



PALMERSTON NORTH CITY COUNCIL

AGENDA

ARTS, CULTURE & HERITAGE COMMITTEE

1PM, WEDNESDAY 17 NOVEMBER 2021

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

MEMBERS

| | |
|---|---------------------------|
| 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 | Civic Administration Building, 32 The Square
City Library | Ashhurst Community Library | Linton Library

Heather Shotter

Chief Executive | PALMERSTON NORTH CITY COUNCIL

ARTS, CULTURE & HERITAGE COMMITTEE MEETING

17 November 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 - Creative New Zealand Page 7

6. Presentation - Act Three Productions Page 9

7. Confirmation of Minutes - 13 April 2021 Page 11

"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."

8. Confirmation of Minutes Page 17

"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."

9. Confirmation of Minutes Page 21

"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."

10. Confirmation of Minutes Page 25

"That the minutes of the extraordinary Arts, Culture & Heritage Committee meeting of 29 September 2021 Part I Public be confirmed as a true and correct record."

11. Caccia Birch Trust Board - Annual Report 2020-21 Page 29

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

12. **The Regent Theatre Trust - Annual Report 2020-21** Page 65
Memorandum, presented by Hannah White, Democracy & Governance Manager.

13. **The Globe Theatre Trust - Annual Report 2020-21** Page 121
Memorandum, presented by Hannah White, Democracy & Governance Manager.

14. **Te Manawa Museums Trust - Annual Report 2020-21** Page 157
Memorandum, presented by Hannah White, Democracy & Governance Manager.

15. **Statements of Expectation for Cultural Council Controlled Organisations 2022-2023** Page 207
Memorandum, presented by Gillian Tasker and Stephanie Velvin, Community Development Managers.

16. **Report on future plans for celebration of Waitangi Day and Matariki public holidays in Papaioea / Palmerston North** Page 229
Memorandum, presented by Luke McIndoe, Head of Events.

17. **Feasibility and Process for Establishing a Heritage Advisory Panel** Page 231
Memorandum, presented by David Murphy, Chief Planning Officer.

18. **Committee Work Schedule** Page 253

19. **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: 17 November 2021

TITLE: Presentation - Creative New Zealand

RECOMMENDATION TO ARTS, CULTURE & HERITAGE COMMITTEE

- 1. That the Arts, Culture & Heritage Committee receive the presentation for information.**
-

SUMMARY

Cara Paterson and Richard Thompson of Creative NZ will present their Manawatu/Whanganui findings regarding the latest research showing New Zealanders are more positive than ever about the vital role the Arts play in our lives despite COVID-19.

ATTACHMENTS

Nil

PRESENTATION

TO: Arts, Culture & Heritage Committee

MEETING DATE: 17 November 2021

TITLE: Presentation - Act Three Productions

RECOMMENDATION TO ARTS, CULTURE & HERITAGE COMMITTEE

1. That the Arts, Culture & Heritage Committee receive the presentation for information.
-

SUMMARY

Alan Nagy will provide an update on the upcoming programme and current position of Act Three Productions.

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 17 November 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 17 November 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 17 November 2021

Chairperson

PALMERSTON NORTH CITY COUNCIL

Minutes of the Extraordinary Arts, Culture & Heritage Committee Meeting Part I Public, held in the Conference & Function Centre, 354 Main Street, Palmerston North on 29 September 2021, commencing at 9.02am

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| Members Present: | Councillor 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, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta and Billy Meehan. |
| Apologies: | Councillor Vaughan Dennison. |

19-21 **Apologies**

Moved Rachel Bowen, seconded Patrick Handcock ONZM.

The **COMMITTEE RESOLVED**

1. That the Committee receive the apologies.

Clause 19-21 above was carried 15 votes to 0.

20-21 **Military Heritage Update 2020/21**

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

During discussion, Elected Members directed that the future reports should focus on military heritage expressed through the built environment.

Elected Members also requested a report to Council to consider what might be required for the City to continue to hold two central city Anzac Day services.

Moved Rachel Bowen, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the memorandum titled 'Military Heritage Update 2020/21', reported to the Arts, Culture & Heritage Committee on 29 September 2021, be received.

Moved Rachel Bowen, seconded Grant Smith.

2. That the future focus of the Military Heritage Update report include opportunities for development of the military heritage theme in the built environment.

Clauses 20.1-21 and 20.2-21 above were carried 15 votes to 0.

Moved Grant Smith, seconded Billy Meehan.

3. That the Chief Executive report back on resourcing required to ensure the city continues with two central city services for Anzac Day.

Clause 20.3-21 above was carried 15 votes to 0.

21-21 2021/22 Maintenance and Renewal Plans and Budgets for Cultural Facilities

Memorandum, presented by Bryce Hosking, Manager - Property.

Moved Rachel Bowen, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. That the memorandum titled '2021/22 Maintenance and Renewal Plans and Budgets for Cultural Facilities' presented to the Arts, Culture & Heritage Committee on 29 September 2021 be received for information.

Clause 21-21 above was carried 15 votes to 0.

22-21 Update on the City's 150th Celebrations Programme

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

Moved Rachel Bowen, seconded Patrick Handcock ONZM.

The **COMMITTEE RESOLVED**

1. That the memorandum titled 'Update on the City's 150th Celebrations Programme', presented to the Arts, Culture & Heritage Committee on 29 September 2021, be received for information.

Clause 22-21 above was carried 15 votes to 0.

The meeting finished at 10.17am

Confirmed 17 November 2021

Chairperson

MEMORANDUM

TO: Arts, Culture & Heritage Committee

MEETING DATE: 17 November 2021

TITLE: Caccia Birch Trust Board - Annual Report 2020-21

PRESENTED BY: Hannah White, Democracy & Governance Manager

APPROVED BY: Sheryl Bryant, Assistant Chief Executive

RECOMMENDATION TO COUNCIL

1. That Council receive the Caccia Birch Trust Board's Annual Report 2020-21 (Attachment 2 of the memorandum titled 'Caccia Birch Trust Board – Annual Report 2020-21'), presented to the Arts, Culture & Heritage Committee on 17 November 2021.
-

1. ISSUE

- 1.1 Caccia Birch Trust Board (CBTB) has submitted its Annual Report 2020-21 (attachment 2). This memorandum provides an opportunity for Elected Members to review the progress CBTB has made against its Statement of Intent during the period 1 July 2020 to 30 June 2021.
- 1.2 This will be the last Annual Report from CBTB. The management of Caccia Birch House and Gardens will be delivered by Council from July 2022. Officers would like to thank CBTB for their prompt communication in the preparation of this report.
- 1.3 The COVID-19 pandemic has impacted the capacity of Audit New Zealand to undertake the audit of CBTB within the usual timeframe. Therefore, the attached annual report is still in draft form and is expected to be audited in the next few months. An updated report will be brought to the Committee in the event there are any material changes following audit.

2. BACKGROUND

- 2.1 CBTB is a Council Controlled Organisation (CCO), which was set up to independently manage the Caccia Birch House and Gardens. 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 obligations on its behalf. Caccia Birch House is managed by a Board of Trustees made up of committed volunteers.

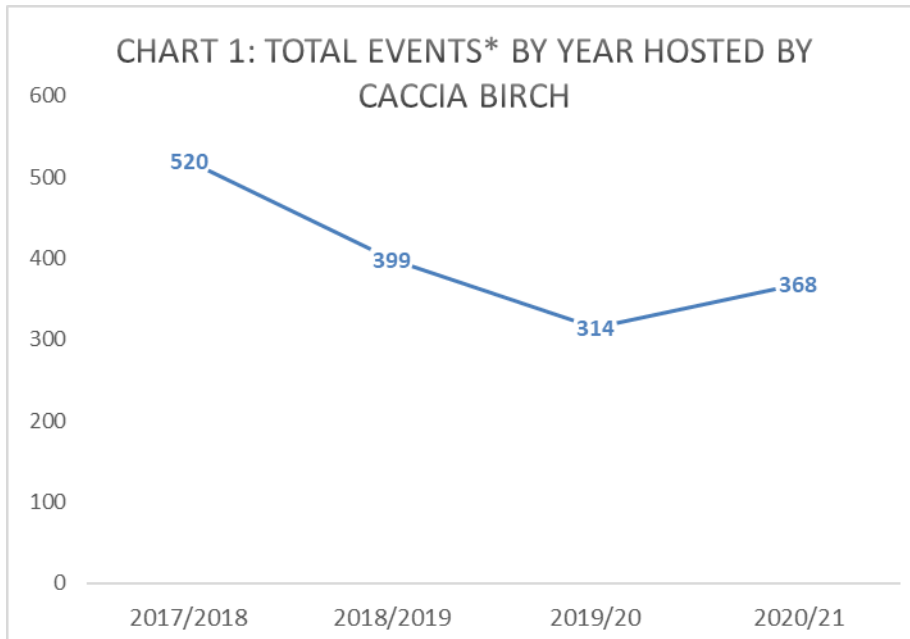
- 2.2 The Local Government Act (LGA) requires CCOs to produce an annual report which compares its actual and intended performance (as set out in the Statement of Intent) and audited financial statements.
- 2.3 Council initiated a Section 17A review on the future delivery of Caccia Birch Homestead in August 2020. CBTB dedicated a significant amount of time engaging in the process.
- 2.4 This report includes a period in which New Zealand was under various restrictions due to the pandemic. Covid-19 restrictions on event numbers has caused the postponement and cancellations of many events which has affected CBTB's ability to meet the aspirations outlined in their Statements of Intent.

3. PERFORMANCE FOR THE YEAR JULY 2020 - JUNE 2021

- 3.1 CBTB operated under Alert Level 2 for 7 weeks and 4 days during this reporting period which restricted the size of events it could host to 100 people. The ongoing uncertainty of a sudden alert level change impacted event bookings and income throughout the 2020-21 year and even under alert level 1, people were reluctant to book events too far in advance.
- 3.2 CBTB secured approximately \$40,000 in funding for the completion of the Coach house archive panels and LED lighting. \$35,000 was secured from external funders and \$5,000 from PNCC. Sponsorship was also secured for the Family Day Out which was well attended.
- 3.3 Highlights from the CBTB annual report includes the following:
 - The building and gardens were maintained by both in-house Trust Staff and Council contractors and presented in an excellent condition. The high standard of care is frequently commented on by visitors and clients. Maintenance included completing the recycling area and replacing the overhang access to the kitchen.
 - Caccia Birch House was included on the schedule of several tour groups. This year they hosted three tours from groups outside the Manawātū.
 - Hosting a range of free events including the Art Trail, Manawātū Multi-cultural Teas of the World, Caccia Birch House 125th Jubilee and the two bridal fairs.
 - The occupancy rate improved to 60.43% and an increase in social functions is promising with more people choosing to stay home and explore locally.
- 3.4 Attachment 1 shows CBTB's performance against the agreed Statement of Intent targets and includes officer comments. Two measures: 'Number of hires' and 'Income from venue hire including net catering' have not achieved the target predominantly due to the ongoing uncertainty of

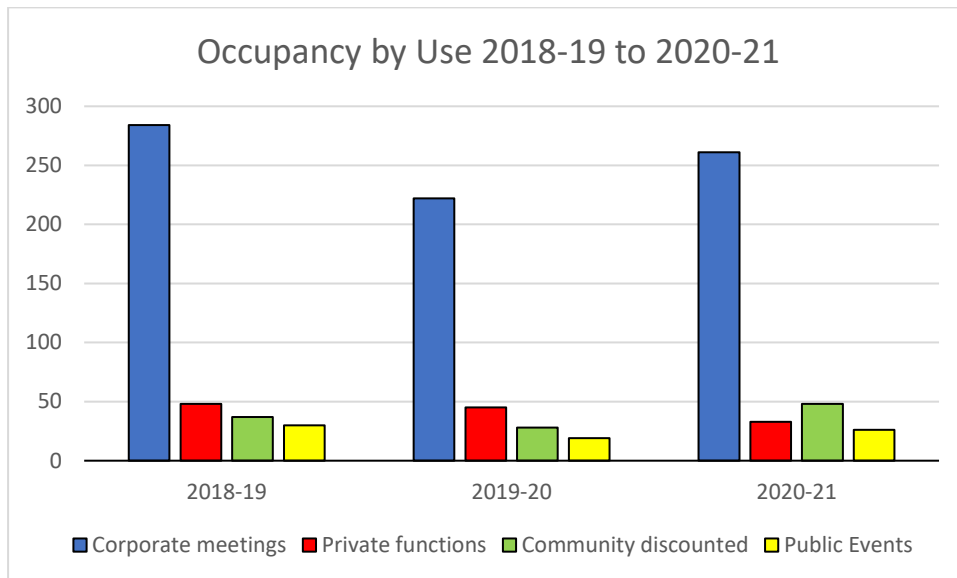
COVID-19 and the cancellations that occurred during the seven weeks of Alert level 2.

- 3.5 COVID-19 restrictions continue to affect the total number of events being held at Caccia Birch House, but numbers have improved against 2019-20 (see Chart 1). CCTB report that many people are taking a cautious approach and making bookings with a short lead in time to mitigate the uncertainty of alert level changes.



* Events include corporate meetings, private functions, public events and community discounted.

- 3.6 While the type of events hosted has remained constant over the last three years (see Chart 2 below), the number of fee-paying 'Corporate Meetings' and 'Private functions' has decreased. This accounts for the reduced income over this period. CBTB has managed to attract more community and public events in place of the lost fee-paying events, thereby increasing occupancy.
- 3.7 Event cancellations were highest during August 2020 (16) and March 2021 (20) which corresponds to times when Alert level 2 restrictions were in place. Cancellation numbers have not been reported in previous years, so it is not possible to compare this number.



- 3.8 CBTB has succeeded in encouraging greater community use of Caccia Birch. The 'Community group hires' result in 2020-21 is the highest it has been in the last 3 years (see Chart 2 above) and the target for publicly assessable events has been met. The 'Publicly accessible events' held (7 large events and 19 open days) have been well received with the number of visitors to open days being 200% of the target. These results support the suggested trend of people staying home and spending locally.

Table 1: Financial Information for Annual Report 2020-21

| | 2021 | | | 2020 | |
|------------------------------|---------|----------|----------|---------|----------|
| Summary Financials (\$000) | Actual | Budget | Var. | Actual | Var. * |
| Financial Performance | | | | | |
| PNCC Grant | 109,077 | 108,077 | 1,000 | 109,086 | (9) |
| Total revenue | 322,729 | 258,834 | 63,895 | 277,173 | 45,556 |
| Total Expenses | 324,460 | 288,410 | (36,050) | 285,282 | (39,178) |
| Net Surplus (Deficit) | (1,731) | (29,576) | | (8,109) | |
| Financial Position | | | | | |
| Current Assets | 95,883 | 59,397 | 36,486 | 90,373 | 5,510 |
| Total Assets | 168,418 | 108,904 | 59,514 | 185,976 | (17,558) |
| Current Liabilities | 48,289 | 41,524 | 6,765 | 64,116 | (15,827) |
| Total Liabilities | 48,289 | 41,524 | 6,765 | 64,116 | (15,827) |
| Equity | 120,129 | 67,380 | 52,749 | 121,860 | (1,731) |

| Cash Flows | | | | | |
|----------------------|--------|----------|--------|--------|----------|
| Total Net Cash Flows | 2,161 | (17,079) | 19,240 | 12,623 | (10,462) |
| Opening Cash | 54,315 | 36,576 | 17,739 | 41,692 | 12,623 |
| Closing Cash | 56,476 | 19,497 | 36,979 | 54,315 | 2,161 |

*when compared to the same period 12 months ago

3.9 The Trust reported a small operating deficit of \$1,731 which includes \$42,000 of COVID-19 wage subsidy. Mainly due to the net Operating Activities cash inflow, the cash balance has increased by \$2,161.

3.10 The Trust's current assets is three times more than its current liabilities which indicates that the Trust can satisfy its current obligations.

4. NEXT STEPS

4.1 Council officers will communicate any Council comments on the annual report to CBTB.

4.2 At the end of February 2022, CBTB will submit their six-month report on the current Statement of Intent 2021–24 which will be presented to the Arts, Culture and Heritage Committee in April 2022.

5. COMPLIANCE AND ADMINISTRATION

| | |
|---|---|
| Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual | No |
| 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? | Yes |
| 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 the Arts and Heritage Plan | |
| The action is: to support CCOs to achieve the objectives of the Arts and Heritage plan. | |
| Contribution to strategic direction and to | Receiving the Annual Report is a mechanism for Council to provide guidance and direction to the cultural CCOs and meets |

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| social, economic, environmental and cultural well- being | Council's responsibility to monitor the CCOs under the LGA. |
|--|---|

ATTACHMENTS

1. Caccia Birch Trust Board Performance Measures [↓](#) 
2. Caccia Birch Trust Board_ Annual Report 2020-21 [↓](#) 

| Caccia Birch Trust Board Performance Annual Report 2020-21 | | Annual Target 2020-21 | Six month performance 2020/2021 as at 31/12/2020 | % of annual target at six month mark as at 31/12/2021 | Annual Performance 2020-21 as at 30/6/2021 | % of annual target as at 30/06/2021 | Officer's Comment |
|--|--|-----------------------------|---|--|---|---|--|
| Maintain and enhance the heritage values of the Caccia Birch House and Garden | | | | | | | |
| Planned capital new and renewal programme complete | | 100% | 100% | | 100% | 100% | Achieved |
| Provide a range of opportunities for residents to experience the property | | | | | | | |
| No of Trust/Council & stakeholder operated publicly accessible events. | | 5 | 7 | 140% | 7 | 140% | Achieved |
| No. of visitors to open days | | 580 | 915 | 158% | 1,161 | 200% | Achieved |
| No. visitor experience surveys completed | | 100 | 95 | 95% | 152 | 150% | Achieved |
| Manage the house and gardens as a venue for hire | | | | | | | |
| Number of hires | | 425 | 131 | 31% | 368 | 92% | Not achieved due to the ongoing uncertainty of Covid-19 restrictions |
| No. of community groups hires | | 30 | 5 | 17% | 48 | 160% | Achieved |
| Income from venue hire including net catering | | \$85,000 | \$39,833 | 47% | \$65,545 | 77% | Not achieved due to the ongoing uncertainty of Covid-19 restrictions |

| | | | |
|--|-----------------------------------|--|--|
| | On track/ achieved | | Unlikely to achieve for reasons outside of CCO's control |
| | Not on track but still achievable | | Unlikely to achieve |



CACCIA BIRCH TRUST BOARD

STATEMENT OF SERVICE PERFORMANCE

JULY 2020 to JUNE 2021



| 1. CONTENTS | PAGE |
|---|--|
| Contact Details | |
| Purpose of this Service Performance Report. | |
| Key Strategic Objectives | |
| What we have Achieved. | |
| How We Performed | |
| Signature | |
| Financial Statements JULY TO DECEMBER 2020 | |
| 2. CONTACT DETAILS | |
| Registered Office: | Caccia Birch House, 130 Te Awe Awe St, Palmerston North. |
| Website & Email | www.caccia-birch.co.nz / manager@caccia-birch.co.nz |
| Phone: | 06 3575363 |
| Email: | manager@caccia-birch.co.nz |
| Office Contact: | Nicky Birch |
| Role in CCO: | Manager |
| Address: | As Above |
| Chairperson: | Grant O'Donnell |
| Email: | home@odonnell-law.co.nz |
| Phone: | 06 3567754 |
| Trustees 2020 to 2021 | 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. |
| Charities Registration Number | CC38431 |

3. Purpose of this Service Performance Report

In accordance with the Local Government Act 2002, a Council-Controlled Organisation (CCO) is required to produce an annual Statement of Intent which publicly states its activities and the objectives it will contribute to the City Vision.

Through this report the Trust Board shows the Council how it has applied the annual grant towards achieving the goals set out in the Statement of Intent (SOI). The maintenance and preservation of Caccia Birch House and grounds, facilitating events, hiring rooms, and encouraging the use of the house to all of the community contributes not only to the local economy but also the Council's vision. This report represents a snapshot of the activities that have taken place at Caccia Birch House in the past year.

4. About Caccia Birch Trust Board

Caccia Birch House is a listed Category 1 Heritage Status property under section 35(1)(b) of the Historic Places Act 1980 and is a Category 1 listed property under "Cultural Heritage" in the Palmerston North City Council District Plan. The property was gifted to the Crown which in turn gifted it to the community.

The Board guides and monitors the affairs of Caccia Birch House, in accordance with the Trustee Act 1956, the Charities Act 2005, the Local Government Act 2002, Caccia Birch Trust Deed, the PNCC Statement of Expectation and the SOI.

The first objective of the Trust, 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." (pg1)

The Trust Board's internal operational planning is guided by the following statement:

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|---|
| <u>VISION</u> |
| <i>To provide our community with an outstanding historic property, available for everyone to use.</i> |
| <u>MISSION</u> |
| <i>To ensure the Caccia Birch property retains its historical, cultural, and environmental significance through diligent maintenance, promotion, and development.</i> |

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

- a) ensuring a heritage preservation focus to the Board's activities.
- b) working with stakeholders and with interested community groups to meet objectives.
- c) maintaining a constructive and proactive relationship with Palmerston North City Council.

| |
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| 5. Strategic objectives |
|-------------------------|

HERITAGE RESPONSIBILITY:

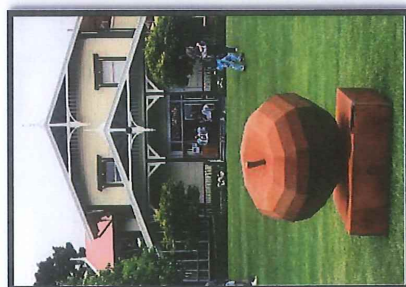
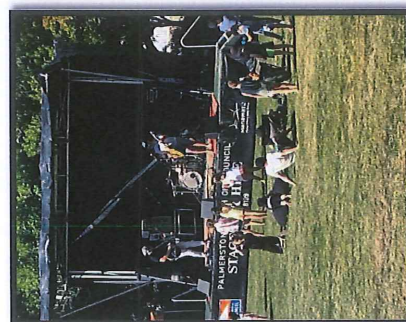
| | |
|-----------|---|
| <u>a.</u> | Heritage Buildings Palmerston North's Category 1 listed heritage property of Caccia Birch House and CoachHouse is to be preserved and protected for future generations. These Heritage buildings will only be developed in keeping with the heritage status. |
| <u>b.</u> | Heritage – Natural The grounds and flora of Caccia Birch House are to be managed and preserved and only developed in keeping with the heritage character. |
| <u>c.</u> | Heritage - Cultural The local history and heritage value of the Caccia Birch property will be preserved, presented, and promoted in an educational and entertaining way. Property access and use of the buildings by the local community and visitors from elsewhere, will be developed in a variety of ways. |
| <u>d.</u> | Heritage – Governance The Board will manage the balance between maintenance of heritage integrity and the development and use of the property to meet evolving Council and community demands. |

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| 6. What we have achieved this year: |
|-------------------------------------|

| | |
|------------------------------|---|
| A. Heritage Buildings | |
| i | <u>Work to keep this heritage property exceptionally well maintained and secure.</u> |
| | Despite considerable disruptions to both the operations of Caccia Birch House but also the contractors, due to the pandemic, the buildings continued to be maintained by in-house Trust staff and the Council contractors to a high standard. The Trust and Management's presentation of the property is recognised daily with positive comments from our visitors and clients. |
| | The Manager has worked with council officers and contractors to ensure all compliance work is completed and signed off. |
| | The Council property officers oversaw and completed the recycling area which also replaces the overhang access to the kitchen. The new area a useful and long-awaited addition. |

| | |
|-----|---|
| ii | <u>Work to make Caccia Birch House environmentally responsible and eco-friendly.</u> |
| | The Trust's long-planned recycling and storage area project was completed in April and the Trust is appreciative of the work undertaken by council officers to bring this project to fruition. The Trust is very pleased with the outcome. |
| | The goal of reducing energy consumption is being realised with the use of the LED lighting and further work will be required to bring it up to 100% LED. Good blinds and curtains assist with keeping the house warm during winter and cool in summer, so our power use is reasonable for the size of the property. Further savings will be made when the older gas heaters are replaced with a modern thermostatically controlled Brevis system. |
| | Pedestrians and cyclists can circumnavigate the property and further improvements to the footpath system in the property will encourage more participation and activity. |
| iii | <u>Develop the venue facilities.</u> |
| | The Board's 10-year plan to provide several ambitious proposals and opportunities to develop the property, signals the opportunity to begin the next chapter and cement the House's place in the minds of the local community. However, with the Council's current decision to take the operation in-house, planning and investigation for improvements has ceased. |
| | Donations of heritage furniture and items to further enhance the property were an on-going project. The Board will be notifying the owners of various loan or gifted items in the coming 6 months about the operational changes. |
| | B. Heritage – Natural |
| i. | <u>The listed notable trees are preserved and maintained.</u> |
| | Protected / Listed tree maintenance work has not been carried out during this period. Additional funding will be required along with a resource consent which the Board anticipates will be arranged by council staff in the future. Whilst the trees appear to be in reasonable condition, maintenance will be required. |
| ii. | <u>Enhancement of the grounds.</u> |
| | General garden maintenance and shrub replacement is on-going and carried out by a part time staff member. The maintenance of garden features has been undertaken. Dr Bernard Forde's memorial bench complete with plaque was installed. Planning for plaques identifying the commemorative trees (Manawatu Tree Trust 1993) has commenced. The Board is not proceeding with any significant projects planned and signalled in the 10-year plan. |

| C. Heritage – Cultural | |
|------------------------|--|
| i | <p><u>We will make the community more aware of the heritage value of Caccia Birch House.</u></p> <p>The CoachHouse archive is accessible Monday to Friday during normal business hours and by appointment outside of these times. Access was provided approximately 246 days in the last 12 months. The staycation situation with the global pandemic has encouraged more visitors to the property. We receive many positive comments about the property.</p> <p>The new CoachHouse archive panels were completed and installed, along with new LED lighting (big thanks to a generous grant from Central Energy Trust) just in time for the 125th Anniversary of Caccia Birch House. The entire project cost approx. \$40,000 in total, with the new pre-European display costing \$24,000 and the renewal of the original display costing \$16,000. PNCC contributed a total of \$5000 via the Cultural Heritage Fund. The balance of funding was raised from external sources over a period of 3 to 4 years. The Trust is very grateful for the support of CET, ECCT, Earle Trust and Olive Tree Trust.</p> <p>Further artefacts and information are available to be added to the archive and the Trust Board 10-year plan includes improvements and additions to the valuable resource.</p> <p>Hosting a range of free events including the Art Trail, Manawatu Multi Cultural Tea's of the World, our own 125th Jubilee and the two Bridal Fair events encouraged many locals to visit Caccia Birch House. The ticketed Family Day Out provided fabulous local entertainers an opportunity to showcase their talents to our community. We thank Pub Charity for supporting the Caccia Birch House 125th Jubilee. The Family Day Out could not have been held without sponsorship and grants from Manawatu Toyota / TRC Toyota, Central Energy Trust, Eastern and Central Community Trust, Pub Charity and The Mayoral Fund – thank you!</p> <p>Regular tour groups from surrounding districts include Caccia Birch House on their summer schedule. This year we have hosted three tours by groups from outside Manawatu. The social media sites we use are updated frequently and generate enquiries for functions and conferences, in particular the Google business page.</p> |



D. Heritage – Cultural & Business.

i.

The Occupancy rate improved to 60.43% as the year progressed, however not yet back at the usual pre-covid activity of 68 to 70% occupancy. A noticeable increase in social functions, particularly from the local ethnic communities. Many are booking with a short lead-in time due to the uncertainty of covid 19 and a cautious approach.

In the past year we held two successful Bridal Fair events, the 125th Jubilee, the Family Day out, Manawatu Art Trail which was a highlight along with the Manawatu Multi Cultural Teas of the World event.

All of these events along with the day-to-day conference bookings contributed to a highly successful year for Caccia Birch Trust and we thank these groups for making the most of this wonderful asset.

| Monthly Occupancy Rates & Use of Caccia Birch House July 2020 to June 2021 | | | | | | | | | |
|--|-----------|------------|--------|-----------|-----------|------------|---------------|---------------|-------|
| as at 23/6 | % Use | Total Days | People | Corporate | Private | Community | Public Events | Cancellations | |
| Month | Per month | USED | Number | Meetings | Functions | Discounted | | | |
| July | 48.30 | 15 | 350 | 13 | 2 | 4 | 0 | | |
| August | 54.83 | 18 | 629 | 19 | 1 | 2 | 1 | | 16 |
| September | 70.00 | 23 | 537 | 20 | 0 | 3 | 4 | | 12 |
| October | 63.00 | 21 | 510 | 12 | 6 | 1 | 1 | | 14 |
| November | 73.00 | 22 | 1557 | 22 | 5 | 1 | 2 | | 12 |
| December (builders Start) | 48.00 | 15 | 545 | 18 | 4 | 0 | 0 | | 5 |
| January | 35.40 | 11 | 324 | 9 | 3 | 0 | 9 | | 4 |
| February | 60.70 | 17 | 1188 | 30 | 1 | 6 | 3 | | 14 |
| March | 64.50 | 20 | 551 | 32 | 3 | 8 | 3 | | 20 |
| April (builders finish) | 60.00 | 18 | 1126 | 25 | 2 | 6 | 1 | | 6 |
| May (embankment start) | 77.40 | 24 | 805 | 29 | 4 | 8 | 2 | | 12 |
| June | 70.00 | 21 | 725 | 32 | 2 | 9 | 0 | | 13 |
| Totals | 725.13 | 225 | 8847 | 261 | 33 | 48 | 26 | | 128 |
| Averages per month 12 mth | 60.43 | 18.75 | 737.25 | 21.75 | 2.75 | 4 | 2.16 | | 10.66 |
| 2019 - 2020 Average/12 mth | 51.99 | 16.08 | 582 | 18.5 | 3.75 | 2.33 | 1.66 | | |

E. Heritage – Governance

| | |
|---|---|
| i | The Board will manage the balance between maintenance of heritage integrity and the development on the property to meet evolving Council and community demands. |
| | The Trust has continued to review all its Governance Policies. |
| | The Board has commenced meeting with Council officers to affect a smooth transition to Council in 2022 |

7. How We Performed from July 2020 to June 2021

| Strategic Objective | Performance measure | Target 2019/20 | Target 2020/21 | 12 Months 2020 to 2021 | Target 2021/22 | 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 | CoachHouse archive completed. Recycling / Storage Room completed Embankment development enhancement is underway. | 100% completed, | 100% completed, |
| 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 | Target 4 | Target 5 | 7 free public events (140 %) Bridal Fairs Aug / April Manawatu Art Trail 125 th Jubilee MMC Teas of the World Family Day Out / Heritage weekend. | 5 / 6 | |
| | No. visitors to Free Open Days | Target 560 | 580 | 1161 (200%) 19 free open days held | | |
| | No. Visitor experience surveys completed (RBA see below) | new | 100 | Completed to date: 152 surveys (150%) | 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 | Target 400 | 425 | 368 (92%) | 450 | 500 |
| | No. of Community Groups hires | New | 30 | 48 (160%) | 40 | 50 |
| | Income from venue hire incl net catering | Target: \$100,000 | \$85,000 | \$65,545 (77%) | \$121,000 | \$130,000 |

| How Much | How Well | Is anyone better off? | | | Population outcomes | |
|---|---|--|--|---|---|---|
| | | Skills and knowledge | Attitude and opinion | Behaviour change | Circumstance change | |
| Secure 100 surveys from a range of visitor activities at CBH 95 Surveys completed | Who would recommend to someone else? 150 of 152 visitors' surveys (98.6%) enjoyed their experience. There were only two negative comments about 'self-tour' and these visitors would prefer a guided tour. | Who report having learned something new? 61 of 95 visitors (64%) had previously visited Caccia Birch House 36% were new visitors and learnt about CBH | Would you visit another heritage property as a result of visiting CBH? 89% of the visitors said they would visit another heritage property. | Respondents who would visit again: 100% of visitors were very positive about the house and would visit again. From the 152 surveys, noted improvements mentioned included: better signage for the lift (2 people) and an option to buy food (1 person). No further suggestions. | Respondents who report feeling more connected to the City and its history 137 of 152 visitors (90.1%) were interested in Heritage buildings and history. | Creative and Exciting City 104 of 152 visitors (68.42%) were Palmerston North Residents – which means 48 visitors were from out of town and made a special visit to the City & CBH |
| Catchall Question: What else would you have liked to have seen/done during your visit to Caccia Birch House? To receive a guided tour and refreshment options, as noted above (first 6 months) and for the second half of the year no further comments lodged. | | | | | | |

8. How we operated during the year.

- The Council appointed two new Trustees to the Board for a 3-year term in September 2020, notwithstanding Council officer's recommendation to take the operation 'in-house'.
- The Board meets at least once a month either in person or 'virtually' and members are in regular email or phone contact.
- The Board completed and submitted the Draft 10 – year plan in conjunction with council officers in 2020.
- The Board operated within its prescribed budget and the Covid Wage subsidy provided continuity of employment for staff amid the ongoing pandemic restrictions. The increase in wages spent was a reflection on the additional public events held in last 12 months that required a higher level of staffing to manage and also the increased cleaning costs associated with sanitising the house twice a day after use.
- Free access was provided to this Heritage property during the weekdays and at special events, providing visitor experiences and promoting the region's rich history.

- f) The Board continued to provide competitive and flexible services to all sectors of our community held their family functions here during the year. The District Plan's well-documented curfew and noise restrictions will continue to impact on the operation unless Council has a mind to implement changes.
- g) The Board ensured that the operation of Caccia Birch House was managed responsibly and produced a positive financial and operational result to the year end, despite the global pandemic.
- h) The Board and Management spent many hours dealing with Council Section 17A review and given the apparently inevitable outcome did not undertake any new or innovative planning or activities.

Operations:

- a) The Board's plans to enhance and alter its business operation model were halted as considerable investment of time and resources would be required and the Trust has been facing uncertainty since the commencement of the second section 17A review in April 2020. Council officer's recommendation to take the operation in-house was adopted on 2nd June 2021 in the face of public response overwhelmingly in favour of the status quo. This will remove Caccia Birch Trust Board as operator of the venue.
- b) The Trust Board staff of one full time and four permanent part time people operate the day-to-day activities of the property and client bookings.
- c) The Board's 10-year plan recognised that for the growth of new activities, visitor experiences and property enhancements to succeed, investment is required. The Board signalled this to Council via their Draft 10-year plan but received no commentary from council regarding the plan.

Six Month Financial Statements 1st July to 20th June 2021

- Attached are the draft annual financial statements.



GRANT O'DONNELL

CHAIRPERSON

CACCIA BIRCH TRUST BOARD



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Caccia Birch Trust Board

Financial Statements

30 June 2021

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28-Jul-21

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**Caccia Birch Trust Board
Entity Information
for the Year Ended 30 June 2021**

Legal Name

Caccia Birch Trust Board (the Trust)

Type of Entity and Legal Basis

Caccia Birch Trust Board is a Charitable Trust incorporated in New Zealand under the Charitable Trusts Act 1957.

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 the Board of Trustees.

The Trust's Purpose or Mission

The primary objective of the Trust is to develop, enhance and maintain the land & buildings described in the schedule of property hereto known as Caccia Birch House so that it may be utilised and enjoyed by the community.

**Structure of the Trust's Operations,
including Governance Arrangements**

The Trust comprises of 5 Council appointed Trustees and 2 Board Appointed Trustees who oversee the governance of the Trust.

