity, capital renewal works in the Central Library building are undertaken through Programme 1775 – Central Library – Renewals.

### 3. CAPITAL RENEWAL AND MAINTENANCE WORKS PLANNED FOR 2021/22

- 3.1 Below is an overview of the capital renewal works planned for 2021/22:

| Facility               | Planned Renewal Projects                                                                                         | Project Budget (excl. GST) |
|------------------------|------------------------------------------------------------------------------------------------------------------|----------------------------|
| The Globe              | <ul style="list-style-type: none"> <li>• Performer's Bathroom Upgrades</li> </ul>                                | \$140,000                  |
| The Regent Theatre     | <ul style="list-style-type: none"> <li>• Stage Fly System Infrastructure</li> </ul>                              | \$50,000                   |
| Square Edge Building   | <ul style="list-style-type: none"> <li>• Fire Safety Upgrades</li> </ul>                                         | \$400,000                  |
| Te Manawa/ Art Gallery | <ul style="list-style-type: none"> <li>• Roof Renewals (part)</li> <li>• 2nd Floor Carpet Replacement</li> </ul> | \$120,000<br>\$50,000      |
| Caccia Birch House     | <ul style="list-style-type: none"> <li>• Carpark Upgrade</li> <li>• House Elevator Pump Renewal</li> </ul>       | \$50,000<br>\$20,000       |
| Creative Sounds        | <ul style="list-style-type: none"> <li>• Studio Air-Con Improvements</li> </ul>                                  | \$20,000                   |
| <b>Total</b>           |                                                                                                                  | <b>\$850,000</b>           |

- 3.2 Below is an overview of the repairs and maintenance works planned for 2021/22:

| Facility               | Planned Maintenance Projects                                                                                                                                                                                            |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Globe              | <ul style="list-style-type: none"> <li>Regular building clean and paint touch ups</li> <li>Air-con servicing and maintenance</li> <li>Gas appliance servicing and maintenance</li> </ul>                                |
| The Regent Theatre     | <ul style="list-style-type: none"> <li>Specialist heritage repaint of auditorium wall</li> <li>Minor roof repairs and maintenance</li> </ul>                                                                            |
| Square Edge Building   | <ul style="list-style-type: none"> <li>Plumbing/ drainage improvements in Courtyard</li> <li>Floodlighting maintenance in Courtyard</li> <li>Courtyard roller door maintenance</li> </ul>                               |
| Te Manawa/ Art Gallery | <ul style="list-style-type: none"> <li>Minor roof repairs and maintenance</li> <li>Regular building clean and paint touch ups</li> <li>Exterior weathertightness maintenance and painting of Totaranui House</li> </ul> |
| Creative Sounds        | <ul style="list-style-type: none"> <li>Drainage and ventilation maintenance</li> <li>Minor floor structure maintenance</li> </ul>                                                                                       |
| Caccia Birch House     | <ul style="list-style-type: none"> <li>Regular building clean and paint touch ups</li> </ul>                                                                                                                            |

3.3 Please note the above works is only the planned and maintenance items of significance identified by the Property Division in conjunction with the various CCOs. Any regular servicing will be undertaken over and above this as required, and there is a small allowance for reactive works.

3.4 Also note any works that are being undertaken by the Tenant/ CCO is not included in the above and is over and above the above works.

#### 4. NEXT STEPS

4.1 Undertake the maintenance and renewal works throughout the cultural facilities portfolio as planned.

#### 5. COMPLIANCE AND ADMINISTRATION

|                                                                          |            |
|--------------------------------------------------------------------------|------------|
| Does the Committee have delegated authority to decide?                   | <b>Yes</b> |
| Are the decisions significant?                                           | <b>No</b>  |
| If they are significant do, they affect land or a body of water?         | <b>No</b>  |
| Can this decision only be made through a 10 Year Plan?                   | <b>No</b>  |
| Does this decision require consultation through the Special Consultative | <b>No</b>  |