The Trustees appoint a Chairperson who oversees the day-to-day operations of the Trust.

Main Sources of the Trust's Cash and Resources

The primary source of revenue is from Sales of Goods and Services. Grants received from the Palmerston North City Council are also a main source of funding to the Trust.

The property maintained by the Trust (Caccia Birch House) is owned by Palmerston North City Council and leased to the Trust with no rent payable.

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**Caccia Birch Trust Board
Statement of Financial Performance
for the Year Ended 30 June 2021**

| | Note | 2021 \$ | Budget \$ | 2020 \$ |
|---|------|----------------|----------------|----------------|
| REVENUE | | | | |
| Council Funding | 3 | 109,077 | 108,077 | 109,086 |
| Other Sales of Goods & Services | 4 | 167,823 | 147,417 | 132,505 |
| Interest Received | | 233 | 566 | 459 |
| Tagged Projects Grants | | 3,315 | 2,774 | 8,287 |
| | | <u>280,448</u> | <u>258,834</u> | <u>250,337</u> |
| OTHER INCOME | | | | |
| Covid 19 Wages Subsidy | 4.1 | 42,280 | | 26,836 |
| | | <u>322,729</u> | <u>258,834</u> | <u>277,173</u> |
| Less EXPENSES | | | | |
| Employee Related Costs | 5 | 138,889 | 114,370 | 130,848 |
| Costs Related to Providing Goods & Services | 6 | 142,551 | 131,069 | 112,795 |
| Other Expenses | 7 | 19,951 | 21,498 | 19,857 |
| Depreciation | | 23,068 | 21,473 | 21,782 |
| TOTAL EXPENSES | | <u>324,460</u> | <u>288,410</u> | <u>285,282</u> |
| OPERATING SURPLUS/(DEFICIT) | | <u>-1,731</u> | <u>-29,576</u> | <u>-8,109</u> |

Explanations of major variances against budget are provided in note 19.

Value of Coach House Projects is met by Project funds shown on page 12

NOTE: This Statement is to be read in conjunction with notes to the financial statements

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Caccia Birch Trust Board
Statement of Financial Position
As At 30 June 2021

| | Note | 2021 \$ | Budget \$ | 2020 \$ |
|--|------|----------------|----------------|----------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Bank Accounts & Cash | | 56,475 | 19,497 | 54,314 |
| Debtors & Prepayments | 8 | 24,436 | 25,500 | 21,281 |
| Investments | 9 | 14,972 | 14,400 | 14,777 |
| | | <u>95,883</u> | <u>59,397</u> | <u>90,373</u> |
| Non-Current Assets | | | | |
| Property, Plant & Equipment | 10 | <u>72,535</u> | <u>49,507</u> | <u>95,603</u> |
| TOTAL ASSETS | | <u>168,418</u> | <u>108,904</u> | <u>185,976</u> |
| Less LIABILITIES | | | | |
| Current Liabilities | | | | |
| Creditors & Accrued Expenses | 11 | 28,793 | 27,499 | 25,783 |
| Employee Costs Payable | 12 | 19,496 | 14,025 | 14,265 |
| MSD Covid 19 Wage Subsidy | 12.1 | 0 | | 17,994 |
| Grants and Funding Subject to Conditions | | <u>0</u> | <u>0</u> | <u>6074</u> |
| Total LIABILITIES | | <u>48,289</u> | <u>41,524</u> | <u>64,116</u> |
| NET ASSETS/(LIABILITIES) | | <u>120,129</u> | <u>67,380</u> | <u>121,860</u> |
| Represented by: | | | | |
| Trust Equity | | | | |
| Accumulated Surpluses | 13 | <u>120,129</u> | <u>67,380</u> | <u>121,860</u> |
| Total Trust Equity | | <u>120,129</u> | <u>67,380</u> | <u>121,860</u> |

For and behalf of the Trustees on this day,

Chairman _____

Manager _____

NOTE: This Statement is to be read in conjunction with notes to the financial statements

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Caccia Birch Trust Board
Statement of Cash Flow
for the Year Ended 30 June 2021

| | Note | 2021 \$ | Budget \$ | 2020 \$ |
|--|------|----------------------|----------------------|----------------------|
| Cash flows from operating activities | | | | |
| <u>Cash was received from:</u> | | | | |
| Receipts from Council Funding | | 109,077 | 101,957 | 109,086 |
| Receipts of Other Sales of Goods & Services | | 141,581 | 135,311 | 184,248 |
| Receipts of Other Grants and Donations Received | | 23,441 | | 2,822 |
| Receipts of MSD Covid 19 Wage Subsidy | | 24,286 | | 44,830 |
| Interest Received | | 342 | 566 | 485 |
| GST (net) | | 1,252 | 40 | 423 |
| | | <u>299,979</u> | <u>237,874</u> | <u>341,893</u> |
| <u>Cash was paid to:</u> | | | | |
| Payments to Suppliers and Employees | | 289,904 | 254,953 | 315,268 |
| GST (Net) | | <u>0</u> | <u></u> | <u></u> |
| | | <u>289,904</u> | <u>254,953</u> | <u>315,268</u> |
| Net cash inflow (outflow) from operating activities | | 10,076 | -17,079 | 26,625 |
| Cash flows from investing activities | | | | |
| <u>Cash was received from:</u> | | | | |
| Receipts from Sale of Investments | | 14,777 | 14,400 | 14,355 |
| | | <u>14,777</u> | <u>14,400</u> | <u>14,355</u> |
| <u>Cash was paid to:</u> | | | | |
| Payments to Purchase Fixed Assets | | 7,720 | 0 | 13,580 |
| Payments to Purchase Investments | | 14,972 | 14,400 | 14,777 |
| | | <u>22,692</u> | <u>14,400</u> | <u>28,357</u> |
| Net cash inflow (outflow) from investing activities | | -7,915 | 0 | -14,002 |
| NET INCREASE (DECREASE) IN CASH HELD | | 2,161 | -17,079 | 12,623 |
| Bank Accounts and Cash as at 1 July 2020 | | 54,314 | 36,576 | 41,692 |
| Bank Accounts and Cash as at 30 June 2021 | | <u>56,475</u> | <u>19,497</u> | <u>54,315</u> |

The GST (net) Component of Cash Flows from Operating Activities reflects the net GST paid to and received from the Inland Revenue Department. The GST (net) component has been Presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation of the other primary financial statements.

NOTE: This Statement is to be read in conjunction with notes to the financial statements

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Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

1. 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 has been no changes in accounting policies, with the exception of depreciation on electrical equipment which is based on useful years as per IRD depreciation rates from 19/20 year. All other policies have been applied on basis 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 its 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 (10%) |
| Leasehold Improvements | 10 years (10%) |
| Computers | 4/10 years (10% - 25%) |
| Electrical Equipment | 5/10 years (10% - 20%) |

From the 2020-2021 year Computer Equipment and Electrical Equipment are depreciated over their useful lives as per the IRD Depreciation Rates .

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Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

(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 secondary 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, and 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 include staff time spent on Social Media marketing activities.

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Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

- (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 intially 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) **MSD Covid 19 Wage Subsidy**
 For employers adversely affected by the Covid-19 pandemic , they were eligible to apply for a further wage subsidy for a period of 8 weeks, applicable August 2020.
 for a period of 8 weeks. The business had to have experienced a minimum 40% decline in revenue over any consecutive 30 day period in the 40 days immediately before applying (but no earlier than 10 May 2020) when compared to the same period last year and the loss is attributable to Covid 19.
- (p) **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.

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Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

3. Council Funding

| | 2021 | 2020 |
|--|----------------|----------------|
| | \$ | \$ |
| Sales of Goods and Services to Council | 0 | 0 |
| Catering Revenue | 0 | 1,347 |
| Facilities Hireage | 0 | 502 |
| Recoveries From Hireage | 0 | 169 |
| Functioning Servicing | 0 | 0 |
| PNCC - Operations, Meeting Grant | 108,077 | 107,068 |
| Event Funding | 1,000 | 0 |
| Reimbursement - Property Expense | 0 | 0 |
| Total Council Funding | 109,077 | 109,086 |

4 (a) Other Sales of Goods & Services

| | 2021 | 2020 |
|--|----------------|----------------|
| | \$ | \$ |
| Event Income | 14176 | 200 |
| Event Income - Sponsorship | 15227 | |
| Function Serving | 1277 | 324 |
| Catering Revenue | 65,545 | 60,189 |
| Facilities Hireage | 64,380 | 66,460 |
| Recoveries from Hireage | 7,020 | 5,331 |
| Fastpay Surcharge Fee | 0 | 0 |
| Miscellaneous Income | 200 | 0 |
| Total Other Sales of Goods & Services | 167,823 | 132,505 |

4.1 Covid 19 Wages Subsidy

| | 2021 | 2020 |
|---------------------------------------|---------------|---------------|
| | \$ | |
| Reimbursement - Covid 19 Wage Subsidy | 42,280 | 26,836 |
| | 42,280 | 26,836 |

5. Employee Related Costs

| | 2021 | 2020 |
|---------------------------------------|----------------|----------------|
| | \$ | \$ |
| Salaries & Wages | 137,860 | 130,237 |
| Employer Superannuation Contributions | 1,029 | 611 |
| Other Employee Related Costs | 0 | 0 |
| Total Employee Related Costs | 138,889 | 130,848 |

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Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

6. Costs Related to Providing Goods & Services

| | 2021 | 2020 |
|--|----------------|----------------|
| | \$ | \$ |
| Advertising | 1,982 | 1,795 |
| Buildings - Electrical | 0 | 0 |
| Buildings - Other R & M | 3,260 | 1,598 |
| Catering Expense | 61,906 | 58,459 |
| Cleaning & Laundry - Consumables | 1,995 | 1,721 |
| Cleaning & Laundry - Waste Removal | 776 | 1,289 |
| Coach House Project | 0 | 0 |
| Computer Expenses | 1,329 | 830 |
| Conference Expenses | 390 | 554 |
| Equipment under \$500 | 272 | 1,698 |
| a. Event Expenses | 30,686 | 1,832 |
| Grounds - Lawn Mowing | 7,805 | 7,805 |
| Governance Expenses | 338 | 683 |
| Trustee Remuneration | 6,290 | 5,100 |
| Insurance | 3,775 | 3,693 |
| Kitchen Expense | 534 | 430 |
| Light, Power & Heating | 7,367 | 7,877 |
| Office Expenses | 0 | 0 |
| Printing, Postage & Stationery | 2,896 | 2,816 |
| Rental Plants | 0 | 527 |
| Rent - Plant & Equipment | 0 | 0 |
| Repairs & Maintenance - Equipment | 0 | 464 |
| Repairs & Maintenance - Grounds | 1,009 | 1,909 |
| Repairs & Maintenance - Furniture | 227 | 1,415 |
| Secretarial | 2,352 | 2,230 |
| Security | 4,840 | 5,355 |
| Subscriptions | 60 | 103 |
| Telephone, Tolls & Internet | 2,462 | 2,611 |
| Total Costs Related to Providing Goods & Services | 142,551 | 112,795 |

a. Note to 2021 Event expenses:

Six events were held during the year, the large majority of this expense relates to the Family Day Out held in February 2021 which is offset by Event Sponsorship Income.

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Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

| | | |
|-------------------------------------|---------------|---------------|
| 7. Other Expenses | 2021 | 2020 |
| | \$ | \$ |
| ACC Levies | 550 | 666 |
| Accountancy Fee | 1,737 | 1,700 |
| Book Keeping Fee | 6,887 | 7,040 |
| Smart Payroll Administration Fee | 814 | 801 |
| Audit Fees - Financial Statements | 8,705 | 8,649 |
| Bank Charges & Fees | 624 | 335 |
| Bad Debts | 50 | 81 |
| Credit Card Commissions | 0 | 0 |
| Licences & Registrations | 44 | 44 |
| Xero Fees | 540 | 540 |
| Total Other Expenses | 19,951 | 19,857 |
| 8. Debtors & Prepayments | 2021 | 2020 |
| | \$ | \$ |
| Debtors | 23,543 | 20,405 |
| Prepayments | 893 | 876 |
| | 24,436 | 21,281 |
| 9. Investments | 2021 | 2020 |
| | \$ | \$ |
| Term Deposits | 14,972 | 14,777 |

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**Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021**

| 10. PROPERTY, PLANT & EQUIPMENT | 2021 \$ | 2020 \$ |
|---|---------------|---------------|
| Plant & Equipment | | |
| Carrying Amount at 1 July | 26,920 | 32,297 |
| Additions | 0 | 4,369 |
| Disposals (Net of Accumulated Depreciation) | 0 | 0 |
| Depreciation Expense | 10,069 | 9,746 |
| Carrying Amount at 30 June | 16,851 | 26,920 |
| Awhina Project | | |
| Carrying Amount at 1 July | 27,574 | 33,801 |
| Additions | 0 | 0 |
| Disposals (Net of Accumulated Depreciation) | 0 | 0 |
| Depreciation Expense | 6,227 | 6,227 |
| Carrying Amount at 30 June | 21,347 | 27,574 |
| Coach House | | |
| Carrying Amount at 1 July | 28,970 | 17,394 |
| Additions | 0 | 14,599 |
| Disposals (Net of Accumulated Depreciation) | 0 | 0 |
| Depreciation Expense | 3,987 | 3,023 |
| Carrying Amount at 30 June | 24,984 | 28,970 |
| Fire Safety Upgrade | | |
| Carrying Amount at 1 July | 12,139 | 14,925 |
| Additions | 0 | 0 |
| Disposals (Net of Accumulated Depreciation) | 0 | 0 |
| Depreciation Expense | 2,786 | 2,786 |
| Carrying Amount at 30 June | 9,353 | 12,139 |
| Total Carrying Amount at 30 June | 72,535 | 95,603 |

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Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

| | | |
|--|----------------|----------------|
| 11. Creditors & Accrued Expenses | 2021 | 2021 |
| | \$ | \$ |
| Creditors | 10,188 | 15,828 |
| Accrued Expenses | 11,390 | 11,027 |
| Secure Venue Expense | 4,600 | 22 |
| ANZ Credit Card | 0 | |
| GST | 2,615 | -1,094 |
| | <u>28,793</u> | <u>25,783</u> |
| 12. Employee Costs & Payable | 2021 | 2020 |
| | \$ | \$ |
| Accrued Wages & Salaries | 4,038 | 4,365 |
| Annual Leave | 15,458 | 9,900 |
| | <u>19,496</u> | <u>14,265</u> |
| 12.1 MSD Covid 19 Wage Subsidy Received | 2021 | 2020 |
| | \$ | \$ |
| Covid 19 Wage Subsidy Received - balance | 0 | 17,994 |
| | <u>0</u> | <u>-</u> |
| 13. Equity | 2021 | 2020 |
| | \$ | \$ |
| Accumulated Surpluses | | |
| Accumulated Surpluses at 1 July | 121,860 | 129,969 |
| Surplus/(Deficit) for the Year | -1,731 | -8,109 |
| Balance at 30 June | <u>120,129</u> | <u>121,860</u> |
| 14. Coach House Grant Summary | 2021 | 2020 |
| | \$ | \$ |
| Opening | 8,394 | 5094 |
| PNCC | 0 | 3300 |
| Central Energy Trust | 0 | 8239 |
| Expenses | -6,361 | -8,239 |
| Total Remaining | <u>2,033</u> | <u>8,394</u> |

The purpose of this note is to provide transparency over the balance received and information for the entities providing the funding. The grants require the Trust to spend the funds on the Coach House Archive Development which is ongoing.

Although the grants are for this specific purpose, there is no obligation to return unspent funds, so no liability has been recorded for the unspent amount.

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Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

15. **CONTINGENCIES**

Contingent Liabilities

At balance date there are no known contingent liabilities (2020:\$nil) Caccia Birch Trust Board has not granted any securities in respect of liabilities payable by any other party whatsoever.

Contingent Assets

At balance date there are no known contingent assets (2020:\$nil).

16. **RELATED PARTIES**

The following transactions were carried out with related parties during the year.

Palmerston North City Council (PNCC)

The Trust was settled by Palmerston North City Council and receives an operating grant from the Council to deliver objectives as specified in the Trust Deed.

During the year Caccia Birch Trust Board entered into transactions with the Palmerston North City Council. In addition to the transactions shown, the Trust leases its premises from Palmerston North City Council for a notional rental of market value.

Caccia Birch Trust Board Paid to

Palmerston North City Council

| | 2021 | 2020 |
|-------------------------------------|------|------|
| | \$ | \$ |
| Catering and Venue Hireage Services | 0 | 0 |

Caccia Birch Trust Board Received

from Palmerston North City Council

| | 2021 | 2020 |
|--|---------|---------|
| | \$ | \$ |
| PNCC - Operations/Meeting/Audit Grant | 108,077 | 107,068 |
| Sales of Goods and Services to Council | | 2,018 |
| Event Funding | 1,000 | 0 |
| Council Reimbursed R & M Expenditure | | 0 |
| Grant - Coach House Archive | | 3,300 |
| PNCC Owes Caccia Birch | 0 | 0 |
| Caccia Birch Owes PNCC | 0 | 0 |

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Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

N & C Enterprises

Caccia Birch Trust Board have a separate contract with N&C Enterprises Ltd of which Nicky Birch (Manager of Caccia Birch) is the sole director and shareholder. This Catering company is the only business catering currently contracted to the Trust Board. (Clients may bring in any Catering company).

Caccia Birch Trust Board Paid to N & C Enterprises

| | 2021 | 2020 |
|------------------|--------|--------|
| | \$ | \$ |
| Catering Expense | 61,906 | 58,459 |

Caccia Birch Trust Board Received from N & C Enterprises

| | 2021 | 2020 |
|------------------|--------|--------|
| | \$ | \$ |
| Catering Revenue | 65,545 | 60,189 |

At balance date there was \$6849.65 owing to N & C Enterprises (2020 :\$3495.32), and N & C Enterprises owed \$nil to Caccia Birch Trust Board (2020:\$nil).

17. EXPENDITURE COMMITMENTS

(a) Operating Commitments

At balance date there is no known commitment to lease or rent assets (2020:Nil).

(b) Capital Commitments

At balance date there are capital expenditure commitments of \$0.00. (2020: \$7315.15). Further there are no commitments to provide loans or grants to any other party.

18. EVENTS AFTER THE BALANCE DATE

There was no significant events after the balance date.

The impact of the Covid -19 pandemic is expected to impact on the next financial year as the fear off uncertain times still continues. Budgeting has allowed for a recovery start up year.

Caccia Birch Trust Board
Notes to the Financial Statements
for the Year Ended 30 June 2021

19. EXPLANATIONS OF MAJOR VARIANCES AGAINST BUDGET

Explanations for major variance from the Trust's budgeted figures in the 30th June 2021 financial year.

Statement of intent are as follows:

Statement of Financial Performance

- a The budget was altered to reflect the ongoing issues created by the Covid 19 Global Pandemic.
- b Venue hire was reduced significantly by the forced lockdown and peoples inability to travel both internationally and inter-regionally. This trend continued throughout the year. In the first six-months small meetings were held to comply with social distancing and zoom used for some participants.
- c The last four months have shown a big improvement in conference and function bookings and a tentative return to normal by clients. Offering free cancellation due to covid lockdown has helped. November 2020 to March 2021 the lack of social functions and weddings were the major contributor of a lower revenue.

From July 2020 the following applied:

- d At Level Three - Restricted - cannot physically interact with customers, and no gatherings over 10 allowed, maintain contact tracing and higher levels of sanitising of venue required.
- e At Level Two - gatherings up to 100 allowed. Physical distancing required between groups, contact tracing and sanitising of venue.
- f At Level One - no restrictions on gatherings, contact tracing records maintained, normal venue sanitising.
- g The Board continued employing the same staff, although 3 left of their own volition and only one replaced. Administration continued with the need to rearrange bookings, cancellations etc,
- h Administration continued with the need to rearrange bookings, cancellations, customer contact, staff management etc.
- i The property has high maintenance and upkeep requirements and this continued with staff working across all roles.
- j The increased need to sanitise before, during and after visitors or clients increased the usual cleaning costs, not to mention cost of product.
- k The 8 Week Government Covid-19 Wage Subsidy extension was applied for in August 2020:

| | |
|---|--------------------|
| 1 full time staff member \$585.80 per week | \$4,686.40 |
| 7 Casual staff, working less than 20 hours per week at \$350 per week | \$19,600 |
| 1 Permanent Part-time staff working less than 20 hours per week at \$350 Per week | \$ 2,800.00 |
| | <u>\$27,086.40</u> |

One staff did not work in this period and did not return to work so \$2800 was repaid to MSD.

As per Government guidelines where the employees usual wages were less than the subsidy, their usual wages were paid.

Average hours were calculated for all staff working less than 20 hours per week.

During the year 3 employees were placed on permanent part time employment contracts during the year and paid the living wage hourly rate.

The subsidy money received was fully utilised by December 2020.

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DRAFT

- I Bookings - There were approximately 128 cancellations of hireage during the year - based on Single room hireage of \$150 per room, this equates to \$19,200. This is attributed to Covid-19.

The April 2020 Bridal Fair was postponed to August 2020 and the Annual Bridal Fair was held in April 2021.

There was difficulty in securing the usual numbers of vendors for the April 2021 event as Business Operators are still nervous about the economic effects from the pandemic.

Both events enjoyed a good turnout.

The catering spend was curtailed through clients stricter budgeting (as a result of the Covid economic downturn) and in some cases Client meetings did not cater in order meet their companies H&S social distancing requirements.

Budgets were underspent in some areas as the future operation of Caccia Birch House under the Trust is uncertain.

One outstanding Account Receivable was written off as a bad debt: \$50.00

Net Profit before depreciation was ahead of budget \$18,021 profit v (\$10,877 budgeted loss).

This excludes Tagged Projects Grants.

The operating loss for the year after depreciation of

\$1731 is well below in comparison to the anticipated budgeted loss of \$29756.

Statement of Financial Position

Debtors are lower than expected due to cancelled bookings as a result of covid level changes in Auckland/Wellington. This uncertainty, along with the well-publicised Council take-over has impacted on future bookings.

Liabilities are higher than budgeted due to Employee leave liability higher than budgeted as 3 employees on Casual employment agreements became permanent part-timers and annual leave entitlement applies instead of holiday pay as you go.

Statement of Cash Flows

The cash flow is also above budget in both the receipt and payment of cash and a net increase in cash held of \$2161 resulted compared to a budgeted decrease of \$17,079. Cash received includes Covid 19 Wage Subsidy of \$24286.40

MEMORANDUM

TO: Arts, Culture & Heritage Committee

MEETING DATE: 17 November 2021

TITLE: The Regent Theatre Trust - Annual Report 2020-21

PRESENTED BY: Hannah White, Democracy & Governance Manager

APPROVED BY: Sheryl Bryant, Assistant Chief Executive

RECOMMENDATION TO COUNCIL

1. That Council receive the Regent Theatre Trust Board's Annual Report 2020-21 (Attachment 2 of the memorandum titled 'The Regent Theatre Trust – Annual Report 2020-21'), presented to the Arts, Culture & Heritage Committee on 17 November 2021.
-

1. ISSUE

- 1.1 The Regent Theatre Trust Board (the Regent) has submitted its Annual Report 2020-21 (attachment 2). This memorandum provides an opportunity for Elected Members to review the progress the Regent Theatre has made against its Statement of Intent during the period 1 July 2020 to 30 June 2021.
- 1.2 Representatives of the Regent are in attendance to present.
- 1.3 This Annual Report covers a period in which New Zealand was under various restrictions due to the Covid-19 pandemic. Covid-19 restrictions and the New Zealand border being closed to foreign nationals has affected the Regent's ability to meet the aspirations outlined in their Statements of Intent.

2. BACKGROUND

- 2.1 The Regent is a Council Controlled Organisation (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 Local Government Act (LGA) requires CCOs to produce an annual report which compares its actual and intended performance (as set out in the Statement of Intent) and audited financial statements.

- 2.3 The COVID-19 pandemic has impacted the capacity of Audit New Zealand to undertake the audit of the Regent Theatre within the usual timeframe. Therefore, the attached annual report is still in draft form and is expected to be audited in the next few months. An updated report will be brought to the Committee in the event there are any material changes following audit.

3. PERFORMANCE FOR THE YEAR JULY 2020 - JUNE 2021

- 3.1 The Regent operated under Alert Level 2 for seven weeks and four days during this reporting period. It stayed open under Alert Level 2 but with a limited audience size of 400 people (it can seat 1,400). Many performances and events booked during the Level 2 period were cancelled or postponed which affected the Regent's performance and finances.

- 3.2 Highlights from the Regent's annual report include the following:

- In collaboration with Act 3 Productions, developed an innovative way to hold performances and events under COVID-19 Level 2 restrictions which involved dividing the theatre into five individual zones (four zones for the audience and one zone for the performers/backstage crew). This allowed the Regent to be the only operating theatre in the country during this period.
- Despite the border restrictions, hosted a sold-out performance of Crowded House, and international touring shows The Wiggles, Russell Howard, Bill Bailey, Ben Elton and Celtica which all performed to near capacity houses.
- Hosted a wide range of tribute shows which provided a variety of entertainment for the region, the inaugural Te Papaioea Festival in February and several kapa haka and local dance competitions.

- 3.3 Attachment 1 shows the Regent's performance against the agreed Statement of Intent targets and includes officer comments.

- 3.4 Four measures did not achieve the target, predominately due to COVID-19 restrictions. They were:

- 'Total number of main auditorium hires annually'
- 'Total number of local school concerts'
- 'Total number of school prize-givings'
- 'Total attendance of all events held'

- 3.5 The Regent's performance for venue hire, number of school concerts/ and prizegivings show the effect of Alert level restrictions on the theatre with many events being postponed or cancelled. Nevertheless, it is reassuring to see, that when event restrictions are removed, the Regent has succeeded in attracting well-known international acts and sold out shows.

- 3.6 The two financial targets: 'secure funding for the main auditorium sound system' and 'seek funding from the Friends of the Regent for other projects'

were also not achieved. Due to the ongoing uncertainty of COVID-19 restrictions and the change of manager mid-year, the Board took a prudent approach to fiscal management and decided not to secure additional funding for capital projects this year.

- 3.7 Table 1 below shows across the board improvements on 2019-20 figures. The Regent has had a strong year for the number of live performances in the auditorium, especially commercial performances.
- 3.8 The number of events per year has increased to near pre-pandemic figures. However, COVID-19 restrictions in 2019-20 and 2020-21 have affected audience attendance (due to social distancing requirements). In 2018-19, (prior to the pandemic) the Regent had an average audience attendance of 270 people per event, but in 2020-21, average attendance per event decreased to 219 people.
- 3.9 Fewer people attending performances due to social distancing requirements adversely affects audience reach.

Table 1 – The Regent: Performance Target Dashboard – Annual Results

| Measure | | 2018-19 31 Dec 2018 | 2019-20 31 Dec 2019 | 2020-21 30 June 2021 | 3 Year Trend |
|---|--------|------------------------|----------------------------------|-------------------------|--------------|
| Live nights – performances in the auditorium at night commercial + community | Actual | 139 (36 commercial) | Not available (17 commercial) | 182 (40 commercial) | ↑ |
| Auditorium days usage | Actual | 158 | 133 | 140 | → |
| Summary of events – Total number of events held at the Regent | Actual | 365 | 296 | 355 | → |
| Patronage – Total attendance for all events | Actual | 98,781 | 65,456 | 78,055 | |
| Average size of audience per event | | 270 | 221 | 219 | ↓ |

* Data incomplete – only commercial shows recorded.

Table 2: Financial Information for Annual Report 2020-21

| | 2021 | | | 2020 | |
|------------------------------|-----------|-----------------------|----------|-----------|-----------|
| Summary Financials (\$000) | Actual | Budget | Var. | Actual | Var.* |
| Financial Performance | | | | | |
| PNCC Grant | 238,285 | 238,286 | (1) | 235,986 | 2,299 |
| Total revenue | 874,304 | 803,801 | 70,503 | 1,445,504 | (571,200) |
| Total Expenses | 947,836 | 922,917 | (24,919) | 1,077,441 | 129,605 |
| Net Surplus (Deficit) | (73,532) | (119,116) | (45,584) | 368,063 | 441,595 |
| Financial Position | | | | | |
| Current Assets | 395,363 | 455,922 | 60,559 | 413,786 | (18,423) |
| Total Assets | 1,004,227 | 985,952 | (18,275) | 1,095,970 | (91,743) |
| Current Liabilities | 119,819 | 147,127 | 27,308 | 138,030 | (18,211) |
| Total Liabilities | 119,819 | 147,127 | 27,308 | 138,030 | (18,211) |
| Equity | 884,408 | 838,825 | (45,583) | 957,940 | (73,532) |
| Cash Flows | | | | | |
| Total Net Cash Flows | 14,197 | | | (8,876) | 23,073 |
| Opening Cash | 171,154 | Cashflow not reported | budget | 180,029 | (8,875) |
| Closing Cash | 185,351 | | | 171,154 | 14,197 |

*when compared to the same period 12 months ago

- 3.10 The Trust reported a deficit of \$73,532 which is \$45,000 better than what had been forecasted mainly due to the theatre operations being stronger than expected.
- 3.11 The Trust's current assets is more than 3 times its current liabilities indicating that the Trust can satisfy its current obligations.
- 3.12 The Trust's operating cash flow remains a net inflow of \$23,000 which is the main contributor of total cash inflow of \$14,000.

4. NEXT STEPS

- 4.1 Council officers will communicate any Council comments on the annual report to the Regent Theatre.
- 4.2 At the end of February 2021, the Regent Theatre Trust Board will submit:



- their draft Statements of Intent for 2022–25; and
- six-month reports on the current Statement of Intent 2021–24.

These will be presented to the Arts Culture and Heritage Committee in April 2022.

5. COMPLIANCE AND ADMINISTRATION

| | |
|---|---|
| Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual | No |
| 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? | Yes |
| 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 the Arts and Heritage Plan. The action is: to support CCOs to achieve the objectives of the Arts and Heritage plan. | |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being | Receiving the Annual Report 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 Regent Theatre Trust- Performance Measures [!\[\]\(67ff022fd78f943b679992c2874bbfd1_img.jpg\)](#) 
2. The Regent Theatre Trust - Annual Report 2020-21 [!\[\]\(5890ff4c38007932c846fa9d39ba1fe6_img.jpg\)](#) 

| Regent Theatre - Performance 2020-21 | | | | | | Officer's comment | |
|---|----------|--------|-----|---------|------|--|--|
| 1. To be a venue for exciting community and performing arts experiences | | | | | | | |
| Total number of main auditorium hires annually-A9:A21 | 158 | 102 | 65% | 153 | 70% | Not achieved due to covid restrictions causing the cancellation of shows in the last six months. | |
| Total number of main auditorium national/international venue hirers annually | 30 | 14 | 47% | 31 | 103% | Achieved target | |
| Total number of events overall that held over all spaces in the theatre | 350 | 188 | 54% | 356 | 102% | Achieved target | |
| 2. To engage in effective collaboration with our stakeholders and clients, enabling the best customer experiences. | | | | | | | |
| Total number of variety type shows such as tribute concerts and professional performers | 20 | 8 | 40% | 23 | 115% | Achieved target | |
| Total number of tertiary graduations ceremonies held | 11 | 4 | 36% | 14 | 127% | Achieved target | |
| Total number of local school concerts | 10 | 4 | 40% | 6 | 60% | Not achieved due to Covid restrictions, schools cancelled their productions. | |
| Total number of school prize-givings | 14 | 9 | 64% | 9 | 60% | Not achieved due to Covid restrictions, schools cancelled their prize givings | |
| Total number of ethnically diverse concerts and productions (both community and professional) | 6 | 4 | 67% | 8 | 133% | Achieved target | |
| 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. | | | | | | | |
| Total attendance to all events held. | 88,600 | 38,190 | 43% | 78,055 | 88% | Not achieved due to the Covid restrictions affecting the number of people able to attend performances during alert level 2. Attendance did increase by 12,755 from the previous year 2019-20 (65,456). | |
| Secure the funding for the theatre's main auditorium sound system. | \$40,000 | N/A | N/A | 0 | 0% | Not achieved - no action taken to secure funding due to the change in Management. | |
| Additional capital expenditure funding for other projects from the Friends of the Regent or other funding providers | \$40,000 | N/A | N/A | \$5,688 | 1% | Not achieved - cautious approach to expenditure taken due to uncertainty caused by Covid-19 and the cancellation and postponement of events. | |
| | | | | | | On track/achieved | |
| | | | | | | Not achieved due to external events outside of the CCO's control. | |

REGENT THEATRE TRUST BOARD
Annual Report 2020-21

Draft 1.1



REGENT THEATRE TRUST BOARD

Annual Report 2020-21

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Chairman: David Lea



General Manager: David Walsh



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 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 |
| Trust Board | David Lea (Chairperson) Mark Mabbett (Deputy Chair) Susan McConachy Tania Kopytko Phil Payton Kane Parsons Natalie Rowney Tessa Lohead Julie Walker (Secretary Part year) Penny Odell (Secretary Part year) |

The Trust Board originated from the group of people who fought to save the Theatre in the early 1990s. The Board completed its job of saving and re-establishing the Theatre and in 2001 was restructured from a representative based group to a smaller skill based group. The Trust exists to further the interests of the Regent on Broadway and leases the Theatre from the Palmerston North City Council.

Staff

David Walsh (General Manager Mar - Jun)
 Kathiy Watson (Oct - Mar)
 David Walsh (Acting July - Oct)
 Shamus Jackson (Technical Manager)
 Cheenu Natarajan (Theatre Technician)
 Julie Walker (Financial Controller)
 Anoushka Treur (Promotions and Marketing Coordinator)
 Karen Hambling (Ticketing)
 Taylor Ellis (Ticketing)
 Janice Jones (FOH Manager)
 Chris Laing (FOH Manager)

The Theatre employs 7 permanent staff and two of which are casual staff. All employees are accountable to the Trust Board through the General Manager.

FRIENDS OF THE REGENT**Office Holders**

Peter Doherty (President)
 Adam Robertson (Vice President)
 Christine Earle (Treasurer)
 Lesley Findlay (Secretary)

Friends of the Regent Patrons Anna Leese

The Friends is an incorporated society whose members voluntarily give their time to the Regent on Broadway. The Friends contract to provide ushering and Catering (Refreshments and Bar Services) to the Theatre patrons and hirers. This help to provide the Theatre with equipment purchases from the funds received for these efforts.

PALMERSTON NORTH CITY COUNCIL

Palmerston North City Council is the building owner and has provided the majority of the funding required to restore the Regent on Broadway in 1998. The Council provides an annual operational grant to the Regent on Broadway.





26TH ANNUAL CHAIRMAN'S REPORT

2020-21 Year Ended 30th June 2021

They say that with patience, The Phoenix will rise from the ashes. Well, that's a little bit how it feels at the moment for us at The Regent. Although thankfully there are no ashes but there is certainly a feeling of thankfulness and an increased excitement about the future!

After farewelling our long serving Manager Charles Forbes, we appointed our new Manager with much fanfare and excitement about our new direction with our new Manager Kathiy Watson. Sadly, personal circumstances in Kathiy's life determined her future and after just a few short months Kathiy had to reluctantly relinquish her new job and return to family in Wellington.