|                                                                                                                                                                                              |                                                                                                                                                                                                     |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| procedure?                                                                                                                                                                                   |                                                                                                                                                                                                     |            |
| Is there funding in the current Annual Plan for these actions?                                                                                                                               |                                                                                                                                                                                                     | <b>Yes</b> |
| Are the recommendations inconsistent with any of Council's policies or plans?                                                                                                                |                                                                                                                                                                                                     | <b>No</b>  |
| The recommendations contribute to Goal 2: A Creative and Exciting City                                                                                                                       |                                                                                                                                                                                                     |            |
| The recommendations contribute to the outcomes of the Creative and Liveable Strategy                                                                                                         |                                                                                                                                                                                                     |            |
| The recommendations contribute to the achievement of action/ actions in the Arts Plan                                                                                                        |                                                                                                                                                                                                     |            |
| The action is: Develop plans for the seismic strengthening and enhancing the city's existing arts and culture buildings to achieve the Council's aspirations and meet the community's needs. |                                                                                                                                                                                                     |            |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being                                                                                           | A robust renewals programme and facilities management model will help ensure the city's existing arts and culture buildings are achieving the Council's aspirations and meet the community's needs. |            |

## **ATTACHMENTS**

Nil

## MEMORANDUM

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** Update on the City's 150th Celebrations Programme

**PRESENTED BY:** Luke McIndoe, Acting Head of Events and Partnerships

**APPROVED BY:** Sheryl Bryant, Assistant Chief Executive

### RECOMMENDATION(S) TO ARTS, CULTURE & HERITAGE COMMITTEE

1. That the memorandum titled 'Update on the City's 150th Celebrations Programme', presented to the Arts, Culture & Heritage Committee on 18 August 2021, be received for information.

#### 1. ISSUE

This memorandum reports on the progress of plans for the sesquicentennial (150<sup>th</sup>) year to the Arts, Culture & Heritage Committee.

#### 2. BACKGROUND

In 2021, Palmerston North City celebrates 150 years, a significant milestone for any city in New Zealand. Although the founding of Palmerston North was not centred around any one day or one event, the 100<sup>th</sup> was celebrated in 1971. As a result, in 2021, we are celebrating the city's 150<sup>th</sup> year.

Council activities delivered or in progress are:

- Start and end of the 150<sup>th</sup> year – New Year's Eve (December 2020)

150<sup>th</sup> Tohu (logo) projected onto the large stage at the start of the year to launch the year. The end of year event will feature a 'through the ages' musical tribute throughout the event. Musical Theatre groups will be able to perform songs from the whole 150-year period.

- A city and business stakeholder event (June)

This event was established as a business networking and engagement opportunity for city stakeholders and Palmerston North based businesses. A bespoke, curated history of the lesser known stories and key sectors of the city was developed and delivered by a professional MC. 316 guests attended this event at The Regent on Broadway on 25<sup>th</sup> June and enjoyed a menu of locally inspired and sourced food and beverages. Council funding was

reduced on this event thanks to additional external sponsorship from key city council partners. Approximately \$20,000 of sponsorship was utilised to offset operational funding. This event was mildly impacted by Covid-19 alert level changes with approximately 20 guests unable to attend.

- A community event: Palmy 150<sup>th</sup> Explore Esplanade Day (March)

A ceremonial cake cutting and activation for residents as well as a heritage talk about The Esplanade was delivered as an additional element at this premiere event in the annual event calendar.

- Arena opening (April)

Impacted by weather and Covid-19 alert levels, this was reduced to a ceremonial opening and blessing, therefore 150<sup>th</sup> elements were not explicitly delivered in a public facing event.

- City installations and lighting projections (ongoing)

A proposed water feature for projection is awaiting parts for delivery from Europe. The project has been delayed so in the interim, the projection elements have been included at a number of other events including Anzac Day and the Matariki Puanga festival.

- The community event seed fund (ongoing)

Twenty-one seed funded events (grants of \$350-\$2,000) have been approved by the Steering Committee. Due to additional sponsorship funding, a total of \$28,000.00 grant funding has been approved. Approved events cover a broad spectrum of arts, cultural and sporting events. \$8,000.00 of funding was sourced from external sponsorship. Centrepont's legacy project 'The Complete History of Palmerston North (abridged)' was also commissioned with seed funding. Other recipients include Papaioea Pasifika Trust, Green Hub, Manawatunes and Manawatu Rose Society.

- Legacy activation: The Palmerston North Monopoly Board Game (October)

Designs are in the final stage of approval with expected delivery in the final quarter of 2021. All sales will be available through the iSite. This board will be a limited edition and a complementary product 'Top Trumps' will also be available at a lower price point.

### 3. NEXT STEPS

Council officers will continue the 150<sup>th</sup> Celebration Programme under the guidance of the 150<sup>th</sup> Steering Committee. This will primarily involve administration of the seed fund.

#### 4. COMPLIANCE AND ADMINISTRATION

|                                                                                                                                                                                                                                   |     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| Does the Committee have delegated authority to decide?                                                                                                                                                                            | Yes |
| Are the decisions significant?                                                                                                                                                                                                    | No  |
| If they are significant do they affect land or a body of water?                                                                                                                                                                   | No  |
| Can this decision only be made through a 10 Year Plan?                                                                                                                                                                            | No  |
| Does this decision require consultation through the Special Consultative procedure?                                                                                                                                               | No  |
| Is there funding in the current Annual Plan for these actions?                                                                                                                                                                    | No  |
| Are the recommendations inconsistent with any of Council's policies or plans?                                                                                                                                                     | No  |
| The recommendations contribute to Goal 2: A Creative and Exciting City                                                                                                                                                            |     |
| The recommendations contribute to the achievement of action/actions in Arts and Heritage                                                                                                                                          |     |
| The action is: Council co-ordinates the delivery of the city's community and commemorative events and initiatives so Palmerston North has a full events calendar that caters well for different sectors of the city's population. |     |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being                                                                                                                                |     |

#### ATTACHMENTS

Nil



## COMMITTEE WORK SCHEDULE

**TO:** Arts, Culture & Heritage Committee

**MEETING DATE:** 18 August 2021

**TITLE:** Committee Work Schedule

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### RECOMMENDATION(S) TO ARTS, CULTURE & HERITAGE COMMITTEE

1. That the Arts, Culture & Heritage Committee receive its Work Schedule dated August 2021.

### ATTACHMENTS

1. Committee Work Schedule\_August 2021 [↓](#) 



## ARTS, CULTURE & HERITAGE COMMITTEE

### COMMITTEE WORK SCHEDULE – AUGUST 2021

| Item No.      | Estimated Report Date  | Period of Reporting                   | Subject                                                                                                         | Officer Responsible                     | Current Position                                                                                                                                                                    | Date of Instruction/ Point of Origin                      |
|---------------|------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| <del>1:</del> | <del>August 2021</del> |                                       | <del>Annual report on Maintenance and Renewal Plans and Budgets for Cultural Facilities</del>                   | <del>Chief Infrastructure Officer</del> |                                                                                                                                                                                     | <del>25 June 2018<br/>clause 19.2</del>                   |
| <del>2:</del> | <del>August 2021</del> | <del>1 January – 31 March 2021</del>  | <del>Te Manawa Quarterly Report (third quarter 2020/21)</del>                                                   |                                         | <del>To be circulated for information after 31 May 2021, followed by formal receipt at August committee meeting</del>                                                               | <del>SOE 2020/21<br/><br/>LGA due date: 31 May 2021</del> |
| <del>3:</del> | <del>August 2021</del> | <del>1 July 2021 – 30 June 2023</del> | <del><b>Final Statements of Intent</b><br/>Globe Theatre<br/>Regent Theatre<br/>Gaeia-Birch<br/>Te Manawa</del> | <del>Assistant Chief Executive</del>    |                                                                                                                                                                                     |                                                           |
| <del>4:</del> | <del>August 2021</del> |                                       | <del>Annual report from Palmerston North Public Sculpture Trust</del>                                           | <del>Assistant Chief Executive</del>    | <del>There will be no annual report for 2020/21 as the PN Sculpture Trust did not receive any funding from Council for that year, due to a reduced budget post COVID lockdown</del> | <del>Council 29 April 2019<br/>clause 36.4</del>          |