For the second time within the year the call went out to our previous acting Manager David Walsh to rescue us, however this time once again the Board decided that with everything that had gone on over the previous 12 months, it would be prudent to appoint David as permanent Manager for a period of at least 12 months with a further renewal of his contract determined by David himself and The Board, dependant on circumstances at the time. I can very happily report that David has exceeded our expectations and has calmly and professionally steered the ship through the storms created by past events. What was looking like a financial disaster (caused mainly by Covid) has been turned into what we believe in the circumstances to be a remarkable financial turnaround and profit for the year. I would like it recorded that the Board are indebted to David for his remarkable skills and dedicated commitment to his role as Manager. I know David goes way beyond his contractual requirements and has The Regent at heart with all he does.

Special thanks to his wife Kathryn for allowing David to interrupt his retirement and do what he is doing to maintain the high standards we aspire to.

PROGRAMME

I will not repeat the information provided in our manager's report but simply say post-covid has seen a large and diversified programme by both International and National performers and an increase in Local community use. I must say it has been rewarding and exciting to have several Full Houses over the past few months. The Board is determined to continue and expand on the Cultural diversity and universality of our programme. We are grateful for the support of our community organisations and patrons which allows us to continue this approach.

THE BOARD

2020 saw the end of approximately 18 years' service to the Board by Martin Carr. We are grateful for Martin's input over the years and know he leaves us as a friend that can be called on for any advice he may have to help us. Martin's retirement left a gap in our skills matrix and so it is with pleasure that we introduce our newest Board Member Tessa Lockhead. Tessa is an accountant working in the city and brings those accounting skills that were lost when Martin left. I am excited about this appointment and look forward to a new set of eyes and skills around the table.

It would be remiss of me not to make special mention of my Deputy Chair, Mark Mabbett. Mark is the manager of a very large corporate business here in

Palmerston North and brings an array of business skills to our Board. Mark has stepped in for me on many occasions this year and I am extremely grateful to have him as my backup. I consider we are very lucky to have Mark on our Board.

The names of all our Board members are listed at the front of this report. I am thankful for the dedication and the skills they bring as individuals and as a collective. I would like to thank them all for their service to our community by serving on The Regent Board.

ACHIEVEMENTS IN THE PAST 12 MONTHS

Just surviving has been our greatest achievement this year, (along with ending with a small profit)!

In my last report I alluded to the “Sister Act” success and our overcoming Covid barriers to be the first theatre in New Zealand to open a show despite Covid lockdown conditions.

For the record, Act 3 productions and The Regent on Broadway Promotions made headlines and were the envy of the country when they “Thought outside The Square” and divided our theatre into 4 separate (Covid compliant) sections which allowed the “show to go on”. This was a lifesaving exercise for Act 3 Productions and The Regent was proud to be able to help make this happen. It is occasions like this that we are proud to work with the community to deliver these sorts of outcomes and while The Regent on Broadway Promotions fund suffered a small loss, the Board were adamant that this venture be supported. Special thanks to Alan Nagy and his team along with David Walsh and our staff for going that extra mile during this event.

Sadly 2021 saw the death of Pat Snoxell after a life of dedication to theatre in general but especially dedication to The Regent. Pat was a founding board member, and his skill and dedication has helped form this board over a 25-year period of service. We were proud that Pat’s family held his farewell service in our theatre. A fitting farewell was attended by a well-earned “Full House” Rest in Peace Pat.

SOME THANK YOUS

Despite being “locked out” for some months, our faithful and dependant “Friends” have continued to provide their services for the betterment of our Theatre. Their hard work and dedication have provided around 1 million dollars’ worth of improvements to The Regent over the past 26 years. An incredible and impressive feat and one that is the envy (and the model for others) of theatres throughout the country. Technically this is a million-dollar saving to the ratepayer as if it were not for the Friends, then the

Council would have been asked to provide these improvements and we all know that many of them just would not have happened because of (legitimate) council budget constraints. Thankyou Friends. Know you are appreciated.

To all our Staff, thank you for “hanging in there”. Times have been difficult, and jobs have been close to the line at times, but we have survived with no casualties thanks to your commitment to keeping our Theatre running. You are a dedicated and hard-working bunch and I look forward to working with you all and enjoying the fruits of any sacrifice you have made because of Covid. We are especially grateful for your support of David Walsh as he steers us through much change. A special thanks to Julie for stepping into the secretarial role at such short notice.

As always, thanks to The Mayor Grant Smith and the City Council for their support in all matters over the past year. We enjoy the freedom to run The Regent as we believe it should be run but we are also thankful that we have the backstop of the Council when we need it.

I look forward to a new and exciting year for us all.



David Lea
Chairman Regent Theatre Trust Board
September 2020.



GENERAL MANAGER'S ANNUAL REPORT

For the 2020–21 Year Ended 30 June 2021

A YEAR OF CHALLENGES: With Covid-19 still having a major effect on our business, our ticketing provider TicketRocket being placed into liquidation affecting the revenues of both promoters and the theatre, and the change of General Managers throughout the year has certainly made this year a year of challenges.

The year started in July with our first production since the country's lockdown in March, with two performances of *Cat in The Hat*. We were unaware at that stage if the public was ready or willing to return to theatre and were pleasantly surprised when we had an attendance of 1055 for this production.

Following on from this, our local Act 3 society commenced their season of *Sister Act*. This production commenced on 7th August for 12 performances only, but with Covid still dominating the country, this production did not conclude until 5th September. A stop/start period occurred as the country went back into the different levels of lockdown. Shows dates were cancelled then rescheduled, tickets were refunded, and tickets were exchanged for new performance dates. These were challenging times not only for our staff but for the production team and the public. Even today we are still in challenging times with the threat of Covid hanging over us and affecting the industry that we work in.

Creative minds shone during this difficult period of Covid vs *Sister Act*, when the Government announced a maximum gathering of only 100 people. By working with Act 3 productions who suggested

that we divide the theatre into 4 different quadrants, each with its own separate entrance, toilet facilities etc we could increase the allowable number permitted within the theatre from 100 to 400. This was notified to Government, and we proceeded accordingly. So, during level 2 lockdown we were the only theatre in NZ (and possibly the world) to have a show on stage playing to a live audience. This innovation gave Act 3 productions and us a number of awards from within the industry and this example was subsequently used by other theatres throughout the country.

Although our borders are still restricted, or entry into the country requiring strict quarantine measures, we have been very fortunate in securing several amazing events during the past 12 months that possibly would not have happened pre-Covid. Shows such as *CROWDED HOUSE* which sold out in a matter of minutes of going on sale. This event also was not without Covid issues as Auckland going back into lockdown meant the tour had to be rescheduled with date changes meaning refunding once again ticket holders who could not attend the rescheduled date etc.

Other international touring shows that we were fortunate enough to secure included *THE WIGGLES*, *RUSSELL HOWARD*, *BILL BAILEY*, *BEN ELTON*, *CELTICA*, all performing to capacity or near capacity houses. Tribute shows *SWEET CAROLINE*, *TINA SIMPLY THE BEST*, *ABBA* and New Zealand production touring shows *PINK FLOYD*, *THE BOSS*, *HOWARD MORRI-*

SON, GOLD DUST WOMAN not only helped provide a variety of entertainment for the region but had great audience numbers in attendance as well.

We were excited to hold the inaugural Te Papaioea Festival in February and although numbers attending were not high, we hope that this event continues to grow within the city.

The return of Kapa Haka Competitions and local Dance competitions also contributed to us achieving some of our targets for the year.

The Regent Theatre Trust Board appointed a new General Manager who commenced her position in October 2020. Due to personal circumstances, she left her position in March 2021. This was a further challenge, not only for the Board but also for the staff as well.

Although we did not achieve some of our targets with our attendances for the year of 78055 down 9545 on our predicated budgeted figure, we continued to value our relationships that we have built with our hirers and loyal patrons especially with the year that we have just had and wish to thank them.

Credit must also go to the Board, Staff, and volunteers whose passion for the theatre shone through during such challenging times.

I look forward to another year of the unknown and we are confident that we will all rise to any challenges that may be put in our way. Our advance bookings are healthy, and I am sure the next financial year will yield results that will align to the Palmerston North City Council's Strategic Goals.



David Walsh
General Manager



OUR STRATEGIC OBJECTIVES

1. Support a vibrant, creative and exciting city

OBJECTIVE

To be a venue for exciting community and performing arts experiences for the people of Palmerston North and the wider Manawātū region including recognizing the role of local Tangata Whenua.

The Regent on Broadway will support this goal by:

- Programming regional, national and international performance.
- 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.
- To encourage local primary, intermediate and secondary schools, dance 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.
- To provide a well-resourced and well-equipped amenity 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 1.

| Support a vibrant, creative and exciting city | | | | |
|---|--|---------|--------------|---|
| Objective | Performance Measure | 2020/21 | Actual | Comments |
| To be a venue for exciting community and performing arts experience for the people of Palmerston North and the wider Manawatu region including recognizing the role of local Tangata Whenua | Total number of main auditorium hires annually (days the auditorium is used) to be not less than | 153 | Not Achieved | Total number of main auditorium hires were 47 below target. We achieved 153 hires from a target of 158, the quality of the hires helped us financially to exceed our budget by 18%. The Covid effect had a dramatic impact on our business during the first 6 months of trading with over 35 shows/events having to be cancelled or postponed |
| | Total Number of main auditorium national/international venue hirers (actual live performances) to be not less than | 30 | Achieved | 31 events were achieved during this year with some major acts gracing our stage. Crowded House would have to have been the biggest act (both in name and technically) together with Three International British Comedians, Three Australian touring Tribute shows all helped in achieving our target. The Royal NZ Ballet cancelled one tour due to Covid but two other tours were held |
| | Total number of events overall that are held over all spaces in the theatre | 350 | Achieved | 356 events achieved, which was a wonderful result as 35 events were either cancelled or postponed during the start of the year due to Covid-19 |

OUR STRATEGIC OBJECTIVES

2. Support an innovative and growing city

OBJECTIVE

To engage in effective collaboration with our stakeholders and clients, that enables the best customer experience

The Regent on Broadway will support this goal by:

- Actively contributing to the arts powerhouse steering group.
- 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.
- Development of social media strategy which includes communication with diverse audiences.
- To establish and nurture 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.
- Set up customer service survey platform. Trial, review, and act on findings.

OBJECTIVE 2.

| Support an innovative and growing city | | | | |
|--|--|---------|--------------|---|
| Objective | Performance Measure | 2020/21 | Actual | Comments |
| To engage in effective collaboration with our stakeholders and clients, that enables the best customer experience. | Total number of variety type shows such as tribute concerts and professional performers from the commercial sector not less than | 20 | Achieved | Audiences had a variety of shows to attend with Tribute Shows such as Tina Simply the Best, Sweet Caroline, Abba, Pink Floyd and Gold Dust Woman. Our target was reached with 23 events held. |
| | Total number of tertiary graduation ceremonies held not less than | 11 | Achieved | A total number of 14 ceremonies held. Massey Graduation ceremonies holding 11 ceremonies and U-Col holding three. |
| | Total number of local school concerts held not less than | 10 | Not Achieved | Again, due to Covid, most schools cancelled their productions. Schools usually schedule a production every two years. Only 6 school performance were held for the 2020/2021 year. |
| | Total number of school prize-givings held not less than | 14 | Not Achieved | The cancellation of a lot of school prize-givings following the Covid outbreak resulted in not achieving our targeted figure of 14 with only 9 events held |
| | Total number of ethnically diverse concerts & productions, both community and professionally produced not less than | 6 | Achieved | Eight events held with the Te Papaioea contributing to this target |

OUR STRATEGIC OBJECTIVES

3. To develop a marketing and promotion strategy that maintains and builds audiences

OBJECTIVE

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

The Regent on Broadway will support this goal by:

- Supporting events by establishing professional marketing strategies, resources, tools, and e-platforms – such as Facebook, Instagram and a well-appointed website.
- Develop and align promotional and marketing strategy to the vision, goals and principles of PNCC, especially the goal “To be a creative and exciting city”.
- Identify key client audiences, prioritise, and schedule 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 re
- Update the website and investigate ways to ensure that it stimulates interest
- Undertake relevant statistical and audience demographic data analysis to determine future trends and target audiences.

| To develop a marketing and promotion strategy that maintains and builds audiences | | | | |
|---|--|---------|--------------|--|
| Objective | Performance Measure | 2020/21 | Actual | Comments |
| To develop a Marketing and Promotion strategy that maintains and builds audiences | Total Attendances to all events held, not less than. | 88,600 | Not Achieved | We failed to meet our target attendance figure for the year of 88,600. Our total attendance of 78,055 was a pleasing result due to a difficult six months that we experienced at the start of the year due to Covid. This figure was an increase of 12,755 from the previous year. |

OBJECTIVE 3.

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.

| To develop a marketing and promotion strategy that maintains and builds audiences | | | | |
|---|---|----------|--------------|--|
| Objective | Performance Measure | 2020/21 | Actual | Comments |
| To secure continuity in the professional operation and financial sustainability of the Regent on Broadway | Secure the funding for the theatre's main auditorium sound system and to progressively improve and add to the system over the next 3 years. Funding to be sourced. | \$40,000 | Not Achieved | The full replacement of the sound system occurred during the latter part of 2019-20 and no action was taken this year to secure extra funding for the continued improvements to this system. One of the reasons was mainly due to the changes in Management throughout the year and with other issues (replacement of flying system) that required us to source and secure funding for. The sound system additions are due to be actioned during 2021-22 |
| | That at least \$40,000 of capex funding is sourced/obtained for this year from sources such as the Friends of the Regent and other external providers of charity funding. | \$40,000 | Not Achieved | With a very uncertain start to the year, due to Covid-19 and the cancellation and postponement of so many events a cautious approach has been taken with expenditure. \$5,688 was secured for the purchase of new chairs for Stage Manager and Sound & Lighting desks plus a new static camera and wall mount for the auditorium. The Friends of the Regent have also committed \$25,000 towards the replacement of the flying system 2021-22 |

OUR STRATEGIC OBJECTIVES

4. Support an innovative and growing city

OBJECTIVE

Secure the future of New Zealand's most valued historic regional venue.

A city with a unique, well-designed, and well-resourced venue such as the Regent on Broadway is a city that will achieve significant growth in the areas of performing arts and entertainment and thereby support an innovative and growing city. A venue of the splendour and calibre that is the Regent on Broadway can be the ultimate performance highlight for many young and new performers. It is also a desire of many professional entertainers to perform in venues of the grandeur and quality of the Regent on Broadway. The maintenance and conservation of the Regent on Broadway is therefore imperative so that the venue is sustained now and well into the future.

| Support an innovative and growing city. | | | | |
|---|--|---|----------|---|
| Objective | Performance Measure | 2020/21 | Actual | Comments |
| Secure the future of New Zealand's most valued historic regional venue. | Working with Palmerston North City Council and all other stakeholders dedicated to continuing the appreciation of the heritage aspects of the Regent and overseeing the maintenance and preservation of such aspects to prevent degradation. | To meet general maintenance obligations that are required by the Trust Deed. | Achieved | Close working relationship with PNCC |
| | Maintaining the category 1 Heritage New Zealand designation. | In accordance with the asset management plan, implement the necessary maintenance and upgrading tasks identified for 2020/21, with skilled workers and consultants. | Achieved | In conjunction with the PNCC all work scheduled carried out by approved contractors from PNCC e.g., painting and replacement carpet in Green Room, Building Maintenance including roof repairs, plumbing etc. |

REVIEW OF YEAR

After a very cautious start to the year events slowly returned to the theatre. A joint venture between the Regent on Broadway and Act 3 of their production of SISTER ACT commenced in August. We were limited to the number of attendances for each performance due to Covid 19 restrictions at the time. By creative innovation on this production this resulted in attendances of 4036 and was a success financially for Act 3.

The theatre also hosted throughout the year events which not only were of a commercial nature but events that reflected the diversity of our cultural city with capacity audiences attending both Ko Whiri Tika Mai and Te Pae Tamariki Kapa Haka.

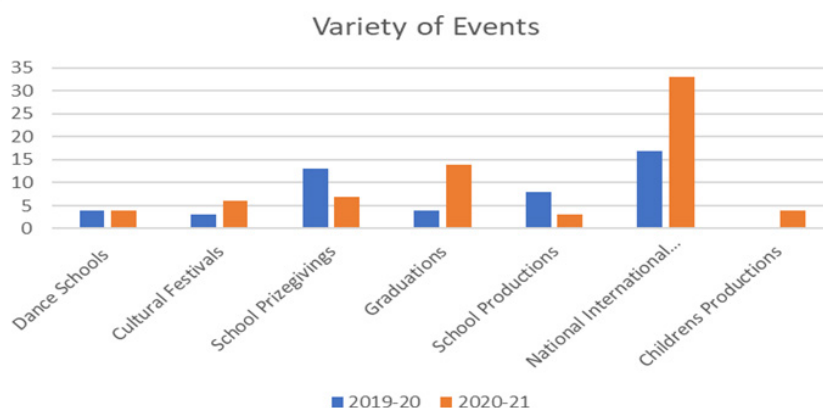
The ongoing effect that Covid-19 has had at the Regent resulted in 35 bookings being cancelled or

postponed during the year. Although this had an impact on the total number of bookings, we held 356 events during the year against our forecasted figure of 350.

The Revenue received from the previous year's commercial bookings (2019-20) accounted for 45.3% of our total venue hire, compared to 60.33% this year.

We are hopeful that the new "normal" for next year's events due to Covid 19, do not impact too severely on our business. We will continue to liaise with potential users and encourage them to secure the theatre for their events.

The graph below highlights some of the variety of events that we held during this past year.



ATTENDANCE SPLIT

There was a total of 315 Community events, held throughout the year compared with 207 Community Events being held the previous year. The increase in the number of community events include the hire of our Rehearsal room 4 days per week for the teaching of dance. This activity was impacted last year with the covid lockdown.

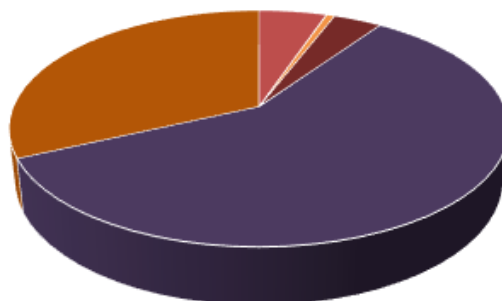
The number of Commercial events held increased from 18 last year to 40 this year which was a very encouraging result considering the difficult climate

we are trading in. However, our results for this year continued to be impacted by Covid-19.

Local Community Events held in the Auditorium accounted for 61.7% of our total attendances and 29.54% of revenue received.

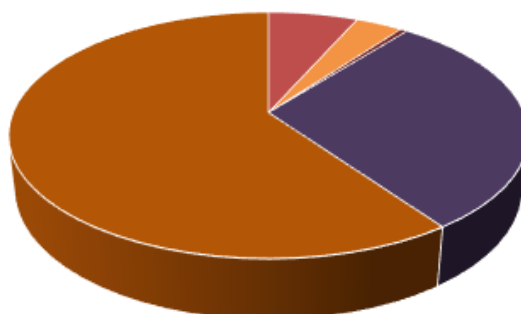
Professional events held in the Auditorium accounted for 59.8% of the revenue received and 33.66% of our attendance..

Attendance Split 2020-21



- Dance Schools 5.5%
- Tours 0,05%
- Function Rooms Community 0.65%
- Function Rooms Commerical 3.94%
- Local Event Auditorium 61.70%
- Professional Events Auditorium 33.66%

REVENUE Split 2020-21



- Dance Schools 6.63%
- Tours 0.02%
- Function Rooms Community 3.48%
- Function Rooms Commerical 0.53%
- Local Event Auditorium 29.54%
- Professional Events Auditorium 59.8%

AUDITORIUM EVENTS

The number and variety of events held during this “pandemic” year was a good result considering the impact that Covid 19 is still having on our industry.

Attendances for the year, although we struggled at the start of the year, the end results were pleasing.

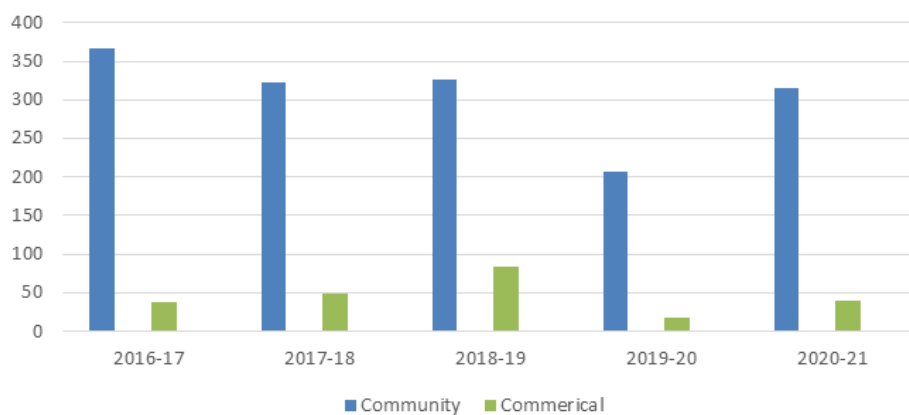
The Number of cultural concerts and festivals sector of our operations increased from last year. The inaugural Te Papaioea festival was held during

February with some of the events having reasonable attendances although Covid restrictions affected some of the productions. Other events during this period have been the Te Pae Tamariki Kapa Haka competitions, and Ko Whiri Tika Mai.

| | | | |
|--------------------------------------|------|------------------------------------|--------|
| Jul-20 | | Modern Maori Quartet | 164 |
| Cat In the Hat | 1055 | Howard Morrison | 598 |
| Aug-20 | | Mar-21 | |
| Sister Act | 4036 | Palmerston North Dance Association | 784 |
| Sep-20 | | Te Tihi O Ruahine | 300 |
| Dance NZ Made | 1964 | Celtica | 514 |
| Palmerston North Dance Association | 1883 | Ucol | 2000 |
| Oct-20 | | Crowded House | 1371 |
| The Show Must Go On | 266 | The Wiggles | 2623 |
| Danceworks | 345 | Apr-21 | |
| Arise Church | 230 | Bill Bailey | 1359 |
| Hokowhitu School | 700 | Sol3 Mio | 1293 |
| Manukura School | 900 | Queen - It's A Kind of Magic | 471 |
| Manukura School Prizegiving | 650 | NZSO Four Seasons | 566 |
| Tina Simply the Best | 314 | Unity in Adversity | 271 |
| Nov-20 | | Gold Dust Woman | 256 |
| Awatapu College | 700 | Arise Church | 252 |
| BDO | 50 | Madagascar | 1737 |
| Dean McKerras School of Dance | 1255 | May-21 | |
| Ko Whiri Tika Mai | 1989 | Royal Family | 1380 |
| Papaioea Festival Launch | 75 | Massey Graduation | 7324 |
| 7 Days Live | 933 | 4 Suits & a Soprano | 313 |
| Body Builders | 423 | National Young Leaders Day | 1270 |
| National Young Leaders Day | 1199 | Creative Futures Conference | 331 |
| Te Moana Glow Show | 499 | Royal NZ Ballet Giselle | 795 |
| Massey Graduation | 5500 | Sweet Caroline | 570 |
| Th' Dudes | 656 | Ben Elton | 634 |
| Royal NZ Ballet | 1010 | PN Camera Club | 30 |
| Abba | 628 | Pink Floyd | 850 |
| Hits From the Brits | 267 | Geoff Sewell | 492 |
| Dec-20 | | Jun-21 | |
| Winchester School | 945 | Manukura School | 543 |
| St Mary's School | 572 | Dean McKerras Kings and Queens | 1389 |
| Christmas Showcase | 53 | Palmerston North Dance Association | 286 |
| Very Palmy Christmas | 300 | Showquest | 468 |
| Palmerston North Intermediate Normal | 1350 | Big Sing | 1990 |
| Ross Intermediate | 1200 | Cloverlea School | 983 |
| Whakarongo School | 1100 | The Boss | 626 |
| St Peter's Prizegiving | 1200 | 150yr Palmerston North | 320 |
| Danceworks | 1278 | Te Pae Tamariki | 1300 |
| ITO | 170 | Newbury School | 443 |
| Feb-21 | | | 74797* |
| Pat Snoxell Funeral | 450 | | |
| Russell Howard | 1008 | | |
| Cancer Society Variety Show | 200 | | |
| Lost Letter Office | 77 | | |
| What's a Samoan | 351 | | |
| Julia Deans | 120 | | |

*The above attendance numbers refer only to events that were held in the auditorium.

Community vs Commerical Events Held



FUTURE GROWTH

As stated in last year's report, to sustain momentum in growth and market share continues to be more challenging, as not only does technology drill into the entertainment quota of the discretionary household budget but we now have the challenge of the Covid pandemic which currently is having an impact on attracting overseas acts.

The theatre's 10 Year Strategic Plan was completed during 2020 with the following vision and mission:

OUR VISION:

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

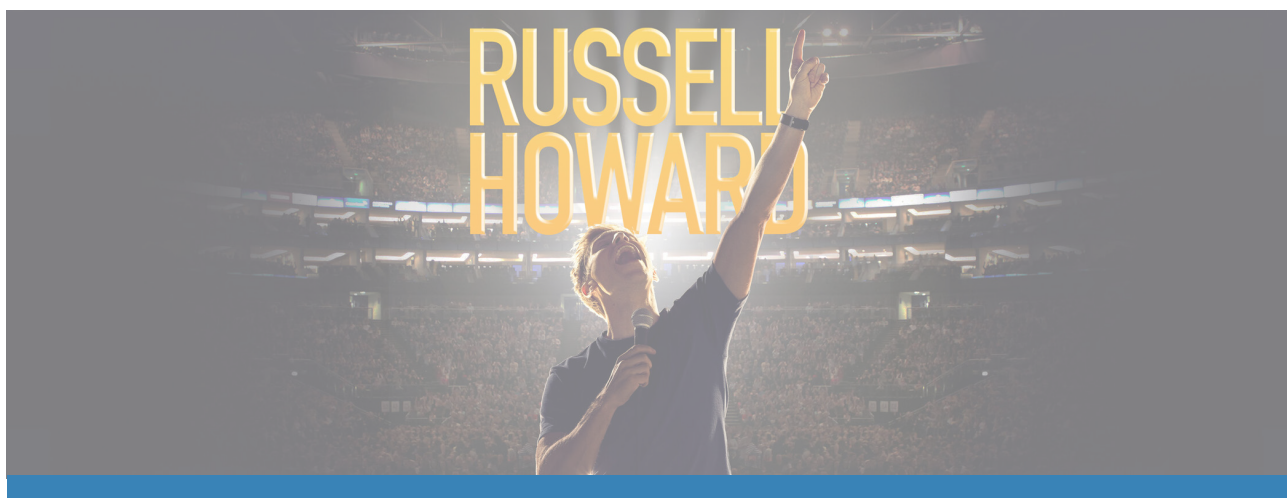
OUR MISSION:

To achieve this vision the Regent Theatre Trust Board will work to:

Maintain and preserve the Regent on Broadway as a valuable historic venue.

Ensure that the Regent on Broadway remains the preferred local venue of choice for international, national, and local performing arts experiences.

The Regent Theatre Trust Board will continually monitor this document to ensure we achieve the outcomes contained therein.



THEATRE ASSETS

HERITAGE INFRASTRUCTURE AND ASSETS

Any theatre that hosts up to 100,000 people throughout a year inevitably receives wear and tear, especially during youth festivals where high energy is a factor and large competitive teams are involved. Inevitably damage occurs and usually it's to areas that have heritage significance. In respect to any part of the theatre's heritage infrastructure or assets, it is important these are maintained by well trained and highly skilled technicians. Constant focus and inspections are made in regard to all heritage areas and assets. Carefully selected skilled tradespersons and technicians are engaged to undertake any work, alterations or repairs which are done in consultation with PNCC Property Management.

GENERAL ASSET AND BUILDING MAINTENANCE

It is important to note that two-thirds of the theatre is 90 years old with all the issues relative to a building of that age and era. Constant and routine external maintenance is carried out during each year to mitigate any issues that are usual and predictable for a 90-year-old building. This is managed by PNCC Property Management in consultation with Regent Theatre Trust Management. Internal assets that are the responsibility of the building owner are managed and maintained by PNCC Property Management in consultation with Regent Theatre Trust Management.

REGENT THEATRE TRUST ASSET MANAGEMENT

The Regent Theatre Trust assets are predominantly furniture and appliances to support the theatre's ability to deliver its hospitality responsibilities, plus administration support equipment such as office furniture and computers. Also included is a large resource of equipment to support the stage events such as specialised microphones, sound, lighting, and projection equipment. These assets have realised a significant amount over the years totalling over \$1.75 million (\$314,756 after depreciation). The theatre has a comprehensive Asset Management Plan. However, funding of equipment replacement through theatre operations and normal depreciation is assisted with the help of the generous financial support from the Friends of the Regent.

CURRENT POSITION

The Board employs a team of full-time, part-time,

and casual staff reporting to a full-time manager. Staffing costs are about \$450,000 per annum. There is also a team of volunteers, "The Friends of the Regent", who provide front-of-house services to hirers. The income from this service is donated back to the Regent Theatre as a contribution towards asset renewals and capital items as required by the Board.

Council provides an operating grant of \$238,000. Council also maintains the fabric of the theatre building through its asset management programme. Assets when replaced at the end of their useful life are funded from a mixture of operating surpluses and philanthropic funds.

The Board also has the ability to source funding and grants from external agencies e.g., Central Energy Trust, Lotteries Commission, etc.

The Board maintains an asset register valued in 2020/21 at \$608,864. This includes fixtures and fittings, mainly comprising theatre equipment. Assets are replaced at the end of their useful life from a mixture of operating surpluses and philanthropic funds.



CAPITAL IMPROVEMENTS PROGRAMME

| Capital programme | Now | Soon | Later |
|---|--------------|--------------|--------------|
| | 2020/21 | 2021/23 | 2023/2030 |
| Goal 1. To be a venue for exciting community and performing arts experiences for the people of Palmerston North and the wider Manawatu region. | | | |
| New Sound Console | \$60 - \$80k | | |
| New Sound shell | | \$30 - \$40k | |
| Additional Staging | | \$25 - \$35k | |
| Replace Theatre Lighting with LEDS | | \$20 - \$35k | |
| Replace Carpet Dressing Rooms | | \$15 - \$25k | |
| Update Regency Room | | \$20k | |
| Air Conditioning Dressing Room | | | \$12 - \$20k |
| Goal 2. To engage in effective collaboration with our stakeholders and clients, that enables the best customer experience. | | | |
| Signage to reflect Bi- Cultural nature of theatre | | \$5 - \$10k | |
| External Lighting | | \$7 - \$10k | |
| CCTV Upgrade | | | |
| Goal 3 To engage with diverse audiences via a marketing and promotion strategy that is continuing developing and responding to regional demographics and artistic/cultural trends | | | |
| New Website | \$30 - \$50k | | |
| Electronic Billboards | | | \$40 - \$60k |

Our capital programme for the year was not achieved. The new website is well underway and should be operational early within the new financial year. It is anticipated that this will come in under budget. The sound console is now scheduled to be replaced during 2021/22

REGENT ON BROADWAY PROMOTIONS

Regent on Broadway Promotions funding was a key to the support behind the Act 3 production of *SISTER ACT*. This event was a financial success for Act 3. The non-payment of revenue from the ticketing funds (\$37k) held by TicketRocket (who went into

liquidation) was solely carried by the Regent. This resulted in the Regent on Broadway Promotions showing a deficit of \$28k for this event.

THE FRIENDS OF THE REGENT

Each year the Regent Theatre Trust Board continues to be extremely grateful to the Friends of the Regent for the overwhelming support provided for the provision of the professional front of house ushering and catering services.

the Regent are on-charged to each event. Proceeds from both the ushering and catering services are then given back to the theatre by way of support to the theatre's infrastructure and assists with the purchase of new equipment and asset renewals.

The services for ushering provided by the Friends of

Friends Assets Purchased 2020/21

| | |
|--|------------------|
| Stanley Wet/Dry Vacuum Cleaner | \$394.00 |
| 3 x Architectural Chairs | \$960.00 |
| Point of view Static Camera & Wall Mount | \$4334.26 |
| Total | \$5688.26 |

Financial support is not the total contribution made by the Friends of the Regent as they play an integral part in theatre operations. The Friends are responsible for the ushering and catering duties on event day. The training undertaken by this group of volunteers is to a very high level which gives assurance to the Regent Theatre Trust and Management that we

have a safe and efficient working venue. The dedication and commitment by the Friends is outstanding, especially when it is being provided by a group who receive no personal reward except the satisfaction they are supporting their city's Auditorium and one of New Zealand's iconic performing arts facilities.

THEATRE OPERATIONS TEAM

We have a small but very dedicated talented team:

Operations Team who look after the theatre's administration and ticketing include Julie Walker, Anoushka Treur, Karen Hambling, and Taylor Ellis. Shamus Jackson and Cheenu Natarajan are responsible for all things technical which includes sound, lighting, and stage setting. Chris Laing and Janice Jones are the Front of House Management team who look after

theatre operations and our patrons on show day.

I personally wish to thank this skilled and talented team for their passion and hard work in bringing the Regent on Broadway through another difficult year and supporting me as General Manager during such challenging times. I look forward to working as a team during the forthcoming year.

NEXT YEAR AND BEYOND

The Board continues its aims in meeting its key objectives by ensuring that the theatre is well equipped and available for hire by national, international, and local, community and professional performing arts events and celebrations. It aims to balance availability for national and international touring events with the needs of many local groups for a grand venue for their events and celebrations. The latter includes graduation ceremonies and end-of-year school ceremonies as well as opportunities for local amateur dramatic and operatic societies to stage magnificent productions in an historic proscenium theatre.

Although the future continues to be uncertain and challenging during these times, we will endeavour to progress the theatre in whichever way that the country allows. We have continued to maintain close working relationships with a number of our hirers including Performing Arts Competitions New Zealand (PACANZ) who has confirmed Palmerston North as the permanent home for future competition festivals and its performances/competitions is based principally at the Regent on Broadway. The PACANZ festival is the pinnacle of award festivals in respect to the performing arts and attracts contestants from all over New Zealand and we look forward to their return to the Theatre during October 2021 after the cancellation of this year's event due to the Covid-19 pandemic.

Act Three Productions (formerly Abbey Theatre) has also confirmed their commitment with the booking of dates out until 2024. Our relationship with the society has allowed for them to book the Regent on Broadway for a minimum of one major musical

theatre production per year. We continue to work closely with them.

Forward Bookings from our local community groups are still encouraging. Local schools and cultural groups are feeling more confident in utilising the venue following the Covid 19 restrictions. Considerable effort is made to attract schools and other education providers to use the theatre. It is principally through these types of events that involve our youth where we see growth in the performing arts by creating the performers and audiences of tomorrow.

Commitment and networking to our commercial hirers is ongoing so that the Regent on Broadway remains a strategic venue for all appropriate professional and commercial performers and events.

APPRECIATION

The Regent Theatre Trust Board together with the Management and Staff at the Regent on Broadway continues to appreciate the continued support from the Palmerston North City Council staff who have provided their advice, expertise, and services during the year.

I would again like to express my gratitude to the Operation team (Administration and Technical) and Friends of the Regent, plus thank members of the Regent Theatre Trust Board for their professional governance and guidance in assisting me once again during this time of challenges, transition, and change in guiding the theatre once more through a difficult year.

STATISTICS FOR THE YEAR ENDED 30TH JUNE 2021

MEASURES OF LEVEL OF ACTIVITY GENERATED BY THE THEATRE

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|---|---------|---------|---------|---------|
| Number of events held at the Regent on Broadway | 385 | 365 | 296 | 355 |
| Auditorium days usage | 181 | 158 | 133 | 140 |
| Auditorium live nights. Commercial (actual shows) | 37 | 36 | 17 | 40 |
| Auditorium live nights. Community (actual shows) | 116 | 103 | | 142 |

MEASURES OF THE OVERALL SUCCESS OF THE EVENTS HELD AT THE THEATRE

| | | | | |
|--|------------------|------------------|------------------|------------------|
| Total attendances for each year | 91,065 | 98,781 | 65,456 | 78,055 |
| Our total attendances were sourced from: National / International Theatre | 23,175 | 24,884 | 11,362 | 26,111 |
| Conferences and other commercial activities | 6,285 | 7,396 | | |
| Local Theatre | 38,450 | 40,089 | 33,282 | 33,561 |
| Schools, Massey, IPC and UCOL | 22,493 | 21,740 | 14,880 | 14,344 |
| Other local events | 662 | 4,672 | 5,932 | 3,563 |
| Total attendances since we re-opened in May 1998: | 2,103,876 | 2,202,657 | 2,268,113 | 2,346,168 |

MEASURES OF THE FINANCIAL PERFORMANCE OF THE THEATRE OPERATIONS

| | | | | |
|---|------------------|------------------|------------------|------------------|
| Total theatre revenue – hire and cost recoveries | \$416,263 | \$499,192 | \$304,059 | \$405,755 |
| Operational Grant from PN City Council | \$220,077 | \$231,038 | \$235,986 | \$238,285 |
| Expenses (less depreciation) | (\$648,977) | (\$713,399) | (648,486) | (\$649,394) |
| Depreciation (Principally donated assets) | (\$90,801) | (\$71,878) | (\$83,246) | (\$82,862) |
| Operating surplus (deficit) after all costs | (\$103,438) | (\$55,047) | (\$191,687) | (\$88,216) |

MEASURES OF THE ACTIVITIES OF REGENT ON BROADWAY PROMOTIONS

| | | | | |
|--|----------|-----------|-----------|------------|
| Surplus (Deficit) from Regent on Broadway Promotions | \$17,938 | (\$1,886) | (\$8,911) | (\$25,339) |
| Number of shows undertaken | 7 | 4 | 1 | 1 |

MEASURES OF ACTIVITIES OF THE EVENTTICKETINGCENTRE

| | | | | |
|---|----------|----------|-----------|---------|
| Surplus (Deficit) from the EventTicketingCentre | \$25,376 | \$33,070 | (\$8,624) | (\$609) |
|---|----------|----------|-----------|---------|

MEASURES OF ACTIVITIES OF THE REGENT SOCIAL MEDIA

| Regent on Broadway Facebook activity | 2018-19 | 2019-20 | 2020-21 |
|--|---------|---------|---------|
| Total Reach | 2843 | n/a | 3789 |
| Total Followers | 4629 | 4991 | 5469 |
| Total Likes | 5420 | 4996 | 5478 |
| Regent on Broadway Instagram followers | | 843 | 1047 |

COMMUNITRAK SURVEY VISITOR SATISFACTION RATING

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|------|------|------|------|------|--|
| N/a | 97% | N/a | N/a | N/a | Insufficient forms returned to assess an accurate result |

David Walsh
General Manager

FRIENDS OF THE REGENT PRESIDENT'S REPORT

For the 2020-21 year ended 30 June 2021

It is with pleasure I present the Presidents report for 2020/2021.

This past year has been better than the covid-19 infected 2019/2020 year but has still had it's trials and tribulations.

Firstly it was with great sadness we acknowledge the passing of our Theatre Patron Pat Snoxell. Pat was a tireless supporter of both the Regent Theatre and Friends of The Regent. His standing in the theatre community was well displayed at his funeral held In The Regent on Broadway. Jenny has kindly donated a swivel chair for the stage managers desk in Pat's honour and is recognised by a suitable plaque on the back of the chair.

It is also with sadness we record the passing of long time Friends Chester Clark and Marcia Kamo. Always willing volunteers they will be sadly missed. The passing of Regent Managers Kathie Watson's husband in January 2021 was a catalyst for Kathies resignation from the position of Theatre Manager. Her resignation was particularly disappointing (though understandable) as she was just starting to get to grips with the position and did not get to implement her vision for the future. David Walsh has come out of retirement for a limited time whilst a replacement for Kathie is found. It has been a pleasure working with David and his event management background and his association with the Friends has proved invaluable.

The entertainment industry is still suffering the effects of the Covid-19 border controls with overseas shows unable to enter the country. This has provided a blessing in disguise for New Zealand acts and talent which have taken the opportunity to fill the gaps left vacant.

Friends Of The Regent volunteers staffed 156 shows with 1122 ushering or catering positions.

This generated a gross income from ushering fees of \$44,470.00 with a nett income of \$37,711.27 after expenses and Roster manager wages.

Catering income was gross \$66,173.46 with a nett income of \$27,286.63 after purchases, cost of EFTPOS machines \$1,633.12 and catering manager wages

Our current bank balance stands at a total of \$172,260.72

While this may seem a very large amount to have in

reserve we have had no significant expenditure since the installation of the new sound system.

We are aware of future funding requirements such as a \$25,000.00 commitment to assist with the replacement of fly ropes (past their use by date) which is a health and safety issue. Total cost of replacement \$100,000 plus

Replacement and upgrading of the sound desk and replacement of Regency Room chairs.

Donations to The Regent On Broadway for the past year include:

- Stanley Fatmax Vacuum including 2 batteries and charger kit - \$394.00
- 3 architectural swivel chairs for operations booth - \$320.00 each = \$960.00 total
- Point of View Static Camera and wall mount - \$4334.26

Total donations for the 2020/2021 year \$5688.26

Catering services have been to the forefront of recent times particularly with regards to the supply of food to satisfy the conditions of the liquor licence held by The Regent. David Walsh has resolved this issue (all be it verbally) with the PNCC so we are only required to have available smallgoods such as ice cream, chocolate, tea/coffee with biscuits, nuts etc. We will also have available menus from local restaurants.

The speed of service over the bars has also caused concern so one of the EFTPOS machines has been upgraded and a third machine purchased. The prices have been increased to try and recover this additional expense.

Regent on Broadway has also asked for more variety in drinks available so three different RTD's will be trialled for Act 3's performance of "we will rock you"

David also initiated "Responsible Service of Alcohol" staff guide and Quiz and I appreciate the response and number of those Friends who participated in this initiative.

There are still considerable challenges ahead. Particularly around safe levels of staffing and duties to be performed by volunteers but I am sure these issues can be resolved.

The Friends have drafted a “Memorandum of Understanding” defining the relationship between The Friend and Regent on Broadway. This is with The Regent management for consideration.

In closing I would like to express my appreciation for the hours worked by all volunteers. While service is part of the purpose of The Friends it is the conviviality and selflessness that makes our voluntary contribution so special.

To all our members we appreciate you making yourself available, sometimes at short notice, but please remember that all shows require staffing so do not leave the less desirable shows to someone else if you have the capacity and opportunity to assist.

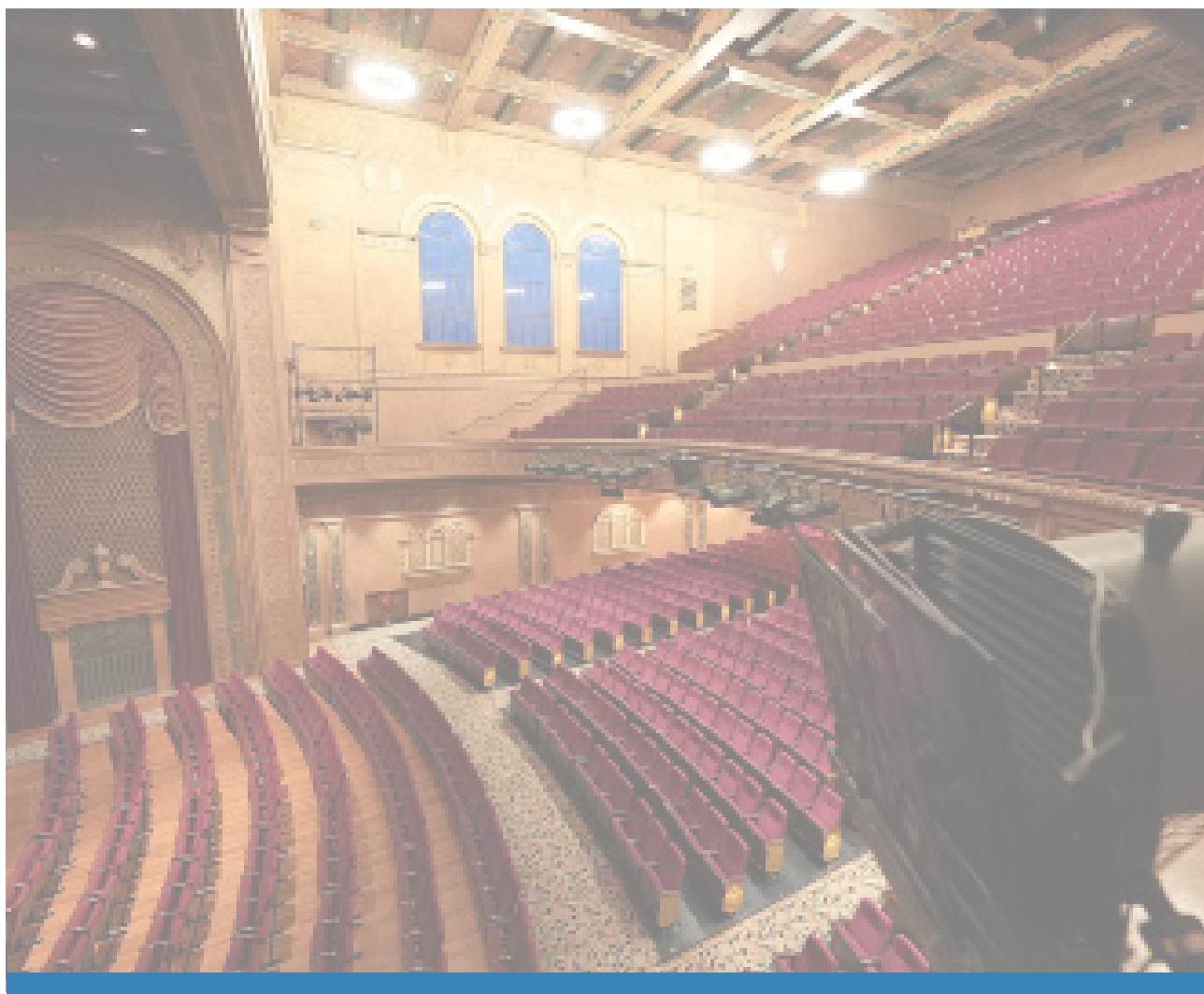
A special thank you to the committee especially Lesley (Secretary), Christine (Treasurer), Jann (Catering Manager), Lilian (Roster Coordinator), Marilyn (Training

coordinator) Janice/Christine (Newsletter)

I have served as president for four years and believe it is time for fresh ideas and new energy to come to this position. I therefore will not be seeking re-election these elections. I thank everyone who has worked with me over the last four years and wish the incoming president and committee all the best and pledge my full support.

I move my presidents report be accepted

Peter Doherty
President
Friends Of The Regent



REGENT THEATRE TRUST BOARD.

Entity Information for the year ended 30 June 2021

Legal name

Regent Theatre Trust Inc. (the Trust).

Type of entity and legal basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is controlled by The Palmerston North City Council and is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

The Trust's purpose or mission

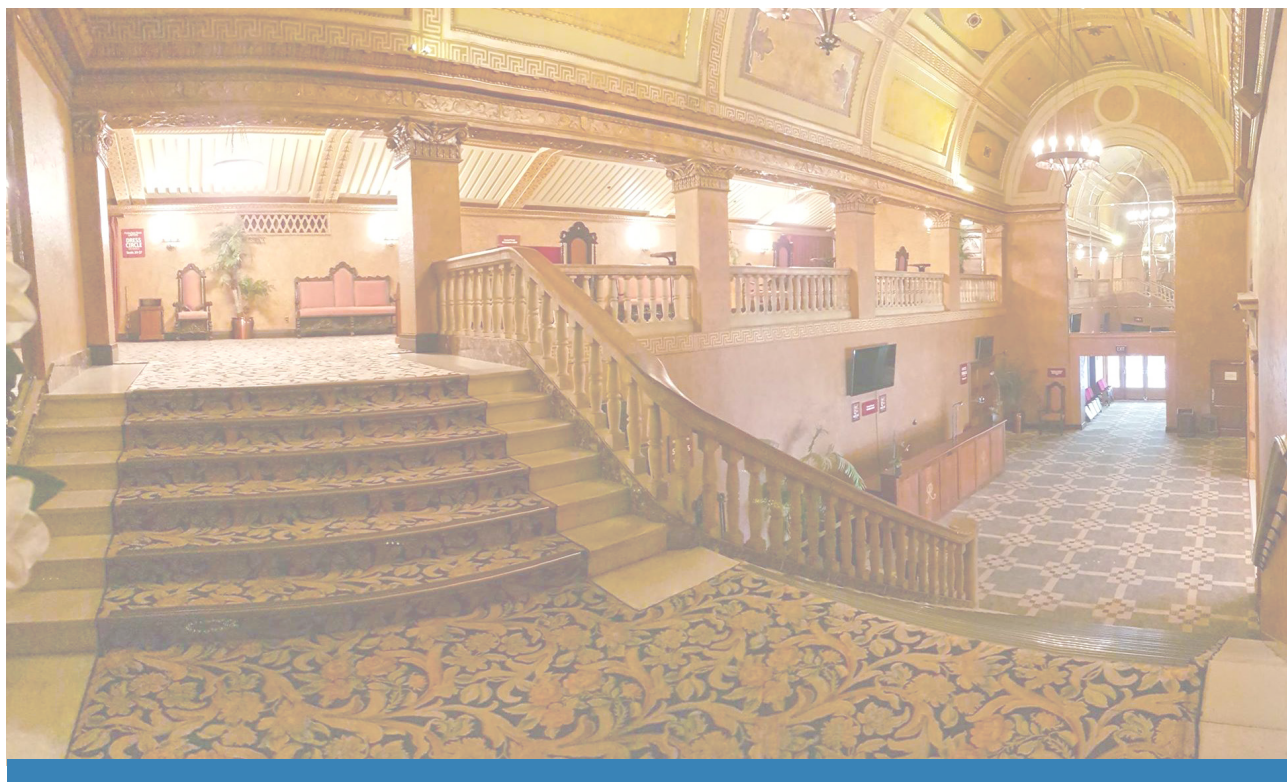
The primary objective of the Trust is to maximise use of the theatre by being pro-active in encouraging professional and amateur theatre, conference organisers, community groups, schools and the general public to make full use of the facilities and make a very major contribution to the Palmerston North City Council city vision.

Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of five Trustees who oversee the governance of the Trust, a General Manager who is responsible for the day to day operations and management and reporting to the Trustees, plus eight other full-time staff who support the General Manager. The Trustees are appointed by the Palmerston North City Council.

Main sources of the Trust's cash and resources

Operating grants received from the Palmerston North City Council plus other income as received by way of Theatre hire and event ticketing centre income are the primary sources of funding to the Trust.



THEATRE OPERATIONS

For the year ended 30 June 2021

| | Note | 2021 \$ | 2020 \$ |
|--|------|----------------|------------------|
| REVENUE | | | |
| Theatre hire | | 186,662 | 141,442 |
| Recoveries and commissions | | 219,093 | 161,617 |
| Council Funding – PNCC | | 238,285 | 235,986 |
| Interest revenue | | 2,712 | 6,630 |
| Total Income | | 646,752 | 546,675 |
| EXPENSES | | | |
| Operating costs | 2 | 182,849 | 183,380 |
| Administration costs | 2 | 74,880 | 66,756 |
| Employee related costs | | 391,664 | 398,350 |
| | | 649,393 | 648,486 |
| Net operating surplus / (deficit) | | (2,641) | (101,811) |

These statements are to be read in conjunction with the notes and accounting policies on pages 41 - 47

REGENT ON BROADWAY PROMOTIONS

For the year ended 30 June 2021

| | Note | 2021 \$ | 2020 \$ |
|--|------|-----------------|----------------|
| REVENUE | | | |
| Manawatu's got talent | | - | - |
| 20th Birthday | | - | - |
| Les Miserables | | - | 289,860 |
| Sister Act | | 126,624 | - |
| Total Income | | 126,624 | 289,860 |
| EXPENSES | | | |
| Manawatu's got talent | | - | - |
| Jekyll & Hyde | | - | - |
| 20th Birthday | | - | - |
| Les Miserables | | 3,333 | 275,744 |
| Sister Act | | 151,963 | 15,129 |
| | | 155,296 | 290,873 |
| Net operating surplus / (deficit) | | (28,672) | (1,013) |

These statements are to be read in conjunction with the notes and accounting policies on pages 41 - 47

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PIANO CAMPAIGN

For the year ended 30 June 2021

| | 16 Note | 2021 \$ | 2020 \$ |
|--|-----------|------------|------------|
| REVENUE | | | |
| Interest revenue | | - | - |
| Total Income | | - | - |
| EXPENSES | | | |
| Piano maintenance | | - | - |
| | | - | - |
| Net operating surplus / (deficit) | 16 | - | - |

These statements are to be read in conjunction with the notes and accounting policies on pages 41 - 47

EVENT TICKETING CENTRE

For the year ended 30 June 2021

| | Note | 2021 \$ | 2020 \$ |
|--|------|---------------|----------------|
| REVENUE | | | |
| Ticketing fees | | 59,676 | 73,544 |
| Interest revenue | | - | - |
| Recoveries | | - | - |
| Total Income | | 59,676 | 73,544 |
| EXPENSES | | | |
| Cost of sales | | (870) | 8,004 |
| Eftpos terminals / computers | | 1,413 | 1,414 |
| Electricity | | 3,175 | 3,207 |
| Freight | | - | - |
| Employee related costs | | 51,524 | 61,819 |
| Security | | 1,331 | 1,828 |
| Stationery | | 706 | 1,176 |
| Telephone | | 1,256 | 1,959 |
| Training | | - | - |
| Marketing and promotion | | 1,750 | 2,761 |
| | | 60,285 | 82,168 |
| Net operating surplus / (deficit) | | (609) | (8,264) |

These statements are to be read in conjunction with the notes and accounting policies on pages 41 - 47

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STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2021

| REVENUE | Note | 2021 \$ | 2021 Budget \$ | 2020 \$ |
|---|------|-----------------|-------------------|------------------|
| Theatre Operations | 1 | 405,755 | 342,626 | 304,059 |
| Regent on Broadway Promotions | | 126,624 | 156,485 | 289,860 |
| Event Ticketing Centre | | 59,676 | 35,121 | 73,544 |
| Council Funding – PNCC | | 238,285 | 238,286 | 235,986 |
| Interest revenue | | 2,712 | 4,848 | 6,630 |
| Community Grants | 22 | - | - | 402,808 |
| Donations from Friends of Regent | 20 | 5,688 | - | 66,812 |
| Covid-19 Wage Subsidy Received | | 35,564 | 26,435 | 65,805 |
| Total Income | | 874,304 | 803,801 | 1,445,504 |
| EXPENSES | | | | |
| Theatre Operations | 2 | 257,729 | 170,105 | 250,136 |
| Employee related expenses | 3 | 443,189 | 441,281 | 460,169 |
| Regent on Broadway Promotions | | 155,296 | 148,661 | 290,873 |
| Piano Campaign | | - | - | - |
| Event Ticketing Centre | | 8,760 | 8,578 | 20,349 |
| Depreciation | | 82,862 | 154,292 | 55,914 |
| Total expenses | | 947,836 | 922,917 | 1,077,441 |
| Net surplus / (deficit) for the year | | (73,532) | (119,116) | 368,063 |

Explanations of major variances against budget are provided in note 23.

These statements are to be read in conjunction with the notes and accounting policies on pages 41 - 47

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

| | Total Equity \$ |
|--------------------------------------|--------------------|
| Balance as at 1 July 2019 | 589,877 |
| Net surplus / (deficit) for the year | 368,063 |
| Balance as at 30 June 2020 | 957,940 |
| Balance as at 1 July 2020 | 957,940 |
| Net surplus / (deficit) for the year | (73,532) |
| Balance as at 30 June 2021 | 884,408 |

These statements are to be read in conjunction with the notes and accounting policies on pages 41 - 47

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STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2021

| | Note | 2021 \$ | 2021 Budget \$ | 2020 \$ |
|---------------------------------|------|------------------|-------------------|------------------|
| CURRENT ASSETS | | | | |
| Bank accounts and cash | 4 | 185,351 | 260,053 | 171,154 |
| Prepaid Insurance | | 6,801 | 6,904 | 6,836 |
| Prepayments | | - | - | - |
| Production receivable | 13 | - | - | 3,333 |
| Debtors | 5 | 17,916 | 7,829 | 4,418 |
| Investments | 6 | 185,295 | 181,136 | 181,136 |
| Accrued Revenue | | - | - | - |
| Goods & services tax | | - | - | 46,909 |
| | | 395,363 | 455,922 | 413,786 |
| NON-CURRENT ASSETS | | | | |
| Property, plant & equipment | 7 | 608,864 | 530,030 | 682,184 |
| | | 608,864 | 530,030 | 682,184 |
| Total Assets | | 1,004,227 | 985,952 | 1,095,970 |
| LESS LIABILITIES: | | | | |
| CURRENT LIABILITIES | | | | |
| Creditors and accrued expenses | 8 | 68,552 | 99,666 | 57,035 |
| Deposits in advance | 9 | 17,615 | 9,741 | 18,450 |
| Employee costs payable | 10 | 30,410 | 36,110 | 36,110 |
| Goods & services tax | | - | - | 26,435 |
| Covid -19 Wage Subsidy received | | 3,242 | 1,610 | - |
| Total liabilities | | 119,819 | 147,127 | 138,030 |
| Assets less liabilities | | 884,408 | 838,825 | 957,940 |

Continued page 37

These statements are to be read in conjunction with the notes and accounting policies on pages 41 - 47

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2021

CONTINUED

| | | | | |
|-------------------------------|----|----------------|----------------|----------------|
| EQUITY | | | | |
| Steinway Piano Campaign Fund | 16 | 41,449 | 41,449 | 41,449 |
| Theatre Operations | 17 | 618,621 | 639,552 | 663,481 |
| Regent on Broadway Promotions | 18 | 74,338 | 7,824 | 103,010 |
| Maintenance Reserve | 19 | 150,000 | 150,000 | 150,000 |
| Total Equity | | 884,408 | 838,825 | 957,940 |

Authorised for issue on behalf of the Board:

Trustee:

Trustee:

Date:

Date:

These statements are to be read in conjunction with the notes and accounting policies on pages 41 - 47

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STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

| CASH FLOWS FROM OPERATING ACTIVITIES | Note | 2021 \$ | 2020 \$ |
|---|----------|----------------|------------------|
| Cash was provided from: | | | |
| Receipts of council funding | | 238,285 | 376,980 |
| Interest receipts | | 4,241 | 7,267 |
| Donations and Grants | | 5,688 | 335,320 |
| Receipts from operations | | 576,193 | 812,836 |
| COVID-19 Wage Subsidy | | 35,564 | 92,420 |
| | | 859,971 | 1,558,838 |
| Cash was applied to: | | | |
| Payments to suppliers and employees | | 886,373 | 1,103,588 |
| GST (net) | | (50,151) | 58,217 |
| | | 836,222 | 1,161,805 |
| Net cash flows from operating activities | | 23,749 | 397,032 |
| CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES | | | |
| Cash was provided from: | | | |
| Receipts from sale of investments | | - | 245,801 |
| Repayment of seeding capital | | - | - |
| | | - | 245,801 |
| Cash was applied to: | | | |
| Payments to acquire investments | | - | 181,136 |
| Payments to acquire property, plant and equipment | | 49,552 | 270,573 |
| Lending of seeding capital/production receivable | | - | - |
| | | 9,552 | 651,709 |
| Net cash flows from investing and financing activities | | (9,552) | (405,908) |
| Net increase (decrease) in cash for the year | | 14,197 | (8,876) |
| Add opening bank accounts and cash | | 171,154 | 180,029 |
| Closing bank accounts and cash | 4 | 185,351 | 171,154 |

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

These statements are to be read in conjunction with the notes and accounting policies on pages 41 - 47

STATEMENT OF ACCOUNTING POLICIES

For the 2019-20 year ended 30 June 2020

BASIS OF PREPARATION

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) 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.

GOODS AND SERVICES TAX

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Grants

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

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.

DONATED ASSETS

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.

INTEREST

Interest revenue is recorded as it is earned during the

year.

RECOVERIES AND COMMISSIONS

Amounts disclosed in the Statement of Financial Performance consist of monies recovered from the theatre hirer for direct costs incurred during the hire period. These include labour, electricity and gas and staging expenses.

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 and lieu hours.

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.

ADVERTISING, MARKETING, ADMINISTRATION, OVERHEAD, AND FUNDRAISING COSTS

These are expensed when the related service has been received.

LEASE EXPENSE

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

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

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

Investments comprise investments in terms 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.

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 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 10-25% Straight-line
- Furniture & fittings 20% Straight-line
- Piano 5% Straight-line
- Leasehold improvements 8.4% Straight-line

CREDITORS AND ACCRUED EXPENSES

Creditors and accrued expenses are measured at the amount owed.

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, lieu hours and annual leave earned but not yet taken at balance date.

PROVISIONS

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation as a result 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 Regent Theatre Trust Inc. has been granted charitable status by the Inland Revenue Department, and therefore is exempt from income tax.

TIER 2 PBE ACCOUNTING STANDARDS APPLIED

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

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies during the financial year (last year – nil).



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

| | | |
|--|--------------------|--------------------|
| 1. THEATRE OPERATIONS REVENUE | 2021 \$ | 2020 \$ |
| Theatre hire | 186,662 | 142,442 |
| Recoveries and commissions | 219,093 | 161,617 |
| Total Theatre Operations Revenue | 405,755 | 304,059 |
| 2. THEATRE OPERATIONS EXPENDITURE | 2021 \$ | 2020 \$ |
| <i>Operating costs</i> | | |
| Advertising & promotion | 20,161 | 47,345 |
| Advertising recoverable | 3,419 | 4,023 |
| Cleaning | 25,652 | 23,046 |
| Electricity & gas | 43,964 | 47,793 |
| Freight & cartage | 52 | - |
| Water | 999 | 1,335 |
| Recoveries | 16,286 | 6,459 |
| Repairs & maintenance | 16,562 | 9,876 |
| Retail lease & rates | - | - |
| Sanitation | 12,286 | 12,280 |
| Technical supplies | 1,608 | 1,535 |
| Ushering staff | 41,860 | 29,688 |
| | 182,849 | 183,380 |
| Administration costs | | |
| Audit fees (Audit New Zealand) | 27,652 | 26,846 |
| Bad debts | 1,071 | 169 |
| Bank fees | 220 | 220 |
| Computer expenses | 1,654 | 845 |
| Entertainment | 3,944 | 2,525 |
| Financial services | 15,890 | 8,713 |

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| | | |
|---|--------------------|--------------------|
| Insurance | 9,925 | 10,528 |
| Miscellaneous | 1,747 | 3,311 |
| Petty cash | 304 | 217 |
| Photocopier | 266 | |
| Postage | - | 107 |
| Secretarial services | 450 | 3,400 |
| Security | 5,240 | 721 |
| Stationery | 810 | 952 |
| Subscriptions & licenses | 3,579 | 5,402 |
| Telephone | 2,128 | 2,800 |
| | 74,880 | 67,756 |
| Total Theatre Operations Expenditure | 257,729 | 250,136 |
| 3. EMPLOYEE RELATED COSTS | 2021 \$ | 2020 \$ |
| Salaries and wages | 443,189 | 460,169 |
| Other employee related cost | - | - |
| Total employee benefit costs | 443,189 | 460,169 |
| 4. BANK ACCOUNTS AND CASH | 2021 \$ | 2020 \$ |
| <i>Analysis of total cash book balances and deposit accounts as at 30 June:</i> | | |
| Theatre administration account | 165,931 | 154,618 |
| Ticketek account | 4,077 | 1,201 |
| Call Account | 15,343 | 15,336 |
| | 185,351 | 171,154 |
| 5. DEBTORS | 2021 \$ | 2020 \$ |
| Trade receivables | 17,472 | 2,445 |
| Less provision for impairment | - | - |
| Total trade receivables | 17,472 | 2,445 |
| Accrued interest | 444 | 1,973 |

NOTES TO THE FINANCIAL STATEMENTS

CONTINUED

For the year ended 30 June 2021

| | | | | | |
|--|----------------------------|-------------------------------|--------------|--------------------------------|----------------|
| Total trade and other receivables | | | | | |
| | | | | 17,916 | 4,418 |
| 6. INVESTMENTS | | | | | |
| <i>Current investments</i> | | | | 2021 | 2020 |
| | | | | \$ | \$ |
| ANZ Bank term deposits | | | | 185,295 | 181,136 |
| Total investments | | | | 185,295 | 181,136 |
| 7. PROPERTY, PLANT AND EQUIPMENT | | | | | |
| COST | Plant and Equipment | Furniture and Fittings | Piano | Lease Hold Improvements | Total |
| Balance at 1 July 2019 | 1,107,948 | 200,598 | 186,554 | 283,214 | 1,780,314 |
| Additions | 470,488 | - | - | 723 | 471,211 |
| Disposals | - | - | - | - | - |
| Balance at 30 June 2020 | 1,578,346 | 200,598 | 186,554 | 285,937 | 2,251,525 |
| Balance at 1 July 2020 | 1,578,346 | 200,598 | 186,554 | 285,937 | 2,251,525 |
| Additions | 9,552 | - | - | - | 9,552 |
| Disposals | - | - | - | - | - |
| Balance at 30 June 2021 | 1,587,988 | 200,598 | 186,554 | 285,937 | 2,261,077 |
| Accumulated depreciation | | | | | |
| Balance at 1 July 2019 | 1,001,443 | 194,001 | 173,942 | 144,041 | 1,513,437 |
| Depreciation expense | 33,543 | 1,927 | 4,364 | 16,080 | 55,914 |
| Disposals | - | - | - | - | - |
| Balance at 30 June 2020 | 1,034,986 | 195,928 | 178,306 | 160,121 | 1,569,341 |
| Balance at 1 July 2020 | 1,034,986 | 195,928 | 178,306 | 160,121 | 1,569,341 |
| Depreciation expense | 67,306 | - | 804 | 14,752 | 82,862 |
| Disposals | - | - | - | - | - |
| Balance at 30 June 2021 | 1,102,292 | 195,928 | 179,110 | 174,873 | 1,652,203 |
| Carrying amounts | | | | | |
| At 30 June 2019 | 543,450 | 4,670 | 8,248 | 125,816 | 682,184 |
| At 30 June 2020 | 485,696 | 4,670 | 7,444 | 111,064 | 608,874 |

Leasehold improvements includes \$Nil of work in progress (2020: \$Nil). This relates to a new bar at the Theatre which was completed during the year. Depreciation is now being calculated.

| | | |
|--|--------------------|--------------------|
| 8. CREDITORS AND ACCRUED EXPENSES | 2021 \$ | 2020 \$ |
| Creditors | 36,231 | 25,520 |
| Accrued expenses | 32,321 | 31,515 |
| Total creditors and accrued expenses | 68,552 | 57,035 |
| <i>Comprising:</i> | | |
| Current | 68,552 | 57,035 |
| Total creditors and accrued expenses | 68,552 | 57,035 |
| 9. DEPOSITS IN ADVANCE | | |
| Deposits in advance of \$17,615 (2020: \$18,450) are funds received by the theatre for shows and events yet to come. | | |
| 10. EMPLOYEE COSTS PAYABLE | 2021 \$ | 2020 \$ |
| Annual leave | 26,502 | 23,545 |
| Wages owing | 3,208 | 12,408 |
| Lieu hours owing | 700 | 157 |
| Total employee costs payable | 30,410 | 36,110 |
| <i>Comprising:</i> | | |
| Current | 30,410 | 36,110 |
| Total employee costs payable | 30,410 | 36,110 |

11. RELATED PARTY TRANSACTIONS

Palmerston North City Council

Palmerston North City Council The total amount of operating grants received from the Council is disclosed in the statement of financial performance. There were no further Grants funding received from the Council for 2020/2021 year. In 2019/2020 year, Grants funding of \$134,300 was received from the Council towards the Sound System.

In terms of the Management Agreement between the Palmerston North City Council and the Trust, the Council's charges for rent, rates and insurance attributable to the Theatre are covered by the Council's internal accounting processes and do not require an actual payment to be made by the trustees.

Key management personnel

The Trustees received payment of \$5,355 for attending meetings in the 2021 financial year (2020: \$6,290).

Fortress Information System Limited Trading as Ticket Rocket

In August 2020 the Company was placed in Receivership and subsequently in October 2020 the company was placed in Liquidation. Ticket sales totalling \$37,586 held on behalf the Regent unlikely to be refunded.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

CONTINUED

12. OPERATING LEASE COMMITMENTS

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

| | 2021 \$ | 2020 \$ |
|---|--------------|--------------|
| Not later than one year | 1,488 | 1,294 |
| Later than one year and not later than five years | 2,976 | 2,588 |
| Later than five years | - | - |
| Total non-cancellable operating leases | 4,464 | 3,882 |

The Trust leases EFTPOS machines from EFTPOS Central for a period of 36 months. This agreement was re-signed during 2020 and ends in 2023.

13. SEEDING CAPITAL/PRODUCTION RECEIVABLE

Current production receivable: Les Miserables (2019)

| 2021 \$ | 2020 \$ |
|------------|------------|
| - | 3,333 |

The Trust entered into a Production Agreement with the Palmerston North Operatic Society for Les Miserables in 2019 that took place in August. Profit from the show was split between the Board and the Operatic Society at 30% and 70% respectively. The 2020 receivable was written off during the current year.

14. CONTINGENT ASSETS AND LIABILITIES

The Trust has no contingent assets or liabilities as at 30 June 2021 (2020: Nil).

15. EVENTS SUBSEQUENT TO BALANCE DATE

There have been no significant events subsequent to balance date (2020: Nil)

16. STEINWAY PIANO CAMPAIGN FUND

| | 2021 \$ | 2020 \$ |
|----------------------------------|---------------|---------------|
| Balance at beginning of year | 41,449 | 41,449 |
| Net surplus / (deficit) for year | - | - |
| Balance at end of year | 41,449 | 41,449 |

The Trust Board had undertaken a fund raising campaign for the specific purpose of purchasing a new grand piano. In December 2001 this grand piano was purchased with any remaining funds to be used on maintenance, upkeep and tuning.

| 17. THEATRE OPERATIONS | 2021 \$ | 2020 \$ |
|---|--------------------|--------------------|
| Balance at beginning of year | 663,481 | 249,405 |
| Donated Assets/In kind | 5,688 | 68,812 |
| Community Grants | - | 402,808 |
| Covid -19 Wages Subsidy | 35,564 | 65,805 |
| Net surplus / (deficit) for year* | (3,250) | (110,435) |
| Depreciation | (82,862) | (55,914) |
| Balance at end of year | 618,621 | 663,481 |
| *Includes net surplus / (deficit) for both Theatre Operations and Event Ticketing Centre. | | |
| 18. REGENT ON BROADWAY PROMOTIONS | 2021 \$ | 2020 \$ |
| Balance at beginning of year | 103,010 | 104,023 |
| Net surplus / (deficit) for year | (28,672) | (1,013) |
| Balance at end of year | 74,338 | 103,010 |
| 19. MAINTENANCE RESERVE | 2021 \$ | 2020 \$ |
| Balance at beginning of year | 150,000 | 150,000 |
| Balance at end of year | 150,000 | 150,000 |

The maintenance reserve fund of \$150,000 was set up principally to support the Regent Theatre Trust's maintenance obligations in respect to theatre equipment and other tangible assets of the trust.