Oasis # 13973086

| Item No. | Estimated Report Date | Period of Reporting        | Subject                                                                                                                                                                                                                                                                                                          | Officer Responsible       | Current Position                                                                             | Date of Instruction/ Point of Origin                |
|----------|-----------------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------------------------------------------------------------------------|-----------------------------------------------------|
| 5.       | August 2021           |                            | Annual progress report on the development of a military heritage theme across Council programmes                                                                                                                                                                                                                 | Chief Planning Officer    |                                                                                              | 25 June 2018<br>clause 20.2                         |
| 6.       | August 2021           |                            | Update on the City's 150 <sup>th</sup> Celebrations Programme                                                                                                                                                                                                                                                    | Assistant Chief Executive |                                                                                              | 17 February 2021<br>clause 5.2                      |
| 7.       | November 2021         | 1 July 2020 – 30 June 2021 | Annual Reports<br>Globe Theatre<br>Regent Theatre<br>Caccia Birch<br>Te Manawa                                                                                                                                                                                                                                   | Chief Planning Officer    |                                                                                              |                                                     |
| 8.       | November 2021         |                            | Report on the feasibility and process for establishing a Heritage Advisory Panel in order to strengthen our approach to heritage management and promote a shared understanding of how our shared Rangitāne and European heritage should be identified, managed, protected, conserved, appreciated and celebrated | Chief Planning Officer    |                                                                                              | Economic Development<br>17 March 2021<br>clause 9.2 |
| 9.       | November 2021         |                            | Report on future plans for celebration of Waitangi Day and Matariki public holidays in Papaioea / Palmerston North                                                                                                                                                                                               | Assistant Chief Executive |                                                                                              | 17 February 2021<br>clause 6.2                      |
| 10.      | 2022 (first quarter)  | 1 July – 30 September 2021 | Te Manawa Quarterly Report (first quarter 2021/22)                                                                                                                                                                                                                                                               |                           | To be circulated for information after 30 November 2021, followed by formal receipt at first | SOE 2020/21<br>LGA due date:<br>30 November 2021    |

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|----------|-----------------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------------------------|--------------------------------------|
|          |                       |                     |                                                                                                                                               |                              | committee meeting of 2022 |                                      |
| 11.      | February 2022         |                     | Develop model to enable community involvement in the in-house service delivery of Caccia Birch House                                          | Chief Customer Officer       |                           |                                      |
| 12.      | 2022                  |                     | Review of the City's 150 <sup>th</sup> Celebrations Programme delivery, costs and outcomes                                                    | Assistant Chief Executive    |                           | 17 February 2021 clause 5.2          |
| 13.      | 2022                  |                     | Report on the future of the Artist in Residence scheme                                                                                        | Chief Customer Officer       |                           | 17 February 2021 clause 6.3          |
| 14.      | 2022                  |                     | Annual report from Palmerston North Public Sculpture Trust                                                                                    | Assistant Chief Executive    |                           | Council 29 April 2019 clause 36.4    |
| 15.      | 2022                  |                     | Annual report on Maintenance and Renewal Plans and Budgets for Cultural Facilities                                                            | Chief Infrastructure Officer |                           | 25 June 2018 clause 19.2             |
| 16.      | June 2024             |                     | Development of conservation plan for Caccia Birch House and property, costed and included in the CBH Masterplan programme of work for 2023/24 |                              |                           |                                      |
| 17.      | June 2025             |                     | Review of in-house service delivery of Caccia Birch House                                                                                     |                              |                           |                                      |

**CONFIDENTIAL DECISIONS RELEASED**

| Meeting date | Title |  | Released | Not Released |
|--------------|-------|--|----------|--------------|
|              |       |  |          |              |

More information on the decisions released can be found here: [released decisions](#)