20. DONATIONS FROM FRIENDS OF REGENT FOR ASSETS AND TIME.

Donations from Friends of The Regent this year total \$5,688 (2020: \$68,812). Amounts donated to 30 June 2021 total \$858,816 (2020: \$853,128).

21. DONATIONS FROM OTHER SOURCES.

No Donations were received during the year (2020: \$Nil)

22. COMMUNITY GRANTS.

No Grants were received from Lottery Grants Trust during the year (2020: \$268,508).

No Grants were received from Palmerston North City Council during the year (2020: \$134,300) as disclosed in note 11.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2020

CONTINUED

23. EXPLANATION OF SIGNIFICANT VARIANCES AGAINST BUDGET.

Explanation of significant variances against budget

Explanations for significant variations from the budgeted figures in the Statement of Performance are as follows:

Revenue

Theatre Operations. Budget \$168,100 versus actual \$186,662. Due to the Covid-19 global pandemic a conservative budget was adopted as management were uncertain as to how the business may be affected. Fortunately, quality events held have provided a net result higher than the budget.

Recoveries, Commissions and Sundry. Budget \$174,526 versus actual \$219,093. Recoveries were higher than budgeted due to better quality and more events than originally budgeted for. Commission received were higher than budgeted due to additional sale of Wiggles Merchandise.

Donations from Friends of Regent.

Income from the Friends of Regent is not included in the budget due to the nature of the revenue type, being variable and unpredictable. During this financial year \$5,688 was received from the Friends of Regent for asset purchases.

Expenses

Depreciation. Budget \$154,292 versus actual \$82,862. The Trust had no additional assets during the 2020/2021 year compared to the acquisitions forecast of \$110,000.

24. COVID-19 IMPACT

On March 11, 2020, the World Health Organisation declared the outbreak of Covid-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March 2020, New Zealand increased its Covid -19 alert level to level 4 and a nationwide lockdown commenced. During the 4 four-week lockdown, non-essential business and organisations were not allowed to operate and individuals (other than essential workers or those undertaking essential business) were required to stay at home. In late April 2020, the lockdown period ended and the New Zealand Government started gradually easing the restrictions that had been placed on businesses, organisations and individuals.

The Covid-19 effect had a dramatic impact on the business during the first 6 months of trading after lockdown. Approximately 35 major events that were booked into the Regent, were either cancelled or rescheduled to the following year. The closure not only affected the number of events held at the Regent but also contributed to the economic downturn in the city where major productions had to be cancelled. However, the Regent are currently at this stage, on track to achieving their target, comparing it to the same period last year.

At this time, the full financial impact is not able to be determined.

Regent on Broadway
53 Broadway Avenue
Palmerston North

MEMORANDUM

TO: Arts, Culture & Heritage Committee

MEETING DATE: 17 November 2021

TITLE: The Globe Theatre Trust - Annual Report 2020-21

PRESENTED BY: Hannah White, Democracy & Governance Manager

APPROVED BY: Sheryl Bryant, Assistant Chief Executive

RECOMMENDATION TO COUNCIL

1. That Council receive the Globe Theatre Trust Board's Annual Report 2020-21 (Attachment 2 of the memorandum titled 'The Globe Theatre Trust – Annual Report 2020-21'), presented to the Arts, Culture & Heritage Committee on 17 November 2021.
-

1. ISSUE

- 1.1 The Globe Theatre Trust Board (the Globe) has submitted its Annual Report 2020-21 (attachment 2). This memorandum provides an opportunity for Elected Members to review the progress the Globe Theatre has made against its Statement of Intent during the period 1 July 2020 to 30 June 2021.
- 1.2 Representatives of the Globe are in attendance to present.
- 1.3 This Annual Report covers a period in which New Zealand was under various restrictions due to the COVID-19 pandemic. The Globe has been able to adapt to the COVID-19 restrictions and has succeeded in meeting almost all of its performance targets.

2. BACKGROUND

- 2.1 The Globe is a Council Controlled Organisation (CCO), which was set up to independently manage and promote the Globe Theatre as a venue for hire. 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 Local Government Act (LGA) requires CCOs to produce an annual report which compares its actual and intended performance (as set out in the Statement of Intent) and audited financial statements.
- 2.3 The COVID-19 pandemic has impacted the capacity of Audit New Zealand to undertake the audit of the Globe Theatre within the usual timeframe.

Therefore, the attached annual report is still in draft form and is expected to be audited in the next few months. An updated report will be brought to the Committee in the event there are any material changes following audit.

3. PERFORMANCE FOR THE YEAR JULY 2020 - JUNE 2021

- 3.1 The Globe operated under Alert Level 2 for seven weeks and four days during this reporting period. It stayed open under Alert Level 2 and used some innovative ways to meet the physical distancing requirements, such as encouraging performers to hold more shows and splitting the audience over several performances. Although performances and events booked during the Level 2 period were cancelled or postponed, in many cases the Globe was able to re-schedule acts for later in the year.
- 3.2 Highlights from the Globe's annual report include the following:
 - Hosted a wide range of shows and events – such as: Manawatū Youth Theatre, French film festivals, comedy nights, Manawatū Jazz Festivals and the Aotearoa Country Music Awards
 - Continuing to build strong working relationships with a variety of community groups including nine Memorandum of Understanding (MOU) groups. These groups, alongside the repeat bookers form the backbone of the theatre's calendar.
 - Becoming part of the touring scene for many musical/ theatre performances. By offering acts different options for paying the hirage fee, the Globe has been successful at attracting more touring groups to Palmerston North, which increases the variety of acts performed in the city.
- 3.3 Attachment 1 shows the Globe's performance against the agreed Statement of Intent targets and includes officer comments. The Globe has had a fantastic year with high usage, performances and attendance. All performance measures under 'Objective 1: Ensure that there are more arts and activities at the Globe', have exceeded their target.
- 3.4 Three measures: 'Proportion of use that is driven through MOU arrangements and is performance based'; 'Proportion of MOU-driven use that is performance based'; and 'Proportion of overall usage from new community groups' have not achieved the target.
- 3.5 The Globe has nine MOU agreements but only five use the theatre on a regular basis the other four only use it for end of year shows. 'Proportion of use that is driven through MOU arrangements and is performance based' measures the MOU usage as a percentage of all theatre usage. The Globe explained that the high total usage figure basically meant that the MOUs were never going to hit the target of 63% usage. There were also a number of events cancelled due to lockdowns which would have impacted on some of the MOU's usage during the year.

- 3.6 'Proportion of MOU-driven use that is performance based' measures the number of MOU performances as a percentage of MOU use. The target was 95%. The Globe explained that they believe that this measure is never going to be achieved, as MOU groups will tend towards using the theatre more for rehearsals or workshops than they do for performances. For example, Manawātū Youth Theatre used the theatre 43 times during the year and only had 13 performances. The Comedy Hub would be similar as they run a number of workshops throughout the year.
- 3.7 The Globe is in the process of reviewing their performance measures for their Statement of Intent 2022-25.
- 3.8 The chart below shows the breakdown of usage for the 2020-21 year. The total number of usages was 535. All the MOU groups are community groups – so in total the Globe is being used by community groups 84% of the time.

Breakdown of Usage at the Globe by User 2020-21

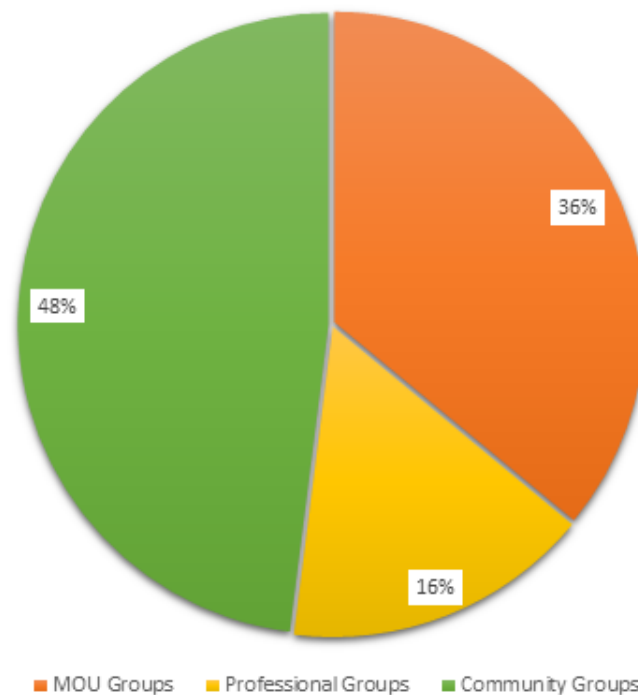


Table 1: Financial Information for Annual Report 2020-21

| | 2021 | | | 2020 | |
|-----------------------------------|---------------|-------------------|-------------|---------------|-------------|
| Summary Financials (\$000) | Actual | SOI Budget | Var. | Actual | Var. |
| Financial Performance | | | | | |
| PNCC Grants | 116,855 | 116,905 | (50) | 115,748 | 1,107 |
| Total revenue | 351,410 | 228,512 | 122,898 | 334,175 | 17,235 |
| Total Expenses | 277,501 | 273,975 | 3,526 | 260,752 | 16,749 |
| Net Surplus (Deficit) | 73,909 | (45,463) | 119,372 | 73,423 | 486 |
| Financial Position | | | | | |
| Current Assets | 189,572 | 50,050 | 139,522 | 105,340 | 84,232 |
| Total Assets | 492,069 | 315,222 | 176,847 | 454,580 | 37,489 |
| Current Liabilities | 34,532 | 18,199 | 16,333 | 70,946 | (36,414) |
| Total Liabilities | 34,532 | 18,199 | 16,333 | 70,946 | (36,414) |
| Equity | 457,537 | 297,023 | 160,514 | 383,634 | 73,903 |
| Cash Flows | | | | | |
| Total Net Cash Flows | 81,219 | (19,945) | 101,164 | 70,799 | 10,420 |
| Opening Cash | 104,362 | 51,795 | 52,567 | 33,563 | 70,799 |
| Closing Cash | 185,581 | 31,850 | 153,731 | 104,362 | 81,219 |

*when compared to the same period 12 months ago

3.9 The Trust maintained an operating surplus of \$73,909 which is similar to 12 months ago, thanks to its strong café and ticket sales.

3.10 Mainly due to the net operating cash inflow, the cash balance has increased by \$81,219.

3.11 The Trust's current assets are more than 5 times its liabilities indicating that the Trust can satisfy its obligations.

4. NEXT STEPS

4.1 Council officers will communicate any Council comments on the annual report to the Globe Theatre.

4.2 At the end of February 2021, the Globe Theatre Trust Board will submit:



- their draft Statements of Intent for 2022–25; and
- six-month reports on the current Statement of Intent 2021–24.

These will be presented to the Arts Culture and Heritage Committee in April 2022.

5. COMPLIANCE AND ADMINISTRATION

| | |
|---|---|
| Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual | No |
| 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? | Yes |
| 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 Plan. The action is: to support CCOs to achieve the objectives of the Arts and Heritage plan. | |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being | Receiving the Annual Report 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 Trust - Performance [↓](#) 
2. The Globe Theatre Trust- Annual Report 2020-21 [↓](#) 

| The Globe Theatre -Performance 2020-21 | | | Annual Target 2020-21 | 6- month performance as at 31/12/20 | % of annual target at six month mark | Annual performance 2020/2021 | % of Annual target | Officer's comment |
|--|--------|--------|--------------------------|---|---|--|--------------------|-------------------|
| Ensure that there are more arts and activities at The Globe that contribute to the Council's aspirations as an Arts Powerhouse | | | | | | | | |
| Number of usages | 380 | 309 | 81% | 535 | 141% | Achieved | | |
| Number of Performances | 190 | 151 | 79% | 285 | 150% | Achieved | | |
| Hours of use by hirers | 1,436 | 1,295 | 90% | 2,207 | 154% | Achieved | | |
| Number of participants | 1,156 | 1,970 | 170% | 3,351 | 290% | Achieved | | |
| Number of audience | 12,635 | 13,079 | 104% | 23,225 | 184% | Achieved | | |
| Hirers satisfaction - result maintained or improved (n=18) | 86% | N/A | | 100% | 116% | Achieved | | |
| Audience Satisfaction - result maintained or improved (n=179) | 83% | N/A | | 91% | 110% | Achieved | | |
| Number of national and international visiting productions performing at the Globe | 11 | 10 | 91% | 17 | 155% | Achieved | | |
| 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 | | | | | | | | |
| Proportion of theatre usage that is driven through MOU arrangements and performance based. | 63% | 35% | 56% | 36% | 57% | Not achieved: Total usage was very high this year (535) which made it difficult for the MOUs to make the target of 63% usage. There were also a number of events cancelled due to lockdowns which has impacted on MOUs' usage during the year. | | |
| % of MOU driven use that is performance-based. | 95% | 53% | 56% | 56% | 59% | This measures MOU Performances/MOU Usage%. The target of 95% is difficult to achieve as the number of MOU performances is always going to be significantly less than overall usage for rehearsals or workshops. | | |
| Community usage | | | | | | | | |
| Results maintained or improved from previous year | | | | | | | | |
| % of overall usage from ESTABLISHED community users | 31% | N/A | N/A | 48% | 155% | Achieved | | |
| % of overall usage from NEW community groups | 8.80% | N/A | N/A | 7.5% | 85% | Slight decrease in the number of new community groups using the Globe compared to last year. | | |
| 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. | | | | | | | | |
| New projector and screen | N/A | N/A | N/A | New projector and screen purchased | N/A | Achieved | | |
| Carry out capital development programme | 67% | 68% | 101% | 100% | 149% | Achieved | | |
| Depreciation costs funded | | | | | | | | |
| On track/ achieved | | | | | | | | |
| Not on track but still achievable | | | | | | | | |
| Unlikely to achieve for reasons outside of CCO's control | | | | | | | | |
| Not achieved | | | | | | | | |

Draft Annual Report 2020-2021

THE GLOBE THEATRE TRUST BOARD
JUNE 30TH 2021



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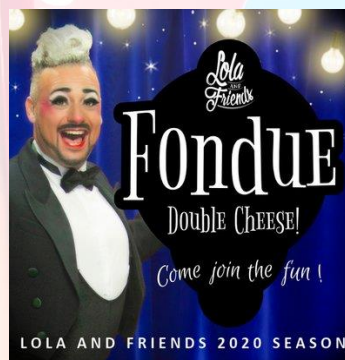
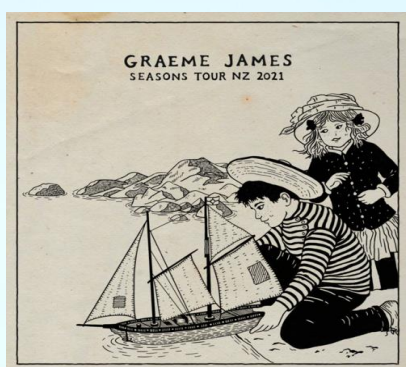
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SHOWCASING OUR COMMUNITY



address: PO Box 132, 312 Main Street
Palmerston North
website: www.globetheatre.co.nz
email: info@globetheatre.co.nz
phone: 06 351 4409

| Trust Details as at 30 June 2020 | |
|----------------------------------|---|
| Nature of Business | Theatre |
| Establishment Date | 15 April 2002 |
| Trustees | J Adams (Chairperson) M Dale (Chairperson) R Harris G Hudson M May |
| Treasurer | G Hudson |
| Secretary | M May |
| Address | 312 Main Street PO Box 132 Palmerston North |
| | Telephone: (06) 351 4409 |
| Bankers | Bank of New Zealand |
| Solicitors | Cooper Rapley |
| Registered Office | C/ Palmerston North City Council Civic Administration Building The Square Palmerston North |
| Incorporation Number | 1206039 |
| Inland Revenue Number | 43-006-495 |



SHOWCASING OUR COMMUNITY

CHAIRPERSON'S REPORT

The Globe Theatre Trust Board is pleased to present this annual report to the Council. The year ended June 2021 was another busy period for the theatre, and through the hard work of our Manager Gerry Keating and our staff, we were able to bounce back from the effects of the uncertainty caused by the numerous COVID lockdowns and adverse trading conditions.

The year started on a very positive note with the Manawatu Youth Theatre's production of The Little Mermaid Junior. 13 performances and over 2,400 audience members got us off on the right foot and it is always a joy to see so many young people in the theatre. July was also the month that we took over the operation of the café and another area of the theatre for our manager and staff to look after.

As a Board, we knew the year was always going to have an uncertain feel to it and this was emphasised in August & September 2020 and February & March 2021 when we moved up and down COVID levels. The effort that goes into rescheduling shows and organising communications with hirers and patrons alike, cannot be understated. From transferring tickets to issuing refunds, one would understand it if our staff just threw everything up in the air and walked away. The dedication shown by our Manager Gerry and his staff, goes way and beyond what would normally be expected. This professionalism and commitment are reflected in the thanks from both hirers and patrons alike.

Of particular satisfaction to the Board, is the wide range of shows and events that we are hosting. Other highlights are working with a variety of community groups, including our MOU's, the very positive relationship we have with council officers over any maintenance issues we have at the theatre, and how we are on the touring scene for many musical/theatre performances. Also of note is the consistent positive feedback we are getting from hirers.

We continue to invest in our theatre equipment and recently installed a new projector and screen in Globe 1 courtesy of a kind donation from Pub Charity.

There are far too many highlights of the year to put in my report but most notably were:

- July – Manawatu Youth Theatre's The Little Mermaid Jr
- August – Tofiga "Sorry Bout It"
- September – Aotearoa Country Music Awards, Comedy Hub 3 Day Mini Festival and Rodger Fox/Michael Houstoun. All held under Level 2 restrictions
- November – Manawatu Jazz Festival Decanted and our resident Manawatu Theatre Society's Pirates Of Penzance
- February – Papaioea Festival Of Arts, held under Level 2 restrictions
- March – Alliance Francaise Francophonie Film Festival
- April – Hogsnot Bulldogs Goodtime Band
- May – May Day concert
- June – 54th Manawatu Jazz Festival and Smokefree Rockquest

The theatre lost a shining light in July of this year with the passing of our long-serving chair Maxine Dale. Maxine's passion for all aspects of theatre will be impossible to replicate. As a board member and chairperson, she insured she was well informed and ready to act on the issues that mattered. The Globe benefitted from her vision and professional attitude but most of all she cared hugely about people and their well-being and that their voice was heard. Maxine valued and worked on consensus. However, she was never afraid to make

SHOWCASING OUR COMMUNITY

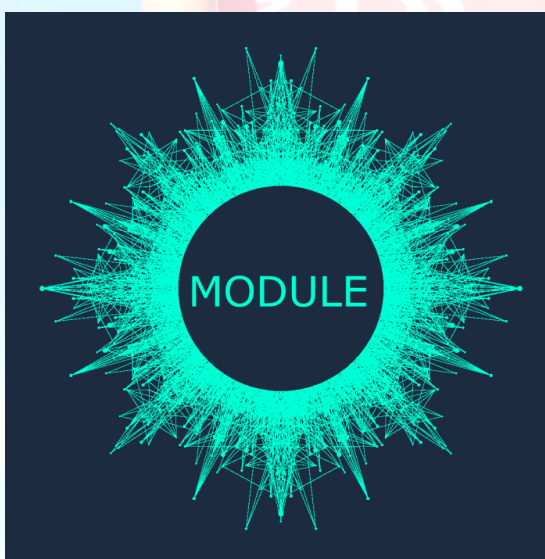
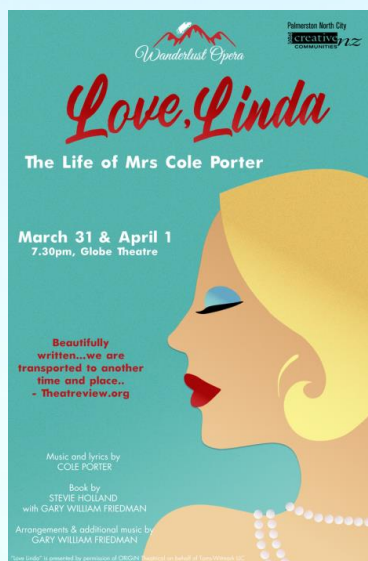
decisions. Her personal values of honesty and reliability were matched with wonderful humour. The Globe Board, the Theatre and the performing arts community will greatly miss her contribution.

Our focus for the coming year will include:

- Working 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
- 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.

All in all, a very satisfactory year despite the adverse conditions. The efforts of Gerry Keating, and his staff, along with my fellow trustees are all very much appreciated.

John Adams
Chairperson
July 2021



SHOWCASING OUR COMMUNITY

MANAGER'S REPORT

What a year 2020/2021 has been. We got through the first 6 months of 2020 with COVID having a huge impact on the theatre, but we faced the new year with excitement and the belief it couldn't get any worse. And thankfully, except for the odd lockdown, the year went to plan.

Starting your financial year in July is always good for the theatre. The July school holidays brings the Manawatu Youth Theatre to the stage with their sold out shows and this year was no different. 8 days, 13 shows and a total audience of 2,492. An average of 192 people per show. We don't get to experience many show seasons and with so many young people in the theatre, the venue just buzzed.

John alluded to it in his Chairperson's Report, and it is worth mentioning again the huge variety of shows and events now taking place at the theatre on a regular basis. We've always said we are a "venue for hire" and the past couple of years has shown how adaptable the theatre really is. From your run of the mill theatre & music shows to presentations, meetings, weddings and 21st birthday parties.

We talk a lot about our "capacity" and not in the sense of how many people we can seat in each theatre, but the capacity of the theatre as a whole. We have two theatres, 7 days in the week and 52 weeks in the year. That gives us 728 days where there could be bookings. We know that late December and January are quite times so we can reduce the number of weeks to 46. Shows generally tend to take place from Thursdays to Sundays. We are now down to 368 days for bookings. We can round that up to 460 to allow for the Monday to Wednesday bookings we know we do get. So it is pleasing to see that for the year we had 535 usages at the theatre.

There is no getting away from the dreaded "C" word and the reality that COVID is with us for the foreseeable future. However, I'd like to introduce some other words. "A" for adaptable and "F" for flexible. We know from talking to our hirers and performers that they love how adaptable and flexible the theatre is. There were numerous occasions throughout the year that COVID tried to put a halt on shows. And in some cases, it did. Circumstances completely out of the theatre's and hirer's control led to some postponements and cancellations. But that just forced us to work harder and to think outside the square. And we did that.

A perfect example was the 2020 Manawatu Jazz Festival. Due to take place over Queen's Birthday Weekend in June, COVID played its trump card, and the festival was cancelled. We got into discussions with Rodger Fox and the Manawatu Jazz Club and the Manawatu Theatre Society and the next thing we know, the theatre society kindly gave the first weekend of their November residency to the jazz festival, and we had the Manawatu Jazz Festival Decanted. Maybe not quite as big as the Queen's Birthday festival but still a festival with an audience attendance of over 600.

With the financial implications of COVID facing us, we pulled back on our planned theatre equipment upgrade. It didn't feel right to apply to external funders when the country was still reeling from the COVID pandemic. However, we did apply to Pub Charity for a small grant of \$25,000 to enable us to purchase a new screen & projector for Globe 1 and I am happy to say the application was approved.

The theatre went through a slight restructuring in staffing with assistant manager Jaye Lincoln saying farewell in October and Matt Kilsby-Halliday joining the team in January.

What other wonderful things have happened throughout the year?

With over 280 performances throughout the year, there are far too many to mention but as with previous years, some do deserve their chance to shine.

SHOWCASING OUR COMMUNITY

Manawatu Theatre Society and their wonderful production of *The Pirates of Penzance*. Absolutely brilliant show. The Manawatu Youth Theatre and *The Little Mermaid Jr.* To see so many young people, not just in the cast but backstage and in the technical department, was just astounding. Tofiga and his two sold out shows in one evening. Eljon Fitzgerald and his *Four Friends* and a *Funeral*. From a chance conversation in the foyer to two sold out shows in October followed by a return sold out performance in November. The wonderful and local musician Carson Taare who performed to a packed Globe 1. Renee Strawbridge and the Aotearoa Country Music Awards which went ahead in September under Level 2 restrictions. The wonderful Kodama Drum Team from IPU who along with their Wellington counterparts, put on an exhilarating show in December. And of course, the year cannot go past without a mention to the wonderful Ian Harmen. His *Lola & Friends* and *Boom Boom Room Burlesque* shows are the talk of the town, and it is a joy to see the smiles on the faces of everyone who attends his shows.

We were very pleased to be a part of the inaugural Papaioea Festival of Arts. While the festival lost several shows due to COVID, we showed how adaptable & flexible we were by facilitating 6 shows from 3 different performers over three nights, with 3 shows performed on the final night. All with the cloud of COVID upon us.

We continue to offer our performer/venue split which was welcomed by 18 different performing groups and produced 22 performances in both theatres. This split allows touring groups to add Palmerston North to their tours. While we can't guarantee them a sold-out theatre, the split removes some of the risk associated with touring. Most of these groups are professionals and having to pay the professional hireage fee immediately means they have to sell a certain number of seats to cover the theatre hire. When you are a touring group with potentially not a large fan base in the area, this can be hard to achieve. Our performer/venue split encourages them to include Palmerston North on their tour which helps us bring wide and varied acts to our city.

A huge shout out must go to our Memorandum of Understanding (MOU) groups. Nine MOU groups view the Globe Theatre as their home. These groups, along with the numerous repeat groups that we have, form the backbone of the theatre calendar. Every year, when we start planning our schedule for the following year, these groups are the first ones to be booked in. Once we have them confirmed in our schedule, the work starts on filling up the remaining available theatre spots. It is encouraging to note that the number of returning groups increases every year.

It has been a pleasure, once again, to work with the PNCC Facilities Management Officers. Any issues that were brought to their attention were rectified quickly. An air conditioning unit has been installed in the rehearsal room and the Globe 1 backstage toilets renovations are scheduled for January – March 2022.

What's next for the Globe Theatre?

Looking ahead to 2021/2022, our bookings are healthy, and we have compiled a list of theatre equipment that we will investigate funding options for.

My personal outlook on life has always been positive. And I believe I bring that outlook to the Globe Theatre. COVID is amongst us, and we must learn to live with it. To that end, we will continue to provide a safe and welcoming theatre to all who use it, both hirers and patrons.

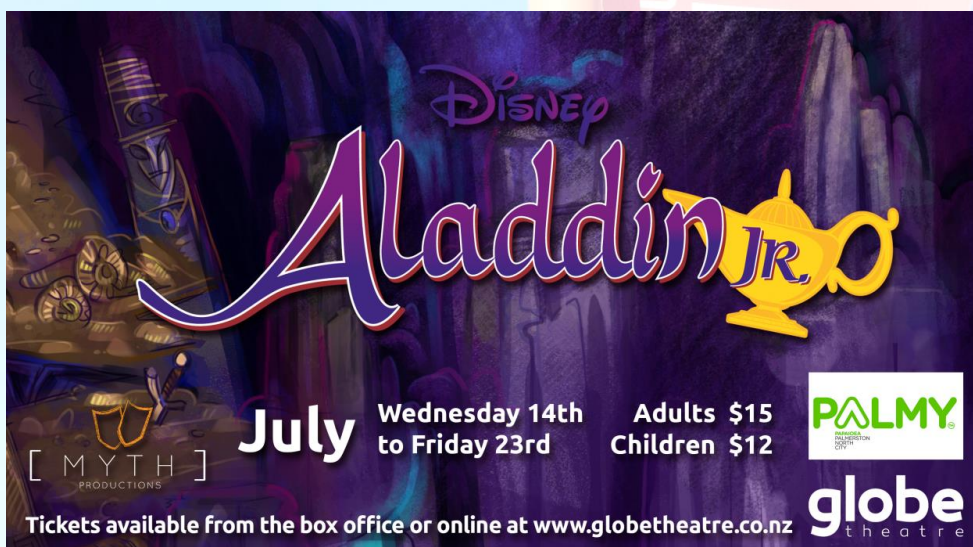
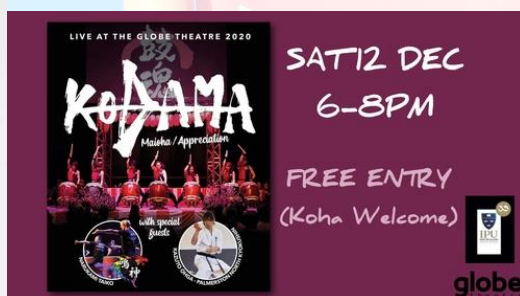
A huge thank you to our Board of Trustees, Maxine, John, Margaret, Gerard & Russell, who have been there to offer their expertise, knowledge, and support throughout the year.

To the team here at the Globe Theatre, Matt, Jaye, Brayden, Emily & Lillian, thank you for all your support and hard work throughout the year. I look forward to another exciting 12 months.

SHOWCASING OUR COMMUNITY

I finish my report with a bow to the wonderful Maxine Dale who sadly passed away in July. Maxine had a fantastic knack of knowing when to pop in and see how things were going and when to just let us be. She had an incredible knowledge of people, business and theatre and was always there with a friendly piece of advice when needed. She will be sadly missed by the arts community and everyone who knew her.

Gerry Keating, Manager, July 2021



SHOWCASING OUR COMMUNITY

PERFORMANCE MEASURES - 12 MONTHS TO 30 JUNE 2021

DEFINITIONS

USER GROUPS

MOU – has a Memorandum of Understanding arrangement with the Globe Theatre, is performance-based, may be a community group or professional group

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

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

School – is recognised as a primary, intermediate or secondary educational facility, may or may not be performance based

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

Note: The Theatre has two auditoria, a foyer and a rehearsal room which are all available for hire. Thus, there may be multiple uses, both across hireable spaces and of single hire spaces – for example morning and evening use in the same space - in any one day

PERFORMANCE BASED USAGE:

Theatre – a dramatic 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

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

Dance – a 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

Comedy – a comedy 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

NON-PERFORMANCE BASED USAGE:

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

Other – anything else



SHOWCASING OUR COMMUNITY

Strategic priorities and performance monitoring for 2020/21

In consultation with PNCC staff, SOI targets were significantly reduced for the year 2020/2021 due to the uncertainty of COVID and the adverse effects associated with the pandemic. 2019/2020 SOI targets in brackets for comparison.

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.

| Outcomes | Outputs (KPIs) | |
|--|--------------------------------------|--|
| | Target 2020/2021 SOI | Result at 30 June 2021 |
| Number of usages Result at 31 Dec 2019: 383 Result at 30 June 2020: 534 Result at 31 Dec 2020: 309 | 380 (550) | Achieved: 535 |
| Number of performances Result at 31 Dec 2019: 190 Result at 30 June 2020: 215 Result at 31 Dec 2020: 151 | 190 (185) | Achieved: 285 |
| Hours of use by hirers Result at 31 Dec 2019: 1,436 Result at 30 June 2020: 1,988 Result at 31 Dec 2020: 1,295 | 2,200 (1,436) | Achieved: 2,207 |
| Participants Result at 31 Dec 2019: 1,156 Result at 30 June 2020: 1,785 Result at 31 Dec 2020: 1,970 | 1,156 (1,400) | Achieved: 3,351 Organiser/Performer/Speaker/Backstage/Technician *Elevated total can be partly explained by the Manawatu Jazz Festival Decanted taking place in November 2020 as opposed to June 2020 due to COVID 19 Pandemic |
| Audience Result at 31 Dec 2019: 12,635 Result at 30 June 2020: 15,487 Result at 31 Dec 2020: 13,079 | 12,635 (22,000) | Achieved: 23,225 *Elevated total can be partly explained by the Manawatu Jazz Festival Decanted taking place in November 2020 as opposed to June 2020 due to COVID 19 Pandemic |
| Maintain or improve satisfaction ratings of hirers Result at 31 Dec 2019: 86% (n=28) Result at 30 June 2020: 94% (n=36) Result at 31 Dec 2020: 100% (n=16) | Result maintained or improved | Achieved: 100% rate the Globe Theatre as an Excellent or Good venue Surveys responded (n=18) *Getting hirers to complete surveys continues to be an issue. Only 18 surveys were completed over the year which presents us from showing a true result |

SHOWCASING OUR COMMUNITY

| 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. | | |
|--|--------------------------------------|---|
| Outcomes | Outputs (KPIs) | |
| | Target 2020/2021 SOI | Result at 30 June 2021 |
| Maintain or improve satisfaction ratings of audience Result at 31 Dec 2019: 83% (n=51) Result at 30 June 2020: 93% (n=119) Result at 31 Dec 2020: 100% (n=114) | Result maintained or improved | Achieved: 91% rate the Globe Theatre as an Excellent or Very Good venue 94% rated the performances they attended as Excellent or Very Good Survey sent to 3,936 audience members of which 179 responded (5%). |
| Number of national and international visiting productions performing at the Globe Result at 31 Dec 2019: 11 Result at 30 June 2020: 22 Result at 31 Dec 2020: 11 | 11 (10) | Achieved: 17 organisations/groups classed as national or international were brought to the theatre - Chamber Music NZ - Tofiga - Aroha String Quartet - Houstoun/Fox Project - Manawatu Jazz Festival Decanted - Darren Watson - Simon O'Neill/Rodger Fox - Jan Preston Trio - Dauphin of Mississippi - Manawatu Jazz Festival - Angie Farrow - Dusty Room Productions - Albi & the Wolves - You, Me, Everybody - Wanderlust Opera - Wellington Light Opera - Hogsnot Bulldogs Goodtime Band |

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| 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 | | |
|---|-------------------------------|---|
| Outcomes | Outputs (KPIs) | |
| | Target 2020/2021 SOI | Result at 30 June 2021 |
| Proportion of use that is driven through MOU arrangements and is performance based Result at 31 Dec 2019: 63% Result at 30 June 2020: 54% Result at 31 Dec 2020: 35% | 63% | Not Achieved: 36% Nine MOU arrangements are currently in place: Alliance Francaise, Michelle Robinson School of Dance, MTS (including MYTH), Sunday Matinee Series, Tall Poppies, The Rose Academy, The Comedy Hub, Equippers Church and DIY Comedy. *This measure to be reviewed for 2022/2023 |
| Proportion of MOU-driven use that is performance-based Result at 31 Dec 2019: 98% Result at 30 June 2020: 45% Result at 31 Dec 2020: 53% | 95% | Not Achieved: 56% *This measure to be reviewed for 2022/2023 For example, the Comedy Hub run several workshops during the year. This counts towards usage but is not a performance. Likewise with dance and drama groups. They may perform 5 times but have used the theatre for rehearsals 20 times. The number of usages is always going to far outweigh the number of performances. |
| Proportion of overall usage from established community groups Result at 31 Dec 2019: 20% Result at 30 June 2020: 31% Result at 31 Dec 2020: 52% | Result maintained or improved | Not Achieved: 48% 256 uses out of 535 total usages from Community group (does not include MOU/Professional Groups hiring the venue) |
| Proportion of overall usage from new community groups Result at 31 Dec 2019: 3.5% Result at 30 June 2020: 8.8% Result at 31 Dec 2020: 7.1% | Result maintained or improved | Achieved: 7.5% 28 new hirers identify as a Community group. These 28 new hirers used the Globe 40 times and performed 21 times. |
| | | |

SHOWCASING OUR COMMUNITY

| 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. | | |
|--|--|--|
| Outcomes | Outputs (KPIs) | |
| | Target 2020/2021 SOI | Result at 30 June 2021 |
| Carry out capital development programme | Globe 1: New projector & screen | Achieved: Projector & screen installed August 2021 *This measure to be reviewed for 2022/2023 |
| Funding capital renewal programme from depreciation fund Result at 30 June 2020: 50% | 67% depreciation costs available for capital renewal | Achieved: 100% depreciation funded *This measure to be reviewed for 2022/2023 |



SHOWCASING OUR COMMUNITY

THE GLOBE THEATRE TRUST FINANCIAL STATEMENTS FOR THE 12 MONTHS ENDED 30 JUNE 2021

Statement of Responsibility

We are responsible for the preparation of the Globe Theatre Trust's financial statements and statement of performance, and for the judgements made in them. We are responsible for any end-of-year performance information provided by the Globe Theatre Trust under section 19A of the Public Finance Act 1989. We have the responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of the Globe Theatre Trust for the 12 months ended 30 June 2021.

Signed on behalf of the Board:

Entity Information For 12 Months To 30 June 2021

LEGAL NAME, TYPE OF ENTITY AND LEGAL BASIS

The Globe Theatre Trust (the Trust) is a 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 (PNCC) and is a council-controlled organisation as defined under section 6 of the Local Government Act 2002, by the Council's right to appoint the Board of Trustees.

THE TRUST'S PURPOSE OR MISSION

The primary objective of the Trust is to promote the 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 OF THE TRUST'S OPERATIONS, INCLUDING GOVERNANCE ARRANGEMENTS

The Globe Theatre is a Council-owned venue that is managed by a Trust Board comprising 5 Council-appointed trustees and up to 2 trustees co-opted by these appointees.

MAIN SOURCES OF THE TRUST'S CASH AND RESOURCES

The Trust Board manages the theatre complex as multi-purpose venues for hire. Principally, the venues are for the performing arts with two theatres: one a 206 tiered-seat theatre and one a flat-floor performance space with an option of up to 105 tiered-seat layouts. The Trust Board also hires the foyer/cafe area and rehearsal room separately as required. The Trust Board maintains an asset register of equipment.

The Globe Theatre complex primarily serves the community performing arts in Palmerston North with an operating subsidy from the City Council which ensures that the complex is affordable for amateur and community arts groups. Particularly, the Theatre was developed in 1982 as a partnership project between the City Council and the Manawatu Theatre Society and this relationship remains enshrined on the Board's Trust Deed.

The theatre provides a quality experience that is also available to professional organisations for hire.

SHOWCASING OUR COMMUNITY

Finally, the Trust Board raises funds to maintain its equipment and asset register to ensure that it can continue to offer that quality experience to all its clients. As part of this, the Trust Board also promotes shows to raise funds for this purpose.



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Statement Of Financial Performance For 12 Months To 30 June 2021

| | Note | Actual 2021 | SOI Budget 2021 | Actual 2020 |
|---|------|----------------|--------------------|----------------|
| Revenue | | | | |
| Donations, fundraising and other similar income | 2 | 32,655 | 45,000 | 120,387 |
| COVID-19 Wage Subsidy | | 11,230 | 11,230 | 26,202 |
| Council funding | 3 | 116,855 | 116,905 | 115,748 |
| Investment income | 4 | 259 | 300 | 375 |
| Sales of Goods and Services | 4 | 190,411 | 55,077 | 71,463 |
| Total Revenue | | 351,410 | 228,512 | 334,175 |
| Expenditure | | | | |
| Costs related to providing goods and services | 5 | 45,213 | 8,341 | 13,670 |
| Employee, Trustee and Contractor Costs | 6 | 128,350 | 125,595 | 132,195 |
| Administration and Overhead Costs | 7 | 26,755 | 52,038 | 27,880 |
| Other Expenses | 8 | 21,915 | 21,253 | 39,575 |
| Asset Write offs | | 0 | 0 | 0 |
| Depreciation | | 55,268 | 66,748 | 47,432 |
| Total Expenditure | | 277,501 | 273,975 | 260,752 |
| Net surplus/(Deficit) | | 73,909 | -45,463 | 73,423 |

SHOWCASING OUR COMMUNITY

Statement Of Financial Position As At 30 June 2021

| | Note | Actual 2021 | SOI Budget 2021 | Actual 2020 |
|---|------|----------------|--------------------|----------------|
| Current Assets | | | | |
| Bank accounts and cash | 9 | 185,581 | 31,850 | 104,362 |
| Debtors and prepayments | 10 | 3,991 | 18,200 | 978 |
| Total Current Assets | | 189,572 | 50,050 | 105,340 |
| Non Current Assets | | | | |
| Property, Plant and Equipment | 11 | 302,497 | 265,172 | 349,240 |
| Total Non Current Assets | | 302,497 | 265,172 | 349,240 |
| Total Assets | | 492,069 | 315,222 | 454,580 |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Creditors and Accrued Expenses | 12 | 20,467 | 17,000 | 48,871 |
| Employee Costs Payable | 13 | 14,064 | 1,199 | 9,971 |
| Unused Grants and Donations with Conditions | 14 | 0 | 0 | 12,104 |
| Total Current Liabilities | | 34,532 | 18,199 | 70,946 |
| Non-Current Liabilities | | | | |
| Non-Current Liabilities | | 0 | 0 | 0 |
| Total Non Current Liabilities | | 0 | 0 | 0 |
| Total Liabilities | | 34,532 | 18,199 | 70,946 |
| Net Assets | | 457,537 | 297,023 | 383,634 |
| Trust Equity | | | | |
| Contributed Capital | | 100 | 100 | 100 |
| Retained Surpluses | 15 | 457,437 | 296,923 | 383,529 |
| Total Retained Equity | | 457,537 | 297,023 | 383,629 |

Statement Of Changes In Accumulated Funds For 12 Months To 30 June 2021

| | Note | Actual 2021 | SOI Budget 2021 | Actual 2020 |
|-----------------------------------|------|----------------|--------------------|----------------|
| Opening balance as at 1 July | | 383,629 | 353,715 | 310,206 |
| Current Period Surplus /(Deficit) | | 73,908 | -56,693 | 73,423 |
| Balance at 30 June | | 457,537 | 297,022 | 383,629 |

SHOWCASING OUR COMMUNITY

Statement Of Cash Flows For 12 Months To 30 June 2021

| Note | Actual 2021 | SOI Budget 2021 | Actual 2020 |
|---|----------------|--------------------|----------------|
| Cash Flows from Operating Activities | | | |
| Receipts from Council grants | 116,855 | 116,905 | 115,748 |
| Donations and Fundraising | 33,475 | 45,000 | 115,632 |
| Receipts from sale of goods and services | 367,900 | 55,077 | 86,555 |
| COVID-19 Wage Subsidy | 11,230 | 0 | 37,432 |
| Interest Received | 259 | 300 | 375 |
| Payments to Suppliers & staff | -442,521 | -207,227 | -225,056 |
| Goods and Services Tax (net) | 2,549 | 0 | 208 |
| Net Cash Flows from Operating Activities | 89,747 | 10,055 | 130,894 |
| Cash Flows from Investing Activities | | | |
| Purchase of Fixed Assets/Renewals | -8,527 | -30,000 | -97,331 |
| Sales of Fixed Assets | 0 | 0 | 0 |
| Net Cash Flow from Investing Activities | -8,527 | -30,000 | -97,331 |
| Net Increase/(Decrease) in Cash and Cash Equivalents | 81,219 | -19,945 | 33,563 |
| Cash and Cash Equivalents at the start of the Year | 104,362 | 51,795 | 70,799 |
| Cash and Cash Equivalents at the End of the Year | 185,581 | 31,850 | 104,362 |

Notes To The Financial Statements

1 Statement of Accounting Policies

REPORTING ENTITY

The financial statements for the Trust are for twelve months ended 30 June 2021 and were approved by the Board of Trustees on 20th September 2021.

BASIS OF PREPARATION

The Trust has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) on the basis that it does not have public accountability as defined and has total annual expenses of equal to or less than \$2,000,000. All transactions in the performance report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Statement of compliance

The 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 generally accepted accounting practice in New Zealand (NZ GAAP).

Measurement base

The financial statements have been prepared on a historical cost basis.

SHOWCASING OUR COMMUNITY

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.

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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.

SHOWCASING OUR COMMUNITY

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.

2 Donations, Fundraising and Other Similar Revenue

| | Note | Actual 2021 | Actual 2020 |
|--|------|----------------|----------------|
| Donations and Fundraising | | 2,442 | 2,029 |
| Other | | 30,212 | 118,358 |
| Total Donations and Fundraising Revenue | | 32,654 | 120,387 |

"Other" fundraising comprises:

| | Actual 2021 | Actual 2020 |
|-------------------------------------|----------------|----------------|
| Central Energy Trust | 0 | 64,633 |
| Eastern and central Community Trust | 0 | 24,000 |
| Community Organisation Grant Scheme | 5,000 | 5,000 |
| Lottery Community Fund | 0 | 0 |
| Mainland Foundation | 0 | 10,000 |
| Pub Charity Ltd | 25,212 | 9,725 |
| NZCT | 0 | 5,000 |
| The Lion Foundation | 0 | 0 |
| Total "Other" | 30,212 | 118,358 |

SHOWCASING OUR COMMUNITY

3 Council Funding

| | Note | Actual 2021 | Actual 2020 |
|--|------|----------------|----------------|
| PNCC Grant | | 116,855 | 115,748 |
| Total Donations and Fundraising Revenue | | 116,855 | 115,748 |

4 Sales of Goods and Services

| | Note | Actual 2021 | Actual 2020 |
|--|------|----------------|----------------|
| Café Sales | | 55,022 | 486 |
| Donations for Venue Hire | | 2,379 | 0 |
| Foyer Rental | | 330 | 3,270 |
| Theatre Hire | | 76,648 | 51,082 |
| Recoverable Income | | 3,734 | 3,428 |
| Sales | | 0 | 0 |
| Ticket Sales (commission and shows) | | 52,298 | 13,197 |
| Total Sales of Goods and Services | | 190,411 | 71,463 |

5 Costs relating to Providing Goods and Services

| | Note | Actual 2021 | Actual 2020 |
|----------------------------------|------|----------------|----------------|
| Café Expenses | | 29,909 | 0 |
| Project Expenses | | 0 | 256 |
| Recoverable Expenses | | 3,575 | 4,267 |
| Show Expenses | | 11,672 | 9,147 |
| Total Costs of Goods Sold | | 45,156 | 13,670 |

6 Employee and Contractor Related Costs

| | Note | Actual 2021 | Actual 2020 |
|--|------|----------------|----------------|
| Salaries, Wages and Employment Related Costs | | 108,404 | 119,291 |
| Contractor Costs | | 13,268 | 6,014 |
| Trustee Remuneration | | 3,655 | 3,400 |
| KiwiSaver Employer Contributions | | 3,024 | 3,490 |
| Total Employee Related Costs | | 128,351 | 132,195 |

SHOWCASING OUR COMMUNITY

7 Administration and Overheads

| | Note | Actual 2021 | Actual 2020 |
|--|------|----------------|----------------|
| Advertising | | 81 | 0 |
| Cleaning | | 4,718 | 3,836 |
| Hire of Plant & Equipment | | 90 | 235 |
| Light, Heating & Power | | 11,475 | 13,388 |
| Marketing | | 5,000 | 4,502 |
| Office Costs | | 1,248 | 1,001 |
| Postage, Printing & Stationery | | 1,179 | 1,118 |
| Telephone & Internet | | 2,964 | 3,800 |
| Total Sales of Goods and Services | | 26,755 | 27,880 |

8 Other Expenses

| | Note | Actual 2021 | Actual 2020 |
|--|------|----------------|----------------|
| Audit Fees | | 9,035 | 9,033 |
| Bank Charges | | 918 | 90 |
| Consulting & Accountancy | | 851 | 844 |
| General Expenses | | 841 | 3,421 |
| Insurance | | 2,821 | 2,824 |
| Legal Expenses | | 0 | 0 |
| Professional Development | | 750 | 597 |
| Repairs & Maintenance | | 3,680 | 17,029 |
| Security | | 731 | 572 |
| Subscriptions & Compliance Costs | | 878 | 3,688 |
| Travel - National | | 0 | 193 |
| Waste Disposal | | 1,410 | 1,284 |
| Total Sales of Goods and Services | | 21,915 | 39,575 |

9 Bank Accounts and Cash

| | Note | Actual 2021 | Actual 2020 |
|--|------|----------------|----------------|
| Cash on Hand | | 658 | 658 |
| Non Profit Current | | 68,546 | 57,745 |
| Rapid Save (donations) | | 116,377 | 45,960 |
| Total Cash and Cash Equivalents | | 185,581 | 104,363 |

SHOWCASING OUR COMMUNITY

10 Debtors and Prepayments

| | Note | Actual 2021 | Actual 2020 |
|--------------------------------------|------|----------------|----------------|
| Accounts receivable | | 3,991 | 820 |
| GST Receivable | | 0 | 158 |
| Total Debtors and Prepayments | | 3,991 | 978 |

11 Creditors and Accrued Expenses

| | Note | Actual 2021 | Actual 2020 |
|---|------|----------------|----------------|
| Accrued Expenses | | 9,034 | 11,826 |
| PAYE Payable | | 1,839 | 1,868 |
| Creditors | | 7,095 | 31,749 |
| GST Payable | | 2,499 | 0 |
| Income in Advance | | 0 | 3,140 |
| Unpaid Expense Claim | | 0 | 288 |
| Total Creditors & Other Payables | | 20,467 | 48,871 |

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

12 Employee and Contractor Related Costs Payable

| | Note | Actual 2021 | Actual 2020 |
|-------------------------------------|------|----------------|----------------|
| Holiday Pay Liability | | 9,486 | 5,005 |
| Wages Accrual | | 4,578 | 4,966 |
| Total Employee Costs Payable | | 14,064 | 9,971 |

13 Unused Donations and Grants with Conditions

| | Note | Actual 2021 | Actual 2020 |
|---|------|----------------|----------------|
| Lions Club of Middle Districts | | 0 | 500 |
| Donations for future Matiness | | 0 | 374 |
| NZCT | | 0 | 0 |
| Total Unused Grants and Grants with Conditions | | 0 | 874 |

Grants received in advance relate to funding received for the provision of specific development where conditions of the grant have not yet been satisfied, and conditions include a "use or return" clause.

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14 Accumulated Surpluses

| | Note | Actual 2021 | Actual 2020 |
|----------------------------------|------|----------------|----------------|
| Balance at 1 July | | 383,529 | 310,106 |
| Current Period Surplus/(Deficit) | | 73,908 | 73,423 |
| Balance at 30 June | | 457,437 | 383,529 |

15 Capital Commitments and Operating Leases

The Trust has no capital commitments and no operating lease commitments (2020 \$nil).

16 Contingencies

CONTINGENT LIABILITY

The Trust has no contingent liabilities (2020 \$nil).

CONTINGENT ASSETS

The Trust has no contingent assets (2020 \$nil).

17 Related Party Transactions

The Trust was settled by the Palmerston North City Council and receives a significant amount of operating grants from the Council to deliver its objectives as specified in the Trust Deed. In addition, the Trust does not pay a lease to use the Council building. The Palmerston North City Council is the ultimate controlling party of the Trust.

The following transactions were carried out with related parties during the year:

PALMERSTON NORTH CITY COUNCIL

The total amount of operating grants received from the Council is disclosed in the statement of financial comprehensive income, being \$116,855 (2020 \$115,748). No other grant funding was received from Council in 2021 (2020 \$nil). There is no outstanding balance at balance date (2020 \$nil).

No capital contributions were received from Council (2020 \$nil).

Good and services of \$3,880.60 (excl GST) (2020 \$4,096.43) were purchased from the Council relating to gas, insurance, rates, telephone service, food registration fee, bar licence renewal & bar manager's licence fee. At balance date the amount outstanding is \$364.18 (2020 \$645.15).

Goods and services of \$1,863.21 (excl GST) (2020 \$1,605.87) were supplied to the Council on normal commercial terms. At balance date the amount outstanding was \$nil (excl GST) (2020 \$nil).

The Trust did not provide any free venue to PNCC during the year (2020 \$nil).

SHOWCASING OUR COMMUNITY

KEY MANAGEMENT PERSONNEL

Goods and services of \$3027.70 (excl GST) (2020 \$2,816.80) were supplied to the Manawatu Theatre Society, a society in which Trustee M. Dale is a member, on normal commercial terms. At balance date there was nil owing (2020 \$nil).

Goods and services (booking fees/ticketing commissions/bar sales) of \$1,342.61 (excl GST) (2020 \$7,824) were purchased from the Manawatu Theatre Society, a society of which Trustee M. Dale is a member, on normal commercial terms. At balance date there was nil owing (2020 \$nil). The Trust has no outstanding accruals owing to the Manawatu Theatre Society, a society of which Trustee M. Dale is a member (2020 \$nil).

No provision has been required, nor any expense recognised, for impairment of receivables from related parties (2020 \$nil).

During 2020/2021, Trustees were paid a meeting fee of \$85 for each Board meeting attended. All remuneration paid to the staff is disclosed in Note 6. No other benefits were provided.

The Key Management Personnel is made up of six Trustees, including the Chairperson, Treasurer and Secretary, 1 full time Manager and 1 assistant manager.

18 Capital Management

The Trust's capital is its equity, which comprises Trust capital and retained surpluses. Equity is represented by net assets.

The Trust deed requires the Board of Trustees to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently. The Trust's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing the Trust's equity is to ensure that the Trust effectively achieves its objectives and purpose, whilst remaining a going concern.

19 Explanation of major variances against budget**REVENUE**

Donations & Fundraising Income: The final total for 2020/2021 includes \$11,230 received as part the Government Wage Subsidy to support businesses through the COVID-19 pandemic. A total of \$37,432 was received as part of the Wage Subsidy with \$11,230 carried over to July 2020. Due to the COVID-19 pandemic, only \$5,000 was budgeted for Project Grants. However, a successful application to Pub Charity for a new projector and screen for Globe 1 was successful.

Sales of Goods & Services: Café Sales of \$55,022 was 14% up on budget. Globe 1 theatre hire of \$49,752 was 25% up on budget and Globe 2 theatre hire of \$26,896 was 32% up on budget.

EXPENDITURE

25% increase in Café Expenses includes stock on hand.

SHOWCASING OUR COMMUNITY

BALANCE SHEET

Variance for cash balance is due to the following:

- (a) Increased income for ticket sales for shows
- (b) Increased income from theatre hire
- (c) Successful first year of café operations

Creditors and accrued expenses include ticketing money held on behalf of hirers for shows in late June or early July. The amount is unknown at year end so cannot be confidently predicted in the budget.

COVID-19 VIRUS IMPACT

The Trust is ever mindful of the impact the COVID pandemic is continuing to have on society and the arts community. The various lockdowns and changes to alert levels throughout the year had a minor impact on the theatre's performance due to the nature of the shows/events due to take place and the ability to reschedule those shows/events.

The Trust has reviewed its operating plans for the coming year. It is expected that the Theatre's Council grant funding and reserves will be adequate to maintain operations throughout this period.

20 Events after Balance Date

There were no events after balance date that require disclosure.

21 Ability to continue operating

The Trust intends to continue operating in future periods.

SHOWCASING OUR COMMUNITY

MEMORANDUM

TO: Arts, Culture & Heritage Committee

MEETING DATE: 17 November 2021

TITLE: Te Manawa Museums Trust - Annual Report 2020-21

PRESENTED BY: Hannah White, Democracy & Governance Manager

APPROVED BY: Sheryl Bryant, Assistant Chief Executive

RECOMMENDATION TO COUNCIL

1. That Council receive Te Manawa Museums Trust Board's draft Annual Report 2020-21 (Attachment 2 of the memorandum titled 'Te Manawa Museums Trust – Annual Report 2020-21'), presented to the Arts, Culture & Heritage Committee on 17 November 2021.

1. ISSUE

- 1.1 Te Manawa Museums Trust Board (Te Manawa) has submitted its draft Annual Report 2020-21 (Attachment 2). This memorandum provides an opportunity for Elected Members to review the progress Te Manawa has made against its Statement of Intent (SOI) during the period 1 July 2020 to 30 June 2021.
- 1.2 Representatives of Te Manawa are in attendance to present.
- 1.3 This Annual Report covers a period in which New Zealand was under various restrictions due to the Covid-19 pandemic. Covid-19 restrictions and the New Zealand border being closed to foreign nationals has affected Te Manawa's ability to meet the aspirations outlined in their Statements of Intent.

2. BACKGROUND

- 2.1 Te Manawa is a Council Controlled Organisation (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.
- 2.2 The Local Government Act (LGA) requires CCOs to produce an annual report which compares its actual and intended performance (as set out in the Statement of Intent) and audited financial statements.
- 2.3 The COVID-19 pandemic has impacted the capacity of Audit New Zealand to undertake the audit of Te Manawa within the usual timeframe. Therefore, the attached annual report is still in draft form and is expected to be audited

in early 2022. An updated report will be brought to the Committee in the event there are any material changes following audit.

3. PERFORMANCE FOR THE YEAR JULY 2020 - JUNE 2021

3.1 Te Manawa operated under Alert Level 2 for seven weeks and four days during this reporting period which limited attendance of events to 100 people. For the entire reporting period the New Zealand border has been closed to foreign nationals with very few visas being granted for international artists to perform or exhibit in New Zealand.

3.2 Highlights from Te Manawa's Annual Report include the following:

- Signed a Memorandum of Understanding (MOU) with Rongomau Productions which enhanced Te Manawa's working relationship with Rangimarie Marae/ Rangitāne. This is a first for a museum in New Zealand. Since signing the MOU, opportunities to work with iwi has significantly increased. The MOU has driven Te Manawa's bi-cultural work.
- Sourced two international exhibitions from the United Kingdom: 'Wildlife Photographer of the Year' and 'Curious Contraptions'. The Manawatū Nature photography competition was developed by Te Manawa and the Manawatū Camera Club to support the touring exhibition. The competition received more than 200 entries, with prizes provided by Te Manawa.
- Transformed the Children's Holocaust Memorial into a touring exhibition with the help of Massey University and the Holocaust Centre of New Zealand. A learning programme was delivered to secondary schools across the region. Nearly 400 people participated in this exhibition including 308 secondary school students.
- The museum in a box programme, covering the history of the Square was viewed by 200 Freyberg High School students.
- 'BUGS! Our background Heroes' was very popular with 38,979 visits.
- Hosted a range of events and activities to celebrate the 150th anniversary of Palmerston North.
- Moa Bones found during the construction of the Te Ahu a Tūrangā: Manawatū Tararua highway were delivered to Te Manawa for temporary care.
- Converted most of the lighting from CFC, Halogen, tungsten, and sodium vapour, to LED. Project to be completed in June 2022.

3.3 Te Manawa revised their performance targets at the beginning of 2020 to reflect the anticipated effect of COVID-19. Attachment 1 shows Te Manawa's performance against the agreed SOI targets and includes officer comments. Three measures: 'Participation in learning programmes', 'In Person

visits to Te Manawa', and 'Visits to Te Manawa experiences Off-site' have not achieved their target predominantly due to external events outside of Te Manawa's control.

- 3.4 The COVID-19 restrictions in Quarter 1 significantly contributed to the result for 'In-person Visits' and 'Participation in Learning Programmes'. Visiting a museum is a seasonal activity with higher attendance generally occurring in the wetter and colder months of July- September (Quarter 1) and April – June (Quarter 4). During this reporting period, Te Manawa operated under Alert Level 2 for nearly six weeks during Quarter 1 which significantly affected attendance and participation figures during this quarter and had a flow-on-effect for the rest of the year.
- 3.5 Table 1 compares Te Manawa's annual performance over the last three years. Despite 'In person visits to Te Manawa' not making the 2020/21 target, the figure continues to improve annually with the 2020-21 year seeing 35,000 more visits than 2019-20. Likewise, Third Party Revenue is almost double the 2019/20 result which is laudable.
- 3.6 Visits to Te Manawa exhibitions at other venues continues to struggle. The impact of COVID-19 reduced the number of interested participating venues. As a result, Te Manawa has reviewed their level of service and has consolidated their resources to move to a three-year develop, design and tour cycle.

Table 1: Te Manawa's Performance Target Dashboard – Annual Results

| Measure | | Year ending 30 June 2019 | Year ending 30 June 2020 | Year ending 30 June 2021 | 3 year trend |
|--|-------------------------|--------------------------------|-------------------------------|--------------------------------|-----------------|
| Visits to TM | Actual Target | 126,666 178,000 | 100,599 170,000 | 135,817 150,000 | ↑ |
| Visits to TM exhibitions at other venues | Actual Target | 103,589 100,000 | 16,303 50,000 | 38,715 50,000 | ↓ |
| Online reach | Actual Target | 634,221 200,000 | 664,932 400,000 | 528,514 500,000 | ↓ |
| Third-party revenue | Actual Target | \$447,178 \$577,000 | \$337,060 \$651,000 | \$672,709 \$574,154 | ↑ |
| Visitor satisfaction (TM surveys) | Actual Target | 99% >98% | 99% >96% | 99% >96% | → |
| Participation in Learning programme | Actual Target | Not measured None | 21,315 30,000 | 22,551 30,000 | ↑ |

- 3.7 Te Manawa added three new performance measures: 'In-person visits to Rangimarie activities'; 'Likelihood of visitors to positively endorse Te Manawa to others'; and 'Strength of relationships with strategic partners.' These new

performance measures are under development and Te Manawa plans to develop targets for these in time for the draft SOI 2022.

Table 2: Financial Information for Annual Report

| | 2021 | | | 2020 | |
|-----------------------------------|---------------|---------------|-------------|---------------|--------------|
| Summary Financials (\$000) | Actual | Budget | Var. | Actual | Var.* |
| Financial Performance | | | | | |
| PNCC Grants | 3,231,908 | 3,231,908 | 0 | 3,199,909 | 31,999 |
| Total revenue | 3,949,309 | 3,821,062 | 128,247 | 3,565,391 | 383,918 |
| Total Expenses | 3,802,551 | 3,818,120 | 15,569 | 3,287,379 | (515,172) |
| Net Operating Surplus (Deficit) | 146,758 | 2,942 | 143,816 | 278,012 | (131,254) |
| Financial Position | | | | | |
| Current Assets | 1,293,275 | 1,218,564 | 74,711 | 1,380,536 | (87,261) |
| Total Assets | 19,293,508 | 18,587,381 | 706,127 | 17,553,785 | 1,739,723 |
| Current Liabilities | 760,644 | 446,860 | 313,784 | 694,333 | 66,311 |
| Total Liabilities | 763,900 | 450,126 | 313,774 | 697,797 | 66,103 |
| Equity | 18,529,608 | 18,137,255 | 392,353 | 16,855,988 | 1,673,620 |
| Cash Flows | | | | | |
| Total Net Cash Flows | (118,481) | (1,152,302) | 1,033,821 | 111,713 | (230,194) |
| Opening Cash | 694,163 | 1,308,407 | (614,244) | 582,450 | 111,713 |
| Closing Cash | 575,682 | 156,105 | 419,577 | 694,163 | (118,481) |

*(when compared to the same period 12 months ago)

- 3.8 The Trust reported a surplus of \$146,758 which is \$131,000 less than the prior year due to higher operating costs. However, the surplus is still \$143,816 better than budgeted.
- 3.9 Total Net Cash Flows reduced by \$118,481. This was mainly caused by investing in Collection assets, Plant, Property and Equipment, and short term deposits.
- 3.10 The Trust's current assets are more than 1.5 times its current liabilities, indicating that the Trust can satisfy its current obligations.

4. PROGRESS ON PLANS AND STRATEGIES

- 4.1 Te Manawa's SOI 2020-23 stated that the following plans would be completed by the end of June 2021. These plans are captured in Te Manawa's management plans rather than referenced in the Annual Report. Te Manawa's Leadership Team reviews progress weekly.

- 4.2 The Business Plan was requested by Council in the Statement of Expectation 2020-21. This will be circulated to members separately.

| | |
|--|---|
| Objective 1: Enhanced learning and engagement | |
| Implementation of phase 1 of Te Rangimarie project, a dual venue cultural tourism project undertaken by Te Rangimarie Marae Trustees | Completed March 2021 |
| Review of Learning Strategy | Completed and implementing |
| Identify and deliver two creative projects alongside local communities | Completed March 2021 Projects were Common Pause and EveryDay People |
| Objective 2: Innovative experiences that attract visitors | |
| Develop an Exhibition Strategy that includes development of touring exhibitions | Expected completion by June 2022 |
| Develop a Digital Strategy to support online experiences | Expected completion by June 2022 |
| Objective 3: A collective and future-focussed organisation | |
| Develop a business plan | Completed |
| Review scope of existing strategic partnerships | Expected completion Sept 2021 |
| Develop concept for a partner-based exhibition of national significance | Expected completion June 2022 |
| Develop short- and long-term funding strategies that source sustainable external funding for programmes and exhibitions | Draft Fundraising Strategy to be Completed Sept 2021 |
| Develop an environmental impact framework that drives environmentally focussed projects. | Expected completion Sept 2021 |
| Establish Future Museum principles - three examples to use and test concepts | Completed |

5. NEXT STEPS

- 5.1 Council officers will communicate any Council comments on the annual report to Te Manawa.
- 5.2 At the end of February 2022, Te Manawa will submit to Council officers:
- their draft Statements of Intent for 2022–25; and
 - six-month report on the current Statements of Intent 2021–24.

These will be brought to the Arts Culture and Heritage Committee in April 2022.

6. COMPLIANCE AND ADMINISTRATION

| | |
|--|---|
| Does the Committee have delegated authority to decide? | No |
| 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? | Yes |
| 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 the Arts and Heritage Plan | |
| The action is: to support CCOs to achieve the objectives of the Arts and Heritage plan. | |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being | Receiving the Annual Report 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. Te Manawa - Performance Monitoring [↓](#) 
2. Te Manawa Muesums Trust: Draft Annual Report 2020-21 [↓](#) 

Te Manawa Quarterly Monitoring 2020/2021 - Cumulative Results

| | Annual Target | Quarter 1 | Quarter 2 (Six-month result) | Quarter 3 | Annual Result | % of Annual Target | Officer's comment |
|---|-------------------|-----------------------------------|------------------------------------|--|------------------------|-----------------------|---|
| 1. Enhanced Learning and Engagement | | | | | | | |
| Visitor satisfaction | >96% | 99% <96% | 99% <96% | 99% <96% | 99% <96% | 103% | Achieved |
| <i>Cumulative Target</i> | | | | | | | |
| Participation in Learning programmes | 30,000 | 4,355 | 11,012 | 14,920 | 22,551 | 75% | Quarters 2 and 3 had the fewest participants (approx 3,900 participants each quarter), compared with 7,600 attendees during quarter 4. Two weeks of Level 2 Covid restrictions occurred in quarter 3 which would have detrimentally affected the numbers. A record number of Learning Experiences Outside the Classroom (LEOTC) helped boost the numbers with 5,493 visits being recorded. There is uncertainty around the future of LEOTC as the Ministry of Education is currently reviewing the programme. |
| <i>Cumulative Target</i> | | | | | | | |
| In-person visits to Rangimarie activities | Under development | No data | No data | no data | no data | | Cultural tourism and learning visits are being recorded. Measure will be created for 2022. |
| 2. Innovative experiences that attract visitors | | | | | | | |
| Likelihood of visitors to positively endorse Te Manawa to others | Under development | No data | No data | no data | no data | | Visitor satisfaction survey being developed. Measure will be created for 2022. |
| In-person visits to Te Manawa | 150,000 | 29,224 | 75,463 | 101,513 | 135,817 | 91% | Visitor numbers were impacted by Covid-19 restrictions, in particularly quarter 1 where five weeks of level 2 restrictions occurred. This made it difficult to make up during the warmer quarter 3. A covid-19 outbreak in Wellington in June also discouraged visitors. |
| <i>Cumulative Target</i> | | | | | | | |
| Visits to Te Manawa experiences off-site | 50,000 | 1,373 | 10,578 | 12,517 | 38,715 | 77% | TM has not toured any existing exhibitions due to the impact of Covid-19. No new touring shows were created this financial year as TM is moving to a three year cycle |
| <i>Cumulative Target</i> | | | | | | | |
| Online reach (includes evisits to Te Manawa website and social media) | 500,000 | 158,487 | 297,686 | 407,940 | 528,514 | 106% | Achieved |
| 3. A collaborative and future-focused organisation | | | | | | | |
| Strength of relationships with strategic partners | Under development | No data | No data | No data | No data | | Work has progressed to identify and strengthen strategic relationships. MOU discussions are under way with Te Manawa societies. Measure will be established in 2022. |
| Third party revenue | \$574,154 | 115,117 \$143,539 | 274,625 \$287,077 | \$326,031 \$430,616 | \$672,709 \$574,154 | 117% | Achieved |
| <i>Cumulative Target</i> | | | | | | | |
| | | On track/achieved | | Unlikely to achieve | | | |
| | | Not on track but still achievable | | Unlikely to achieve for reasons outside of CCO's control | | | |



He Pūrongo ā Tau

Draft Annual Report 2020/2021

Prepared August 2021

TE MANAWA MUSEUMS TRUST

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



Chairman's Report

In my report last year, I remarked that we remained in a state of uncertainty as to the final effect of the pandemic and its ramifications. As I reflect on the 2020 – 21 year I wonder what has changed. New Zealand remains a bulwark of seeming sanity in a crazy, COVID dominated world. However, where many countries remain gripped by mass hospitalisations and devastating death tolls, we here in New Zealand have been fortunate to have weathered lockdowns with some success, more particularly in the regions. We are still being looked at as a relative success story and now we are moving into a more widely distributed vaccination programme that will hopefully enable us to move into an admittedly new normal.

Here at Te Manawa, our team has managed to create some real success out of this on-going situation and our learning team in particular, has had success with programmes that have been picked up by other national providers. It was also very pleasing to see the large number of students who visited and engaged with the Children's Holocaust Memorial exhibition.

Our team rose to the challenge of managing through lock down, continuing to apply their imagination and skills to develop programmes to contribute to the PN150 celebrations, as well as developing our new website, our vision and goals and our forward planning. These will enhance other work and help lay a strong foundation for the future. Notwithstanding the strange environment we have been faced with, we have been successful in recruiting and embedding new team members and the staff wellbeing programme is progressing. Our business plan process, and the development of our relationship and fundraising strategies, aided by improved visitor market research and economic and environmental market research programmes, are expected to bear fruit as we move forward. It is notable that external revenue for the year exceeded target by \$100,000, despite the strange operating environment we found ourselves in.

Our ongoing partnership with Rangitāne entered a new phase with the execution of an MOU with Rongomau Productions, further cementing this critical relationship, and leading to much closer collaboration and many opportunities as we move forward. We are fortunate that this relationship is supported by two Iwi representatives on our board – they provide much useful guidance and support.

On another positive note, our visitor numbers reached 135,817 as we aimed for our target of 150,000. Attaining these numbers under the current operating environment is a great achievement. The international components of our programmes, Wildlife Photographer of the Year, Curious Contraptions and the Children's Holocaust Memoria were highlights; but, as mentioned earlier, the imagination and skills of our team drove the development of our local projects.

As noted above, thanks are due to our iwi partners, Rangitāne, and the societies which continue to guide and support us. The Regent and Globe Theatres, the New Zealand Rugby Museum, Manawātū District Council, and our many supporters, fellow CCOs and our many sponsors also deserve our sincere thanks.

Finally, my thanks to Palmerston North City Council, our core sponsors, and my fellow Trustees for their support and guidance.

John Fowke

28 October 2021

Chief Executive's Report:

While COVID-19 impacted our visitor numbers and ability to tour our exhibitions, we made some big wins this financial year. Visitor numbers still ended strong for the year at close to 136,000 visitors to the facility, positive public feedback (99% good to excellent) was achieved and we surpassed our third-party revenue target by almost \$100k (achieved \$672,709).

Te Manawa was thrilled to sign the MOU with Rongomau Productions which enhances our close working relationship with Rangimārie marae/ Rangitāne acting as a conduit for other iwi in the region. This is a first for museums in Aotearoa and has already been successful in driving our bi-cultural work forward together particularly for rangatahi/ youth; and this will be important with the imminence of the new history, Te Ao Māori, based curriculum. Since signing, the opportunities to work with and assistance from iwi has blossomed.

We managed to source two international exhibitions a *Wildlife Photographer of the Year* competition and *Curious Contraptions* both from London and we have enhanced them with some NZ local flavour.

Wildlife Photographer of the Year exhibition opened and included the Manawātū Wildlife Photo Competition. Planning continued for the opening of *Curious Contraptions* including the sourcing of selected automata, from Blair Somerville in Owaka, to include as the NZ segment in the exhibition.

LEOTC (learning and education outside the classroom) numbers exceeded by 83% for the financial year. (5493/3000) and over 38,000 people got to see Te Manawa outside the facility and in other parts of the country. This is a great achievement given many venues cannot currently take our touring exhibitions.

In the 2021 Residents Survey over 80% of the population were satisfied with Te Manawa.

WHAT HAPPENED DURING THE YEAR?

Te Manawa moved to operate under COVID-19 level 2 on 12 August 2020. Te Manawa moved to Alert level 1 on 21 September and visitors started to return.

Te Manawa operated under Level 2 from 28 February – 6 March 2021 which impacted visitor numbers.

Te Manawa was impacted by the focus on Te Papa being a location of interest and therefore a perception of museums in general as unsafe, and Wellington's move to from level 1 to Alert Level 2 in June 2021.

We held internal workshops across our teams to work on understanding and embracing our organisation vision. This led to an updated booklet highlighting our vision goals under three clear umbrellas "Manaakitanga, Creativity and Freedom". This new 'skin' of the vision increases our collective understanding of the vision and empowerment to embody the values that drive us.

Our website was redesigned to increase its flexibility and intuitiveness. New tools were employed such as an interactive event calendar, interactive puzzles featuring collections images, new blog templates for storytelling and alert bars for COVID-19 Level shifts with payment functionality to be added in the future.

The exhibition *Operation Grapple: We were There* opened with some local connections, including Roy Sefton Q.S.M., acknowledged for their part in advocating for the veterans of the Pacific Nuclear tests.

The *Children's Holocaust Memorial* exhibition opened 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 the opening. A learning programme, as part of this exhibition experience, was delivered to secondary schools across the region. Nearly 400 people participated in learning engagement for this exhibition, including 308 secondary school students.

The Te Manawa staff wellbeing plan was implemented, with the latest initiative focused on improving organisational communication and leadership capability. To improve our internal communications and increase engagement across teams, we began a staff intranet in March, using SharePoint. At the end of June

Leadership and managers undertook a programme endorsed by Chard Consultants and developed by Spirited Leadership to embed our working vision together and incorporate Te Ao Māori.

Our most popular long-term attraction, Tamariki, was closed for redevelopment from beginning of October to 17 December, which impacted visitor numbers. Tamariki re-opened on 18 December and includes a in play helicopter and EV (electric vehicle)

BUGS! Our Backyard Heroes, in MacDiarmid Gallery, was very popular, with 38,979 visits recorded.

The ground-breaking NZ film and TV series, *Rūrangi*, was shown at Te Manawa as a first for the Manawatū region. During his visit Max Currie, Co-Director of the film, 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. Consequently, the series was purchased by Hulu television network and the next series of *Rūrangi* is funded by NZ On Air.

Dementia Friendly certification presented to Te Manawa as the first museum to be certified in New Zealand.

Moa bones found during the Te Ahu a Turanga: Manawatū Tararua Highway construction, replacing Manawatū Gorge road, were delivered to Te Manawa for temporary storage in May, with a significant ceremony led by Rangitāne.

The Business Plan was completed, and progress was made on a number of strategies, including strategic partnerships and fundraising.

Work progresses on Qualmark certification. Integral to that is a report on the environmental impact of Te Manawa led by Event Insights, due for completion around September 2021. We have since undertaken a self-assessment through Tourism NZ and been certified as a 'COVID Clean' experience provider.

PN150

A programme of events and activities was initiated to celebrate the 150th Anniversary of Palmerston North City. On 20 June 2021 "**Palmybilia**" gave Palmerstonians the opportunity to dress in period costumes and have portraits taken using a combination of old and new photographic techniques.

"**Who We are?**" is a project which is a Manawatū performing artists collaboration with the Globe Theatre and Te Manawa. It will feature a trail of performances through the museum and Art Gallery with participation from multiple groups.

With the launch of our brand-new website 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.

The complete Palmerston North Centenary Art collection, acquired in 1970, responds to the question 'who were we?' displayed in the Art Gallery for the first time in 50 years, alongside some captivating images of the Centenary Parade around the Square.

Collections

Collection acquisition highlights include a rare Bessie Murray 'Mother and child Māori doll' made in Taihape 1920 -1956; a COVID-19 test kit; *Poi Corona II* (2021) by artist Jude Te Punga Nelson in response to the COVID-19 pandemic; student drawings by notorious Foxton art forger Karl Sim; Palmerston North MP Tangi Utikere's childhood Cook Islands *pāreu kiri*'au, or dance skirt; a locally made *tōtara* occasional table from the 1870s, an Arts and Crafts style sampler made by local artist Elizabeth Berry shortly before she was killed in the Battle of Britain in 1940; photographs of Manawatū buildings by Laurence Aberhart taken 2008 and 2019-20; photographs of the Manawatu Gorge taken in the 1880s; a detailed itinerary for a tour of New Zealand in February 1964 by Queen Elizabeth II and the Queen Mother which never eventuated; a painting by Professor

Huhana Smith *Hikoitia te Ao* (2020); and a collection of some 85 pieces of souvenir Palmerston North china and silver metal items from the 1900s to 1950s.

Te Manawa loaned artworks to the important exhibitions *Toi Tū Toi Ora* at Auckland Art Gallery, the first major nationwide survey of contemporary Māori visual art since 2008; and two Ralph Hotere paintings were lent for a large survey exhibition of the artist's work held at Dunedin Public Art Gallery and Christchurch Art Gallery. A 1900s ballgown was lent to Te Papa for photography and inclusion on a new book by Te Papa Press and Claire Regnault on colonial fashion in Aotearoa New Zealand.

Scheduling was disrupted by Covid-19 but we were still able to show 22 exhibitions over the year, 37 onsite events and 12 offsite events.

ONGOING CONSIDERATIONS

The impact of COVID-19 internationally is ongoing with museums and arts organisations closing in force around the globe. National tourism has almost reached its peak so NZ venues that depended on significant tourism are having to think of new products and ways to engage their public.

PLANNING

Te Manawa has developed a robust Business Plan to include solid stakeholder relationship management and inclusion, fundraising and a three-year programme of exhibitions, upgrades and key events supported by innovative learning programmes.

Te Manawa has engaged a part time Manager Sustainable Funding and Innovation, due to start in August, which will drive forward digital and physical experiences and fundraising initiatives.

We thank Rangitāne and PNCC our primary funder for continuing to support us through these times, as well as MDC and our many stakeholders and supporters.

Ngā mihi

Andy Lowe

Titiro ake ra ki te tihi o ngā rai maunga o Taranua
 Kauhoe atu i ngā ripo wai o Manawatū
 E haumarū ai te Marae O Hine i ngā tangata katoa
 Ko Rangitāne e tū nei
 Eke panuku, eke Tangaroa, Haramai te toki - Hui e!
 Tāiki e!

Significant groundwork has been completed so that the collaborative aspirations of Rangitāne and Te Manawa can be met. This has been a year of COVID-19 which has meant concepts and projects have taken longer to embed. That said, several work streams are under way and good progress is being made.

As well as the continuing work on Te Rangi Whenua Gallery redevelopment the following significant events are noteworthy:

- The 25th anniversary of Toi Oho Ki Apiti Māori Visual Arts at Massey University included the annual Matatau student exhibition, along with a special showing of works by past staff and alumni. Many of these people are known nationally and internationally.
- Te Manawa worked directly with Rangitāne and Ngākaitiaki o waka Kotahi (New Zealand Transport Agency) to repatriate Moa Bones found during preliminary excavation for Te Ahu-a-Tūranga, the new road link between Manawatū and Taranua. These taonga were welcomed into Te Manawa through traditional Pōwhiri and blessing of the whuia (bones) before being placed into a controlled environment to dry naturally. The event was broadcast across all national media outlets.
- Te Manawa worked directly with Rangitāne to launch Fred Graham's refurbished artwork 'Falling Waters', which now graces the exterior wall of the Palmerston North Convention Centre. A small unveiling celebration followed at the Art Gallery, where the artist spoke about the work.
- The Okatia Pou was moved from Te Rangi Whenua Gallery into the main Foyer of Te Manawa where it can be part of the living element of Te Manawa close to the Tamariki space.
- Pou from Te Rangi Whenua were installed in cradles in preparation for return to Te Papa while work on the re-development of the gallery is undertaken.
- We are embracing the new Ministry of Education localised New Zealand History curriculum. Work has started across all teams within Te Manawa to develop and deliver stories pertaining to the local footprint of Tangata Whenua and settlers.

Nuwyne Te Awe Awe
 Kaihautū



STATEMENT OF SERVICE PERFORMANCE

1 July 2020 - 30 June 2021

Enhanced learning and engagement

| Performance Measures | 2020/2021 Target | Status | Result | Comments |
|---|------------------|--------|--|--|
| Visitor satisfaction (good/very good/excellent) | >96% | ✓ | 99% on 30 June (2019/20 Achieved: 99% against a target of >96%) | 99.95% rating for Good to Excellent 0.05% rating for average |
| Participation in learning programmes ¹ | 30,000 | ✗ | 22,551 as at 30 June. (75% of the initial target, and 99% of the revised target of 22,750) | Strong bookings in the second and third quarters brought the visit numbers up sharply, in part due to 'BUGS! Our Backyard Heroes' exhibition. This was a contributing factor to contracted LEOTC visits being exceeded by 83% for the financial year to date (5493/3000). Following a review of the Learning Strategy, in September 2020, the visitor target was revised down due to changes to service levels. |

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

| | | | | |
|---|-------------------|-------------|---|--|
| In-person visits to Rangimārie activities | Under Development | In progress | (2019/20 Not Achieved: 21,316 against a target of 30,000, due to COVID-19 Pandemic constraints) | We are awaiting notification from the Ministry of Education about their intentions for the future of Learning Outside the Classroom. This was expected during May 2021. |
| | | | Cultural tourism and learning visits are being recorded at Te Rangimārie Marae. Note, these are not yet included in Te Manawa's visit counts. | Phase 1 – Engagement of contracted Kaihautū service provider completed. Phase 2 – Te Rangī Whenua Gallery refresh project is to be scoped and set up, commencing July 2021. 573 learning visits have been recorded for the Te Rangī Whenua programme, demonstrating a high interest in local New Zealand History, which is aligned with new curriculum requirements. |
| | | | (2019/20 – Not Measured) | |

2. Innovative experiences that attract visitors

| Performance Measures | 2020/2021 Target | Status | Result | Comments |
|---|-------------------|-------------|---|---|
| Likelihood of visitors to positively endorse Te Manawa to others ² | Under development | In progress | Visitor Satisfaction NPS for this exhibition is 100 (i.e. 100% rated the exhibition experience as good/very good/excellent). From 145 responses to date 135 are mostly/very often/always likely to recommend Te Manawa as a visit destination (93% as @ 30 June 2021). | A survey to obtain visitor feedback and measure economic impact of the World Wildlife Photographer of the Year exhibition is in progress. The survey will close 18 July 2021. |
| In-person visits to Te Manawa | 150,000 | X | (2019/20 Not measured) 135,817 | Level 2 Restrictions in February, and March, along with a COVID-19 outbreak in Wellington, in June 2021, impacted visit numbers. |

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

| Performance Measures | 2020/2021 Target | Status | Result | Comments |
|---|------------------|--------|--|--|
| | | | (2019/20 Not Achieved: 100,599 at year end against a target of 170,000 due to COVID-19 Pandemic constraints) | The closure of Te Papa, in June due to COVID-19 risk, sent a signal that museums were not safe spaces (Te Manawa/ Te Papa) so numbers were slow to return. The impact, being around 14,000 visitors, is in line with the time affected by the 2021 COVID-19 scares. In the current climate an achievement of 135,817 visits is considered a success. This compares on par with visitation from other regional museums we monitor. |
| Visits to Te Manawa experiences off-site ³ | 50,000 | ✗ | 38,715 visits to Te Manawa experiences off-site (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. 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. We are moving to a three-year cycle for development, fabrication and touring of new Te Manawa developed touring packages. |
| On-line reach ⁴ | 500,000 | ✓ | 528, 514 (2019/20 Achieved: 664,932 against a target of 400,000) | The target was exceeded. There is a growing shift in social media and other digital platforms, and general changes in what people are spending time online doing. Facebook use is shrinking. Overall, digital engagement was up by 35 per cent. Of those we reached, more people were interacting with Te Manawa in some way. |

3. A collaborative and future-focussed organisation

³ Includes both touring exhibitions and people participating in Te Manawa activities at events.

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

| Performance Measures | 2020/2021 Target | Status | Result | Comments |
|--|-------------------|-------------|------------------------|---|
| Strength of relationships with strategic partners ⁵ | Under development | In progress | (2019/20 Not Measured) | <p>Te Manawa's relationship with Palmerston North City Council continues to develop strength at both political and operational levels. Discussions have clarified expectations of strategic relationships and have informed early Strategic Relationship Strategy developments.</p> <p>The draft Fundraising Strategy has been developed and the Manager Sustainable Funding and Innovation has been recruited. This strategy will be finalised by Dec 21/22.</p> <p>Early MoU review discussions are under way with Te Manawa Societies.</p> <p>Significant strategic relationship achievements for the year also include (among others):</p> <ol style="list-style-type: none"> 1. Sustainable relationship with Rangitāne further developing as a result of engagement of Rangomāu 2. Manawātū District Council (\$20k funding pa through LTP) 3. Renewal of the MoU with UCOL 4. Continuing OF BY FOR ALL international change network membership 5. Alzheimers New Zealand through Dementia Friendly Accreditation 6. Increasing and improving education and school network connection and integration |
| Revenue secured from sources other than PNCC ⁶ | \$574,154 | ✓ | \$672,709 | <p>External revenue to 30 June 2021:</p> <ul style="list-style-type: none"> • \$1.0k from FMG • \$28.0k anonymous donation for purchase of Andrew Drummond sculpture • \$20.0k MDC • \$14.8k from Science Centre Trust for Bugs exhibition cases and other costs for Bugs • \$24.0k from PNPST for Head of John Doe Sculpture • \$68.7k Shop and other sales • \$111.2k Learning (including Poutama project) |

⁵ Measure to be developed. Target will be set once baseline established

⁶ Includes private and corporate sponsorship, grants, event and shop proceeds, and Ministry of Education contracts

| Performance Measures | 2020/2021 Target | Status | Result | Comments |
|----------------------|------------------|--------|--|---|
| COVID-19 Statement | | | (2019/20 Not Achieved: \$447,178 (65%) against annual target of \$577,000) | <ul style="list-style-type: none"> • \$24.5k Donations from public visiting Bugs and Santa' Cave • \$26.0k Donations from Westpac, Beca and Vitae for Tamariki • \$1.03k Methodist Church Cost of St Paul's Methodist Church Window crating • \$31.6k Venue Hire and other activities • \$20.5k Public Events • \$5.0k from YORB • \$6.9k interest received • \$172.5 from CET for exhibition lighting upgrade • \$90.0k Bequest from the Estate of G Dear • \$15k UCOL |

Te Manawa moved to operate under COVID-19 level 2 on 12 August 2020. The July school holidays were busy, numbers slowed down in August and then rose again in September. Te Manawa moved to Alert level 1 on 21 September and visitors started to return.

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

Te Manawa was impacted by the focus on Te Papa, as a location of interest, and Wellington's move to Level 2 in June 2021.

Te Manawa has not been able to tour exhibitions, developed in house, to other venues due to the impact of COVID-19.

Te Manawa remains at Alert Level 1.

Te Manawa Museums Trust

Statement of Comprehensive Revenue and Expense
For the Year Ended 30 June 2021

| | Note | Actual 2021 \$ | Budget 2021 \$ | Actual 2020 \$ |
|---|------|----------------------|----------------------|----------------------|
| OPERATING REVENUE | | | | |
| PNCC Operating Grant | 4 | 3,231,908 | 3,231,908 | 3,199,909 |
| MDC Operating Grant | 4 | 20,000 | 20,000 | 20,000 |
| Interest Revenue | 4 | 6,922 | 14,000 | 15,486 |
| Other Operating Revenue | 3, 4 | 645,788 | 540,154 | 301,577 |
| Total Revenue | 4 | 3,904,618 | 3,806,062 | 3,536,972 |
| OPERATING EXPENDITURE | | | | |
| Employee Expenses | 5 | 1,965,076 | 2,308,352 | 2,017,312 |
| Finance Costs | | - | - | - |
| Other Operating Expenses | 6 | 1,528,206 | 1,225,208 | 1,010,251 |
| Depreciation and Amortisation Expense | 7 | 251,304 | 284,560 | 259,017 |
| Loss/(Gains) on Disposal of Property, Plant and Equipment | | 20,474 | - | 615 |
| Impairment of Property, Plant and Equipment | | 32,804 | - | - |
| Total Operating Expenditure | 2 | 3,797,864 | 3,818,120 | 3,287,195 |
| Net Surplus/(Deficit) before Movement in Collection Assets | | 106,754 | (12,058) | 249,777 |
| Movement in Collection Assets | | | | |
| Revenue from | | | | |
| Recognition of Donated Collection Assets | 4 | 36,294 | 15,000 | 28,419 |
| Recognition of Custodial Collection Assets | 4 | 8,397 | - | - |
| | | 44,691 | 15,000 | 28,419 |
| less Expense from : | | | | |
| Derecognition of Custodial Collection Assets | | 3,478 | - | - |
| Derecognition of Owned Collection Assets | | 1,209 | - | 184 |
| | | 4,687 | - | 184 |
| Total Net Movement in Collection Assets | | 40,004 | 15,000 | 28,235 |
| TOTAL REVENUE | | 3,949,309 | 3,821,062 | 3,565,391 |
| TOTAL EXPENSE | | 3,802,551 | 3,818,120 | 3,287,379 |
| Net surplus/(deficit) for the period | | 146,758 | 2,942 | 278,012 |
| Other Comprehensive Revenue and Expense | | | | |
| Revaluation of Owned Heritage Collection Assets | | - | - | (1,094,239) |
| Revaluation of Custodial Heritage Collection Assets | | - | - | (178,845) |
| Revaluation of Owned Art Collection Assets | | 574,030 | - | - |
| Revaluation of Custodial Art Collection Assets | | 952,832 | - | - |
| Other Comprehensive Revenue and Expense for the Period | 19 | 1,526,862 | - | (1,273,084) |
| Total Comprehensive Revenue and Expense for the Period | | 1,673,620 | 2,942 | (995,072) |

The accompanying accounting policies and notes form an integral part of these financial statements.

Te Manawa Museums Trust
Statement of Changes in Equity
For the Year Ended 30 June 2021

| | Note | Actual 2021 \$ | Budget 2021 \$ | Actual 2020 \$ |
|--|------|----------------------|----------------------|----------------------|
| Equity as at 1 July | | 16,855,988 | 18,134,313 | 17,851,060 |
| Comprehensive Revenue and Expense | | | | |
| Net Surplus / (Deficit) for the Period | | 146,758 | 2,942 | 278,012 |
| Other Comprehensive Revenue and Expense | | 1,526,862 | - | (1,273,084) |
| Total Comprehensive Revenue and Expense | | 1,673,620 | 2,942 | (995,072) |
| Equity as at 30 June | 8 | <u>18,529,609</u> | <u>18,137,255</u> | <u>16,855,988</u> |

The accompanying accounting policies and notes form an integral part of these financial statements.

Te Manawa Museums Trust

Statement of Financial Position
As at 30 June 2021

| | | Actual 2021 \$ | Budget 2021 \$ | Actual 2020 \$ |
|--|------|--------------------------|--------------------------|--------------------------|
| | Note | | | |
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and Cash Equivalents | 9 | 575,682 | 156,105 | 694,163 |
| Receivables from Non-Exchange Transactions | 10 | 4,240 | 50,000 | 6,095 |
| Receivables from Exchange Transactions | 11 | 1,856 | 1,600 | 6,436 |
| Prepayments | | 9,726 | 57,000 | 8,125 |
| Short Term Deposit | 12 | 665,728 | 908,858 | 614,245 |
| Inventories | 13 | 36,043 | 45,000 | 51,472 |
| <i>Total Current Assets</i> | | <u>1,293,275</u> | <u>1,218,564</u> | <u>1,380,536</u> |
| NON CURRENT ASSETS | | | | |
| Intangible Assets | 17 | 8,346 | 20,112 | 12,713 |
| Property, Plant and Equipment | 18 | 1,005,844 | 708,783 | 833,696 |
| Collection Assets | 19 | 16,986,043 | 16,639,921 | 15,326,840 |
| <i>Total Non-Current Assets</i> | | <u>18,000,233</u> | <u>17,368,817</u> | <u>16,173,249</u> |
| TOTAL ASSETS | | <u>19,293,508</u> | <u>18,587,381</u> | <u>17,553,785</u> |
| LIABILITIES | | | | |
| CURRENT LIABILITIES | | | | |
| Payables under Exchange Transactions | 14 | 388,444 | 160,000 | 371,902 |
| Deferred Non -Exchange Revenue | 15 | 130,975 | 30,000 | 82,858 |
| Provisions | | - | 55,000 | - |
| Employee Benefit Liabilities | 16 | 241,226 | 201,860 | 239,573 |
| <i>Total Current Liabilities</i> | | <u>760,644</u> | <u>446,860</u> | <u>694,333</u> |
| NON CURRENT LIABILITIES | | | | |
| Employee Benefit Liabilities | 16 | 3,255 | 3,266 | 3,464 |
| <i>Total Non-Current Liabilities</i> | | <u>3,255</u> | <u>3,266</u> | <u>3,464</u> |
| TOTAL LIABILITIES | | <u>763,900</u> | <u>450,126</u> | <u>697,797</u> |
| NET ASSETS | | <u>18,529,609</u> | <u>18,137,255</u> | <u>16,855,988</u> |
| TRUST EQUITY | | | | |
| Contributed Capital | | 145,565 | 145,565 | 145,565 |
| Retained Earnings | | 10,665,562 | 10,715,074 | 10,561,326 |
| Reserves | | 7,718,482 | 7,276,617 | 6,149,097 |
| TOTAL TRUST EQUITY | 8 | <u>18,529,609</u> | <u>18,137,256</u> | <u>16,855,988</u> |

John Fowke
ChairmanCaroline Tate
Trustee

Date

The accompanying accounting policies and notes form an integral part of these financial statements.

Te Manawa Museums Trust
Statement of Cash Flows
For the Year Ended 30 June 2021

| | Actual 2021 \$ | Budget 2021 \$ | Actual 2020 \$ |
|--|----------------------|----------------------|----------------------|
| Note | | | |
| Cash flows from operating activities | | | |
| PNCC grant | 3,231,908 | 3,231,908 | 3,199,909 |
| Interest received | 7,088 | 14,000 | 16,191 |
| Receipts from other revenue | 720,174 | 478,263 | 349,862 |
| Payments to suppliers | (1,439,707) | (1,402,691) | (875,274) |
| Payments to employees | (1,963,631) | (2,308,352) | (1,978,563) |
| Interest paid | - | - | - |
| Goods and services tax (net) | (69,217) | - | 19,198 |
| Net cash inflow/(outflow) from operating activities | 486,615 | 13,128 | 731,323 |
| Cash flows from investing activities | | | |
| Proceeds from Investments | - | - | 150,000 |
| Purchase of intangibles assets | 0 | (36,250) | (3,345) |
| Purchase of property, plant and equipment | (452,878) | (450,680) | (122,386) |
| Purchase of collection assets | (100,735) | (78,500) | (29,634) |
| Purchase of Investments | (51,483) | -600,000 | (614,245) |
| Net cash inflow/(outflow) from investing activities | (605,096) | (1,165,430) | (619,610) |
| Effect of foreign exchange rates on cash | - | - | - |
| Net (decrease)/increase in cash and cash equivalents | (118,481) | (1,152,302) | 111,713 |
| Cash and cash equivalents at the beginning of the year | 694,163 | 1,308,407 | 582,450 |
| Cash and cash equivalents at the end of the year | 575,682 | 156,105 | 694,163 |
| 9 | | | |

The accompanying accounting policies and notes form an integral part of these financial statements.

**Te Manawa Museums Trust
Notes to the Financial Statements
For the Year Ended 30 June 2019**

1 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), in accordance with the Financial Reporting Act (2013).

The financial statements of the Trust are for the year ended 30 June 2021 and were approved by the Board of Trustees on xxxxxxxx

Basis of Preparation

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

Statement of Compliance

The 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 not large, as for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure.

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.

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Trust is New Zealand dollars (NZ\$).

Standards issued and not yet effective that have been early adopted
There are no standards early adopted this year.

Other changes in accounting policies
There have been no other changes in accounting policies.

SUMMARY OF 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, 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 categorised 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, with the exception of 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 includes 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 and Equipment | 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 as at March 2021. The 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. The most recent valuation was performed by *Ashley Associates* Auckland at March 2020. Trust's policy is to revalue the Heritage Collection assets every five 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.

For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also 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'.

Foreign currency transactions

PBE IPSAS 4.24,32 Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ\$ (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

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 subject to 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.

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 NZ GAAP, using accounting policies that are consistent with those adopted by the Board of Trustees in preparing these financial statements

Critical Accounting Estimates and Assumptions

In preparing these 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.

Critical Judgements in applying the Trust's accounting policies

There have been no specific areas requiring management or Trustees to exercise critical judgement in applying the Trust's accounting policies for the period ended 30 June 2020.

Te Manawa Museums Trust
Notes to the Financial Statements
For the Year Ended 30 June 2021

| 2 Summary of Operating Expenses by Activity | Actual 2021 | Actual 2020 |
|---|------------------|------------------|
| | \$ | \$ |
| Assets & Systems: | | |
| Employees' Costs | 291,713 | 461,897 |
| Other Operating Costs: | | |
| - Collection | 161,857 | 149,022 |
| - Facilities | 274,465 | 238,326 |
| - Corporate Services | 180,600 | 173,231 |
| | <u>908,635</u> | <u>1,022,476</u> |
| Concepts & Engagement: | | |
| Employees' Costs | 326,189 | 315,001 |
| Exhibitions Operating Costs | 460,747 | 164,285 |
| | <u>786,936</u> | <u>479,286</u> |
| People & Partnerships: | | |
| Employees' Costs | 835,763 | 815,397 |
| Other Operating Costs: | | |
| - Education | 21,957 | 21,513 |
| - Public Programmes and Events | 38,400 | 29,140 |
| - Communications/Advertising | 108,899 | 73,442 |
| - Sponsorship | 0 | 3,810 |
| - Visitors' Host | 65,910 | 34,620 |
| - Volunteers | 264 | 215 |
| | <u>1,071,193</u> | <u>978,137</u> |
| Executive: | | |
| Employees' Costs | 511,411 | 425,417 |
| Other Operating Costs | 215,462 | 122,647 |
| | <u>726,873</u> | <u>548,064</u> |
| Depreciation/Amortisation | 251,304 | 259,017 |
| Loss (Gain) on Disposals of Fixed Assets | 20,474 | 615 |
| Impairment of Fixed Assets | 32,805 | 0 |
| Total Operating Expenditure | <u>3,765,415</u> | <u>3,287,595</u> |

| | Actual 2021 \$ | Actual 2020 \$ |
|---|----------------------|----------------------|
| 3 Other Operating Revenue | | |
| <i>From Exchange Transactions</i> | | |
| Merchandise / Shop | 68,509 | 42,643 |
| Venue Hire | 9,885 | 6,546 |
| Sundry Income Public Programmes Events and Activities | 72,764 | 66,533 |
| Other | 3,562 | 5,896 |
| Other Operating Revenue (from Exchange Transactions) | 154,720 | 121,618 |
| <i>From Non-Exchange Transactions</i> | | |
| Admission Fees - General | - | 3,521 |
| Bequests & Distributions | 90,000 | - |
| Community Grants | 281,361 | 45,600 |
| Donations - General | 24,596 | 23,764 |
| Education Programme Fees | 29,030 | 14,659 |
| Sponsorship | 5,000 | 5,000 |
| Hire of Education Kits | 966 | 1,834 |
| Ministry of Education LEOTC | 60,114 | 68,947 |
| Public Programmes, Events & Activities | - | 5,349 |
| Touring Revenue | - | 10,000 |
| Other | - | 1,285 |
| Other Operating Revenue (from Non-Exchange Transactions) | 491,067 | 179,959 |
| Total Other Operating Revenue | 645,787 | 301,577 |

4 Revenue Classification in accordance with PBE IPSAS:

| | Actual 2021 | | |
|--|------------------------------------|--------------------------------|---|
| | Non-Exchange Transactions \$ | Exchange Transactions \$ | Total Revenue as per Statement of Comprehensive Revenue and Expense \$ |
| Revenue from: | | | |
| Palmerston North City Council Operating Grant | 3,231,908 | - | 3,231,908 |
| Manawatu District Council Operating Grant | 20,000 | - | 20,000 |
| Interest Revenue | - | 6,922 | 6,922 |
| Other Operating Revenue (refer Note 3 above) | 491,067 | 154,720 | 645,787 |
| Subtotal Operating Revenue | 3,742,975 | 161,642 | 3,904,617 |
| Revenue from Donated/Custodial Collection Assets | | | |
| Recognition of Donated Collection Assets | 36,294 | - | 36,294 |
| Recognition of Custodial Collection Assets | 8,397 | - | 8,397 |
| Total Revenue classified as Revenue from: | 3,787,666 | 161,642 | 3,949,308 |

| | Actual 2020 | | |
|--|------------------------------------|--------------------------------|---|
| | Non-Exchange Transactions \$ | Exchange Transactions \$ | Total Revenue as per Statement of Comprehensive Revenue and Expense \$ |
| Revenue from: | | | |
| Palmerston North City Council Operating Grant | 3,199,909 | - | 3,199,909 |
| Manawatu District Council Operating Grant | 20,000 | - | 20,000 |
| Interest Revenue | - | 15,486 | 15,486 |
| Other Operating Revenue (refer Note 3 above) | 179,959 | 121,618 | 301,577 |
| Subtotal Operating Revenue | 3,399,868 | 137,104 | 3,536,972 |
| Revenue from Donated/Custodial Collection Assets | | | |
| Recognition of Donated Collection Assets | 28,419 | - | 28,419 |
| Recognition of Custodial Collection Assets | - | - | - |
| Total Revenue classified as Revenue from: | 3,428,287 | 137,104 | 3,565,391 |

| | Actual 2021 \$ | Actual 2020 \$ |
|---|----------------------|----------------------|
| 5 Employee Expenses | | |
| Salaries and Wages | 1,910,251 | 1,947,307 |
| Employer Contributions to Kiwisaver | 54,825 | 51,193 |
| Employee Entitlements Increase / (Decrease) | - | 18,812 |
| Total Employee Expenses | 1,965,076 | 2,017,312 |
| | | |
| | Actual 2021 \$ | Actual 2020 \$ |
| 6 Other Operating Expenses | | |
| Fees to Audit New Zealand for audit of financial statements | 42,165 | 37,903 |
| ACC | 6,263 | 3,872 |
| Advertising & Promotion | 80,224 | 50,682 |
| Collection Revaluation Fees | 4,488 | 8,400 |
| Computer & IT Support | 54,742 | 53,238 |
| Communication/Social Media | 14,501 | 14,548 |
| Contractors | 306,837 | 172,601 |
| Cost of Sales - Merchandise | 45,013 | 25,679 |
| Freight | 17,062 | 14,654 |
| Hire fees - Exhibitions | 144,842 | - |
| Impairment of Receivables | - | - |
| Insurance - Material Damage | 19,167 | 19,059 |
| Insurance - Collections | 29,286 | 29,347 |
| Inventory Write Down | 13,229 | 1,316 |
| Legal Fees | 3,962 | 3,500 |
| Loss/Gain on Foreign Exchange Transactions | - | - |
| Materials/Consumables | 100,810 | 59,460 |
| Occupancy Costs | 169,841 | 160,796 |
| Repairs & Maintenance | 81,266 | 62,452 |
| Subscriptions | 15,105 | 10,920 |
| Training & Travel | 54,319 | 15,606 |
| Trust Board Remuneration | 21,378 | 20,720 |
| Trust Board Expenses | 588 | 2,740 |
| Operating Leases | 55,738 | 55,738 |
| Other Operating Expenses | 247,380 | 187,020 |
| Total Other Operating Expenses | 1,528,206 | 1,010,251 |
| | | |
| | Actual 2021 \$ | Actual 2020 \$ |
| 7 Depreciation and Amortisation | | |
| Depreciation expense | 246,937 | 252,608 |
| Amortization expense | 4,367 | 6,409 |
| Total Depreciation and Amortisation | 251,304 | 259,017 |

| | 2021 \$ | 2020 \$ |
|---|--------------------------|--------------------------|
| 8 Equity | | |
| Contributed Capital | | |
| Balance at Beginning of Year | 145,465 | 145,465 |
| Capital Contribution | 100 | 100 |
| Balance at End of Year | <u>145,565</u> | <u>145,565</u> |
| Retained Earnings | | |
| Balance at Beginning of Year | 10,561,326 | 10,343,695 |
| Net Surplus/(Deficit) for the year | 146,758 | 278,012 |
| Transfers to Retained Earnings from: | | |
| Exhibition Development Reserve | - | - |
| Collection Development Fund | - | 4,478 |
| Heritage revaluation Reserve | - | - |
| Transfers from Retained Earnings to: | | |
| Endowment Fund | - | - |
| Collection Development Fund | (9,661) | - |
| Historic Building Maintenance Reserve | - | - |
| Exhibition Development Reserve | (32,861) | (64,859) |
| Balance at End of Year | <u>10,665,562</u> | <u>10,561,326</u> |
| Revaluation Reserve - Heritage Collection | | |
| Balance at Beginning of Year | 143,180 | 1,416,264 |
| Revaluation Reserve on disposals | - | - |
| Revaluation of Collection Assets | - | (1,273,084) |
| Balance at End of Year | <u>143,180</u> | <u>143,180</u> |
| Revaluation Reserve - Art Collection | | |
| Balance at Beginning of Year | 5,656,926 | 5,656,926 |
| Revaluation Reserve on disposals | - | - |
| Revaluation of Collection Assets | 1,526,862 | - |
| Balance at End of Year | <u>7,183,788</u> | <u>5,656,926</u> |
| Endowment Fund | | |
| Balance at Beginning of Year | 10,873 | 10,873 |
| Transfer from Retained Earnings | - | - |
| Balance at End of Year | <u>10,873</u> | <u>10,873</u> |
| Collection Development Fund | | |
| Balance at Beginning of Year | 16,362 | 20,840 |
| Transfer from Retained Earnings | 9,661 | - |
| Transfer to Retained Earnings | 0 | (4,478) |
| Balance at End of Year | <u>26,023</u> | <u>16,362</u> |
| Historic Building Maintenance Reserve | | |
| Balance at Beginning of Year | 22,082 | 22,082 |
| Endowment for maintenance of historic house | - | - |
| Balance at End of Year | <u>22,082</u> | <u>22,082</u> |
| Exhibition Development Reserve | | |
| Balance at Beginning of Year | 299,675 | 234,815 |
| Transfer from Retained Earnings | 32,861 | 64,859 |
| Balance at End of Year | <u>332,536</u> | <u>299,675</u> |
| Total Reserves | <u>7,718,482</u> | <u>6,149,097</u> |
| Total Equity | <u>18,529,609</u> | <u>16,855,988</u> |

| | 2021 | 2020 |
|--|----------------|----------------|
| 9 Cash and Cash Equivalents | \$ | \$ |
| Cash at bank and on hand | 439,816 | 513,550 |
| Short Term Investments with maturity up to 90 days | 135,866 | 180,613 |
| Total Cash and Cash Equivalents | <u>575,682</u> | <u>694,163</u> |

The carrying value of cash at bank and short-term deposits with maturities less than three months approximates their fair value. The weighted average of interest rate applicable to cash and cash equivalents is 0.962% (2020: 2.13%)
There are no restrictions over any cash and cash equivalents held by the Trust.

| | 2021 | 2020 |
|--|--------------|--------------|
| 10 <u>Receivables from Non-Exchange Transactions</u> | \$ | \$ |
| Non - Exchange Receivables | 4,240 | 6,095 |
| Related Party Receivables | - | - |
| Provision for Doubtful Debts | - | - |
| Interest Receivable | - | - |
| Total Receivables from Non-Exchange Transactions | <u>4,240</u> | <u>6,095</u> |

| | 2021 | 2020 |
|--|--------------|--------------|
| 11 <u>Receivables from Exchange Transactions</u> | \$ | \$ |
| Trade Receivables | - | 4,414 |
| Related Party Receivables (Note 22) | - | - |
| Interest Receivable | 1,856 | 2,022 |
| Receivables from Exchange Transactions | <u>1,856</u> | <u>6,436</u> |

Fair Value

The carrying value of Receivables from Exchange transactions approximates their fair value.

Impairment

Receivables written off during the period amounted to nil. (2020:nil)

| | 2021 | 2020 |
|--|----------------|----------------|
| 12 Short Term Investments | \$ | \$ |
| Term deposit with maturity less than 12 months | 665,728 | 614,245 |
| | <u>665,728</u> | <u>614,245</u> |

The carrying value of the short-term deposit approximates its fair value.

The term deposits have a six months maturity with interest rate from 0.45 % to 0.85%(2020: 3.45%)

| | 2021 | 2020 |
|--|---------------|---------------|
| 13 Inventories | \$ | \$ |
| Commercial Inventories – Items held for resale | 36,043 | 51,472 |
| Total Inventories | <u>36,043</u> | <u>51,472</u> |

Inventory was written down during the period by \$13,229 (2020: Nil).

There were no reversals of previously written down inventory items (2020 :\$Nil).

There are no items of inventory pledged as security.

| | 2021 | 2020 |
|---|----------------|----------------|
| 14 Payables under Exchange Transactions | \$ | \$ |
| Trade Creditors | 267,335 | 217,602 |
| Related Party Payables (Note 22) | 21,938 | 19,957 |
| Accrued Expenses | 47,484 | 47,067 |
| GST Payable | (22,881) | 46,336 |
| Other Payables | 74,568 | 40,941 |
| Revenue in advance (venue hire) | - | - |
| Total Payables under Exchange Transactions | 388,444 | 371,902 |

As at 30 June 2021, there is a credit card facility in place with Westpac for a limit of \$10,000 (2020: limit of \$10,000).

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms.

Therefore, the carrying value of creditors and other payables approximates their fair value.

| | 2021 | 2020 |
|---|----------------|---------------|
| 15 Deferred Non -Exchange Revenue | | |
| Revenue Received in Advance | 130,975 | 82,858 |
| Total Deferred Non -Exchange Revenue | 130,975 | 82,858 |

| | 2021 | 2020 |
|--|----------------|----------------|
| 16 Employee Benefit Liabilities | \$ | \$ |
| Current Portion | | |
| Accrued Salaries and Wages | 59,447 | 59,814 |
| Annual Leave | 171,741 | 169,739 |
| Long Service Leave | 10,038 | 10,020 |
| Total Current Portion of Employee Benefit Liabilities | 241,226 | 239,573 |
| Non-Current Portion | | |
| Long Service Leave | 3,255 | 3,463 |
| Total Employee Benefit Liabilities | 244,481 | 243,036 |

17 Intangible Assets

| | Website \$ | Software \$ | Work in Progress \$ | Total \$ |
|---|---------------|----------------|---------------------------|----------------|
| Cost | | | | |
| At 1 July 2019 | 10,000 | 97,519 | - | 107,519 |
| Additions - Purchased | - | - | - | - |
| Disposals/Work in Progress transferred to Intangible Assets | - | - | - | - |
| At 30 June 2020 | 10,000 | 97,519 | - | 107,519 |
| Additions - Purchased | - | - | - | - |
| Disposals/Work in Progress transferred to Intangible Assets | - | 8,760 | - | (8,760) |
| At 30 June 2021 | 10,000 | 88,759 | - | 98,759 |
| less Accumulated Amortisation and Impairment Losses | | | | |
| At 1 July 2019 | 8,667 | 83,929 | - | 92,596 |
| Amortisation Expense | 1,333 | 5,077 | - | 6,410 |
| Impairment | - | - | - | - |
| Accumulated Amortisation on Disposals | - | 4,200 | - | 4,200 |
| At 30 June 2020 | 10,000 | 84,806 | - | 94,806 |
| Amortisation Expense | - | 4,367 | - | 4,367 |
| Impairment | - | - | - | - |
| Accumulated Amortisation on Disposals | - | 8,760 | - | 8,760 |
| At 30 June 2021 | 10,000 | 80,413 | - | 90,413 |
| Carrying Amounts | | | | |
| As at 30 June 2020 and 1 July 2020 | - | 12,713 | - | 12,713 |
| As at 30 June 2021 | - | 8,346 | - | 8,346 |

There is no work in progress at balance date (2020: \$nil)

There are no intangible assets pledged as security over the Trust's liabilities (2020: \$nil).

18. Property, Plant and Equipment

| | Computer Hardware | Exhibitions | Furniture & Fittings | Leasehold Improvement | Office Equipment | Plant & Equipment | Work in progress | Total |
|--|-------------------|-------------|----------------------|-----------------------|------------------|-------------------|------------------|-----------|
| Cost | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| At 1 July 2019 | 146,191 | 2,044,374 | 490,763 | 424,022 | 23,280 | 855,896 | 24,515 | 4,009,041 |
| Additions | 28,044 | 8,888 | 6,166 | - | - | 41,995 | 37,294 | 122,387 |
| Disposals/Work in Progress transferred to Property Plant & At June 2020 | (55,049) | (5,747) | - | - | - | (5,496) | - | (66,292) |
| At June 2020 | 119,186 | 2,047,515 | 496,929 | 424,022 | 23,280 | 892,395 | 61,809 | 4,065,136 |
| Additions | 35,525 | 188,212 | 25,916 | 2,431 | - | 39,454 | 223,149 | 514,687 |
| Disposals/Work in Progress transferred to Property Plant & At 30 June 2021 | (10,406) | (193,257) | (38,429) | (21,623) | (2,497) | (79,699) | (61,809) | (407,720) |
| At 30 June 2021 | 144,305 | 2,042,470 | 484,416 | 404,830 | 20,783 | 852,150 | 223,149 | 4,172,103 |
| less Accumulated Depreciation and Impairment Losses | | | | | | | | |
| At 1 July 2019 | 122,022 | 1,674,126 | 410,008 | 335,078 | 23,184 | 480,090 | - | 3,044,508 |
| Depreciation Charge for the year | 13,911 | 95,107 | 24,849 | 21,807 | 96 | 96,841 | - | 252,611 |
| Impairment | - | - | - | - | - | - | - | - |
| less Accumulated depreciation on disposals | (54,704) | (5,747) | - | - | - | (5,230) | - | (65,681) |
| At 30 June 2020 | 81,229 | 1,763,486 | 434,857 | 356,885 | 23,280 | 571,701 | - | 3,231,438 |
| Depreciation Charge for the year | 18,807 | 89,666 | 20,729 | 19,016 | - | 98,719 | - | 246,937 |
| Impairment | - | 989 | - | - | - | - | - | 989 |
| Accumulated depreciation on disposals | (10,393) | (160,852) | (38,429) | (21,274) | (2,497) | (79,660) | - | (313,105) |
| At 30 June 2021 | 89,643 | 1,693,289 | 417,157 | 354,627 | 20,783 | 590,760 | - | 3,166,259 |
| Carrying Amounts | | | | | | | | |
| As at 30 June 2020 and 1 July 2020 | 37,957 | 284,029 | 62,072 | 67,137 | 96 | 320,694 | 61,809 | 833,794 |
| As at 30 June 2021 | 54,562 | 349,181 | 67,259 | 59,205 | - | 261,390 | 223,149 | 1,005,844 |

No items of Property, Plant and Equipment are pledged as security as at 30 June 2021 (2020: \$nil).

19 Collection Assets
30 June 2021

| Art | Opening 1 July 2019 | Acquisitions | Donated/ - | Revaluations | Deaccessions | Closing Balance 30 June 2020 |
|--------------------------------------|------------------------|--------------|---------------|--------------|--------------|---------------------------------|
| Owned | 4,487,732 | 92,063 | 1,342 | 574,030 | - | 5,155,167 |
| Custodial | 6,892,944 | 6,956 | - | 952,832 | (3,478) | 7,849,254 |
| Total Art | 11,380,676 | 99,019 | 1,342 | 1,526,862 | (3,478) | 13,004,421 |
| Heritage | | | | | | |
| Owned | 2,752,742 | 276 | 34,951 | - | (1,209) | 2,786,760 |
| Custodial | 1,193,421 | 1,440 | - | - | - | 1,194,861 |
| Total Heritage | 3,946,163 | 1,716 | 34,951 | - | (1,209) | 3,981,622 |
| Total Collection Assets | 15,326,839 | 100,735 | 36,293 | 1,526,862 | (4,687) | 16,986,043 |
| Owned Collection Assets | | | | | | |
| Custodial Collection Assets | | | | | | |
| Total Collection Assets 30 June 2021 | | | | | | |
| | 7,941,927 | | | | | 9,044,116 |
| | | | | | | 16,986,043 |

30 June 2020

| Art | Opening 1 July 2019 | Acquisitions | Donated | Revaluations | Deaccessions | Closing Balance 30 June 2020 |
|--------------------------------------|------------------------|--------------|---------|--------------|--------------|---------------------------------|
| Owned | 4,442,511 | 29,479 | 15,742 | - | - | 4,487,732 |
| Custodial | 6,892,944 | - | - | - | - | 6,892,944 |
| Total Art | 11,335,455 | 29,479 | 15,742 | - | - | 11,380,676 |
| Heritage | | | | | | |
| Owned | 3,834,333 | 156 | 12,677 | (1,094,239) | (134) | 2,752,743 |
| Custodial | 1,372,265 | - | - | (78,845) | - | 1,193,421 |
| Total Heritage | 5,206,598 | 156 | 12,677 | (1,173,084) | (134) | 3,946,164 |
| Total Collection Assets 30 June 2020 | 16,542,054 | 29,635 | 28,419 | (1,173,084) | (134) | 15,326,840 |
| Owned Collection Assets | | | | | | |
| Custodial Collection Assets | | | | | | |
| Total Collection Assets 2020 | | | | | | |
| | 7,240,475 | | | | | 8,086,365 |
| | | | | | | 15,326,840 |

Valuation
Heritage Collection

The Trust's policy is to revalue the heritage collection every five years. The owned and custodial heritage collections were independently valued in May 2020 at \$2,740,094 for the owned heritage collection and at \$1,193,422 for the custodial heritage collection. The revaluation was undertaken by Ashley and Associates Auckland. The collection was valued based on fair value at the date of revaluation, by reference to price in an active market.

Art Collection

The Trust's policy is to revalue the art collection assets every three years. The owned and custodial art collections were independently valued at 30 March 2021 at \$4,348,123 for the owned art collection and at \$5,892,944 for the custodial art collection. The revaluation was undertaken by Art+ Object Auckland. The collection was valued based on fair value at the date of revaluation, by reference to price in an active market.

No Collection assets are pledged as security as at 30 June 2021 (2020: \$nil).

20 Commitments**Lease of the premises from the Council – Period of Agreement**

The Trust has a contract with Palmerston North City Council to lease the premises in which its activities are situated, effectively on a rent-free basis. The term of the lease has been renewed for a period of nine years, starting with 1 July 2018, with a variation to allow sub-leasing to New Zealand Rugby Museum subject to Palmerston North City Council consent.

Other Non- Cancellable Operating Leases as a lessee

The Trust leases property, plant and equipment/has non-cancellable operating contracts for service as part of the normal course of its business. The majority of these leases have a non-cancellable term between 12 and 48 months. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

| | 2021 | 2020 |
|--------------------|---------------|---------------|
| | \$ | \$ |
| Within 1 year | 44,594 | 44,594 |
| Within 1 – 2 years | 4,484 | 4,484 |
| Within 2 – 5 years | 2,990 | 2,990 |
| | <u>52,068</u> | <u>52,068</u> |

| | 2021 | 2020 |
|--|------|------|
| | \$ | \$ |
| Capital Commitments | | |
| Capital expenditure contracted for at balance date but not yet incurred for property, plant and equipment: | - | - |

21 Contingencies

The Trust Board has no contingent liabilities at 30 June 2021. (2020: \$nil).

Related Party Transactions

22 Controlling Entity

The Trust is a Council Controlled Organisation, controlled by Palmerston North City Council (PNCC).

| | | |
|--|-----------|-----------|
| Transactions carried out with PNCC are as follows: | 2021 | 2020 |
| Received from PNCC | \$ | \$ |
| Operating Grant | 3,231,908 | 3,199,909 |
| Contribution to Art auction Operating expenses | - | 350 |
| Items for Japanese Exhibition | - | 106 |
| Venue Hire | 331 | 702 |
| Purchased from PNCC | | |
| Water Rates | 1,496 | 2,298 |
| | - | - |
| Rental Vehicles | 23,938 | 23,938 |
| Hosting of Vernon Systems | 5,000 | 5,000 |
| Computer Support | 21,000 | 21,000 |
| Internet Usage | 3,000 | 3,000 |
| Telephone Support | 31,800 | 31,800 |
| Annual Administration Charge | - | 1,250 |
| Assets Purchased | 27,150 | 1,235 |
| Other Services | 3,141 | 2,749 |
| Electricity and gas | 129,244 | 88,299 |
| Owing to PNCC at 30 June | 21,938 | 19,957 |
| Owing from PNCC at 30 June | - | - |

Te Manawa provided free venue hire to PNCC Library and Community services with a market value of nil (2020:nil)

Te Manawa Museums Trust is a Council Controlled Organisation as defined in the Local Government Act 2002, accountable to the Palmerston North City Council. Under the Trust Deed the Board shall consist of not less than five or more than nine Trustees, of which Council may appoint up to five, Tangata Whenua may appoint up to two and the Board may co-opt up to two.

In addition to the above transactions, the premises occupied by The Trust are owned by Palmerston North City Council and effectively provided by Palmerston North City Council as an additional grant. The market value of this Grant/Rent is \$1,094,233. In addition, PNCC provides human resources advisory services free of charge to Te Manawa with a market price of \$24,000.

(ii) Key Management Personnel

The Trust classifies its key management personnel into:

- Trustees in the Board of Trustees as the governing body
- Chief Executive and his advisors, as members of the Leadership Team

The Trustees are paid honoraria for each Board of Trustees meeting attended during the period.

Members of the Leadership Team are employed as employees of the Trust, on normal employment terms.

The aggregate level of remuneration paid and number of persons (measured in "people" for the Trustees and "full time equivalent" (FTE's) for the members of the Leadership Team in each class of key management personnel is presented below:

| | 2021 | | 2020 | |
|--|----------------|-------------------|----------------|-------------------|
| | Remuneration | Number of persons | Remuneration | Number of Persons |
| Trustees | 21,378 | 7* | 20,720 | 7* |
| Leadership Team | 511,411 | 5 | 372,678 | 3.2 |
| Total Key Management Personnel Compensation | 532,789 | | 393,398 | |

* Due to the difficulty in determining the full-time equivalent for Trustees, the figure is taken as the number of Trustees.

The full-time equivalent for the Leadership Team is determined on the basis of a 40-hour working week.

(iii) Other Related Parties

| Related Parties | Goods/Services provided | Market Value of Goods Services |
|--|-------------------------|--------------------------------|
| Palmerston North City Council | Free Venue Use | \$596(2019/20: \$1,630) |
| Palmerston North City Council- Placemaking workshop | Free Venue Use | \$Nil(2019/20 :\$352) |
| The Science Centre Inc. (Geoffrey Jameson - Trustee of Te Manawa Museums Trust and member of The Council of Science Centre Inc.) | Free Venue Use | \$1,863(\$2019/20 \$1,035) |
| Start (Janet Ellery- PPE Leader at TeManawa Musuems Trust at Te Manawa) | Free Venue Use | \$207(2019/20 \$nil) |
| Rangimārie(Nuwynne Te Awe Awe Mohi- Trustee of Te Manawa Museums Trust and Member of Rangimārie marae) | Free Venue Use | \$3,834 (2019/20:\$nil) |

23 Events After The Balance Sheet Date

There were no significant events after the balance sheet date.(2020:nil)

24 Categories of Financial Assets and Liabilities

The carrying amounts of financial assets and liabilities are as follows:

| | 2021 \$ | 2020 \$ |
|--|------------------|------------------|
| Loans and Receivables: | | |
| Cash and Cash Equivalents (Note 9) | 575,682 | 694,163 |
| Debtors and Other Receivables (Note 10 & 11) | 6,096 | 12,531 |
| Short term deposits (Note 12) | 665,728 | 614,224 |
| Total Loans and Receivables | 1,247,506 | 1,320,918 |
| Financial Liabilities Measured at Amortised Cost: | | |
| Creditors and Other Payables (Note 14) | 388,444 | 371,902 |
| Total Financial Liabilities Measured at Amortised Costs | 388,444 | 371,902 |

Financial Instruments Risks

The Trust is risk averse and seeks to minimise the exposure from its treasury activities. There has been no change in the assessment of risk from prior years

Market Risk

The interest rates on the Trust's investments are disclosed in notes 9 and 12.

Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Trust's exposure to fair value interest rate risk is limited to its fixed interest borrowings (30 June 2021: \$nil) and bank deposits. However, because these borrowings and bank deposits are not accounted for at fair value, fluctuations in interest rates do not have an impact on the surplus / deficit of the Trust or the carrying amount of the financial instruments recognised in the statement of financial position.

Cash Flow Interest Rate Risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose the Trust to cash flow interest rate risk.

The Trust currently has no variable interest rate debt.

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. From time to time the Trust enters into contracts for exhibitions which require payment in overseas currency, which present limited exposure to changes in exchange rates.

Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Trust, causing the Trust to incur a loss. Due to the timing of its cash inflows and outflows, the Trust invests surplus cash with registered banks. Financial instruments, which potentially subject the Trust to credit risk, consist of bank balances and the current account balance with the Palmerston North City Council. No particular management strategy is in place in respect of amounts owed by Palmerston North City Council, after having regard to its financial strength as a body empowered to levy rates.

The Trust's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash equivalents (note 9), short term investments and debtors and receivables (note 10 and note 11). There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

The Trust has no significant concentrations of credit risk, as it has small numbers of typically low value credit customers (predominantly schools) and only invests funds with registered banks which have a Standard and Poor's credit rating of at least A--.

Cash on call and term investments were placed with Westpac New Zealand Limited. The credit ratings for Westpac and BNZ at 30 June 2021 were AA- from Standard & Poor's (2020: AA-).

There are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings.

Liquidity Risk

Liquidity risk is the risk that the Trust will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Trust aims to maintain flexibility in funding by maintaining sufficient short term investments.

Contractual maturity analysis of financial liabilities

The Trust's financial liabilities are limited to creditors and other payables (Note 14) these are payable in less than one year. The contractual cash flow is equal to the carrying amount.

25 The Effects of Covid 19

Te Manawa operated under COVID-19 level 2 from 12 August until 21 September 2020.

Te Manawa also operated at level 2 from 28 February to 6 March 2021.

There were no significant financial effects.

The estimated effect on visitor numbers is outlined in the SSP.

MEMORANDUM

TO: Arts, Culture & Heritage Committee

MEETING DATE: 17 November 2021

TITLE: Statements of Expectation for Cultural Council Controlled Organisations 2022-2023

PRESENTED BY: Gillian Tasker and Stephanie Velvin, Community Development Managers

APPROVED BY: Chris Dyhrberg, Chief Customer Officer

RECOMMENDATIONS TO COUNCIL

1. That Council approve the Statements of Expectation for Te Manawa Museums Trust, Regent Theatre Trust, and Globe Theatre Trust (Attachments 1–3 of the memorandum titled 'Statements of Expectation for Cultural Council Controlled Organisations 2022-2023'), presented to the Arts, Culture & Heritage Committee on 17 November 2021, as the basis for the Statements of Intent 2022–2025.
-

1. ISSUE

This memorandum seeks Council approval for the Statements of Expectation to the cultural Council Controlled Organisations (CCOs). The Statements of Expectation can be found in Attachments 1 – 3 of this memorandum.

2. BACKGROUND

Council sends an annual Statement of Expectation (SOE) to each of its cultural CCOs: Globe Theatre Trust, Caccia Birch Trust Board, Regent Theatre Trust and Te Manawa Museums Trust. SOEs guide the strategic direction of CCOs and assist in the development of their Statements of Intent, the CCOs' three-year planning document that is agreed to by Council each year.

In 2019 the SOEs were developed following a workshop with Elected Members and a joint workshop between Elected Members and the Te Manawa Museums Trust Board.

In 2020 Council staff initiated a rolling review programme, whereby a full-scale SOE will be developed for one or two CCOs each year. In the intervening years, the existing SOEs are intended to be rolled over without major revision. The consequence of this is that CCOs can also roll over their Statements of Intent without major revision, if they desire. This provides longer-term certainty for all parties as it streamlines the previous process, whereby a new three-year Statement of Intent was created each year.

The CCO chosen to receive an in-depth SOE for 2020 was Caccia Birch Trust Board. In the course of this process, Council resolved to undertake a section 17A review of Caccia Birch House. This resulted in the decision to have the management of Caccia Birch House delivered by Council from 1 July 2022. Therefore, the Caccia Birch Trust Board's 2019 SOE and their Statement of Intent 2021-2024 will be the final one for the Board.

This year, Council revised its strategic direction with the adoption of the Ten-Year Plan 2021-2031 in July. While Council's goals remain the same, new actions from the Ten-Year Plan have been included in the SOEs for Te Manawa Museums Trust, Regent Theatre Trust, and Globe Theatre Trust.

Covid Delta Level 2 restrictions prevented a workshop from being held with Elected Members on the focus for this year's SOEs. Feedback was instead sought from Elected Members via email. The Globe Theatre will be the next CCO to receive an in-depth SOE for 2023 with work commencing on this process in early 2022.

3. NEXT STEPS

If the recommendations are adopted, Council staff will write to the cultural CCOs and confirm that the SOEs attached will provide strategic guidance for the upcoming Statements of Intent 2022–25. Staff will also advise that Council does not expect these new Statements of Intent to be substantially different to the Statements of Intent 2021–24.




The cultural CCOs will provide their draft Statements of Intent 2022–25 to Council staff by 1 March 2022, and these will be presented to the Arts, Culture and Heritage Committee for Council comment.

4. COMPLIANCE AND ADMINISTRATION

| | |
|---|------------|
| Does the Committee have delegated authority to decide? | No |
| 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? | Yes |
| 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 funds and enhances the cultural Council Controlled Organisations to help | |

| | |
|--|--|
| make Palmerston North a creative and exciting city. | |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being | In providing direction to the cultural CCOs Council is enabling resilient cultural institutions and facilities that ensure visible arts, heritage and activities that contribute to Palmerston North being a creative and exciting city. |

ATTACHMENTS

1. Globe Theatre Trust Statement of Expectations 2022-2023 [↓](#) 
2. Regent Theatre Trust Statement of Expectations 2022-2023 [↓](#) 
3. Te Manawa Museums Trust Statement of Expectations 2022-2023 [↓](#) 

1/12/2021

John Adams
Chair
The Globe Theatre Trust



Dear John,

Statement of Expectation for The Globe Theatre Trust 1st July 2022 – 30th June 2023

The Council values the important contribution The Globe Theatre Trust is making to Council's vision of a city with Small city benefits, Big city ambition – He iti rā, he iti pounamu.

This Statement of Expectation provides direction to assist the Board in preparing its Statement of Intent (SOI) for the three years 2022-2025. It also clarifies Council's expectations on how The Globe Theatre Trust and Council can work together for maximum community benefit.

1. Strategic Direction

As Palmerston North's community theatre venue, you have an important role to play in helping Council reach its goals to achieve our 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

These five goals are supported by five Strategies with several plans for each one. The Arts and Heritage Plan has been developed by Council to help us achieve Goal 2:

A creative and exciting city -

He tāone whakaihihi, tapatapahi ana

A city that draws inspiration from the diversity within its culture and creates a vibrant urban environment that attracts creative and clever people, and nurtures creative talent.

Actions from the Arts and Heritage Plan to which Council believes The Globe Theatre Trust could be contributing are included table in Section 2. Development of the Statement of Intent.

2. Development of the Statement of Intent

When developing The Globe Theatre Trust's SOI, we expect that you will address the following:

| 2021-2024 SOI | Comment for preparation of SOI 2022-2025 |
|--|---|
| Contribute towards specific actions in the Arts Plan and align activities to Council's overall vision, goals and strategies. | Develop contributions to the actions in the Arts & Heritage and Events & Festivals chapters of the Creative and Exciting Strategy of the 2021-2031 10 Year Plan. |
| Develop 4-6 high-quality performance measures with officers. | We note that discussion of new performance measures with Council staff was delayed due to COVID-19. Activities should include continuing to incorporate new measures for: <ul style="list-style-type: none"> ➤ support for inclusive and diverse community events; ➤ support for whānau, hapu and iwi to create and deliver arts experiences; ➤ support for Rangitānenuiarawa¹. (All from the Arts Chapter of 2021-2031 Arts and Heritage Plan). |
| Outline approach to good governance practices, financial sustainability and environmental sustainability. | SOI should include in governance practice comment on an intention to reflect the diversity of Palmerston North in the membership of the Board (from the Arts Chapter of 2021-2031 Arts and Heritage Plan). Develop performance measure of contribution to environmental sustainability. |
| Actively explore collaboration on a one-stop front of house booking operation. | Complete evaluation of Council Priava booking system. |
| Actively explore bringing ticketing functions under one umbrella for city venues. | The Globe should review ticketing arrangements with a view to collaborating with the other CCOs before renewing any contracting agreements. |
| Identify your regionally/nationally significant events based on current delivery and explore a stretch target. | Continuing action. |
| Work with Council and other agencies to develop Economic Impact reporting for regionally/nationally significant events. | SOI should include the Economic Impact reporting model. |

¹ Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

3. Working together

One of the Council's priorities is to establish and manage an effective working relationship based on mutual respect and trust with its CCOs. This means more than regular reporting – it means two-way dialogue and working together to achieve shared outcomes.

To achieve these aims, the Council has the following expectations:

- The Globe will work in a collaborative manner with Council to ensure The Globe's policies and decisions represent the best interest of the Council and ultimately the ratepayers;
- There is to be ongoing engagement between The Globe and Council, both at a governance and operational level, to ensure that all parties are well-informed of each other's mandate and priorities. This may include engagement between Elected Members and the Trust, and between senior managers in both organisations;
- The Board is the most important monitor of The Globe's performance. The Council expects the Board to advise Council regularly of its performance, implications for future performance, and risks and opportunities faced by the organization (including Covid-19 related risks);
- The Globe will adhere to a "no surprises" approach to communication;
- Publicly communicate Council decisions in a positive manner. Any concerns should be raised with Council officers;
- The Globe will participate in relevant network meetings including but not limited to the CCO bi-monthly meeting.

A "no surprises" approach is an expectation that Council will be fully informed on all matters that are likely to attract significant public interest, or which may require a Council response.

Equally, you will be notified of any Council actions or announcements that may affect the Globe before any public announcement is made. This no surprises approach applies to both parties.

4. Responsibilities

The Council expects that The Globe Theatre Trust will:

- Achieve the objectives as determined through the Globe Theatre Trust Deed and annual Statement of Intent;
- Align its strategy, business plan and activities to reflect the vision, goals and strategic objectives of the Council;
- Work in collaboration with other CCOs to implement the Council's Strategy;
- Strive to engage with and respond to the needs of customers and the wider public;
- Be sensitive to the demand for accountability and transparency required by its status as a public entity;

- Avoid duplication, ensure efficient allocation of public resources, and seek opportunities to collaborate with Council and other cultural CCOs;
- Employ prudent financial management as a basis for decision-making;
- Retain good visibility over operational decision-making and manage risks (including Covid-19 related risks) in a proactive manner;
- Provide clear and transparent information to Council and the public.

The responsibilities of Council are to:

- Fund and enhance the cultural Council Controlled Organisations to help make Palmerston North a creative and exciting city;
- Support CCOs to achieve the objectives of this plan and wider Council strategy;
- Provide clear direction to the Globe to inform their strategic and operational planning;
- Appoint members of the Globe Theatre Trust in keeping with the Council's Appointment of Directors & Trustees Policy;
- Receive and approve the draft and final Statement of Intent;
- Monitor the Globe's performance as informed through the presentation of six monthly and annual reports;
- Build and maintain a relationship of mutual respect and trust with;
- Respect that some information shared by the Globe may be commercially sensitive;
- Communicate in a positive manner about the Globe's successes.

5. Accountability, monitoring and transparency

The Globe is statutorily required to meet its obligations under Part 5 and Schedule 8 of the Local Government Act 2002 (LGA) including achieving the objectives of the Council, be a good employer, and exhibit a sense of social and environmental responsibility. The Act was amended with changes applicable from October 2019.

The public expects a high standard of accountability and transparency from Council and Council controlled organisations.

It is important to the Council that the people of Palmerston North know that they can attend at least one public board meeting each year, even if the majority will not choose to do so. The Council sees The Globe Theatre Trust's AGM as the ideal opportunity to do this and encourages The Globe Theatre Trust to actively promote this to the public.

6. Timeline of the next SOI

We expect The Globe Theatre Trust to submit the first draft SOI 2022–2025 to Council by 1st March 2022 to comply with the LGA. However, due to the compressed timeframe it is acknowledged that this may be a first draft only that is polished during March, possibly as a result of officers seeking clarification. The timeline is below:

| | |
|---|---|
| By 20 Dec 2021 | Statement of Expectation letters sent to the CCOs. |
| By 30 Jan 2022 | Officers will meet with each CCO to discuss the expectations of Council for the SOIs, ensure understanding of what Council wants included, agree on a timeline for any additional plans and develop the non-financial performance measures. |
| On or before the 1st March 2022 | Draft SOI delivered to Council by CCOs. |
| March and April - by the 1 st May 2022 | Draft SOIs presented to Arts, Culture and Heritage Committee of Council by April 2022. Council recommends changes to the draft SOI for consideration by the Trust Board. |
| By 30 June 2022 | Final Statement of Intent delivered to Council. |

We look forward to working with the Globe Theatre Trust as collectively we continue to develop a model of service provision that ensures our community thrives socially, culturally, economically and environmentally. We thank the Board and staff of the Globe for their collaboration as we move ahead together.

Yours sincerely

Grant Smith
MAYOR

Palmerston North City Council

1/12/2021

David Lea

Chair

The Regent Theatre Trust



pncc.govt.nz
info@pncc.govt.nz

Te Marae o Hine
The Square
Private Bag 11034
Palmerston North 4442
New Zealand

Oasis -

Dear David,

Statement of Expectation for The Regent Theatre Trust 1st July 2022 – 30th June 2023

The Council values the important contribution The Regent Theatre Trust is making to Council's vision of a city with Small city benefits, Big city ambition – He iti rā, he iti pounamu.

This Statement of Expectation provides direction to assist the Board in preparing its Statement of Intent (SOI) for the three years 2022-2025. It also clarifies Council's expectations on how The Regent Theatre Trust and Council can work together for maximum community benefit.

1. Strategic Direction

As Palmerston North's premier theatre venue, you have an important role to play in helping Council reach its goals to achieve our 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

These five goals are supported by five Strategies with several plans for each one. The Arts and Heritage Plan has been developed by Council to help us achieve Goal 2:

A creative and exciting city -

He tāone whakaihiihi, tapatapahi ana

A city that draws inspiration from the diversity within its culture and creates a vibrant urban environment that attracts creative and clever people, and nurtures creative talent.

Actions from the Arts and Heritage Plan to which Council believes The Regent Theatre Trust could be contributing are included table in Section 2. Development of the Statement of Intent.

2. Development of the Statement of Intent

When developing The Regent Theatre Trust's SOI, we expect that you will address the following:

| 2021-2024 SOI | Comment for preparation of SOI 2022-2025 |
|--|--|
| Contribute towards specific actions in the Arts Plan and align activities to Council's overall vision, goals and strategies. | Develop contributions to the actions in the Arts & Heritage and Events & Festivals chapters of the Creative and Exciting Strategy of the 2021-2031 10 Year Plan. |
| Develop 4-6 high-quality performance measures with officers. | We note that discussion of new performance measures with Council staff was delayed due to COVID-19. Activities should include continuing to incorporate new measures for: <ul style="list-style-type: none"> ➤ support for inclusive and diverse community events; ➤ support for whānau, hapu and iwi to create and deliver arts experiences; ➤ support for Rangitānenuiarawa¹. (All from the Arts Chapter of 2021-2031 Arts and Heritage Plan) |
| Outline approach to good governance practices, financial sustainability and environmental sustainability. | Include in governance practice an intention to reflect the diversity of Palmerston North in the membership of the Board (from the Arts Chapter of 2021-2031 Arts and Heritage Plan). Develop performance measure of contribution to environmental sustainability. |
| Actively explore collaboration on a one-stop front of house booking operation. | Complete evaluation of Council Priava booking system. |
| Actively explore bringing ticketing functions under one umbrella for city venues. | The Regent should review ticketing arrangements with a view to collaborating with the other CCOs before renewing any contracting agreements. |
| Identify your regionally/nationally significant events based on current delivery and explore a stretch target. | Continuing action. |
| Work with Council and other agencies to develop Economic Impact reporting for | SOI should include the Economic Impact reporting model. |

¹ Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

| | |
|--|--|
| regionally/nationally significant events. | |
| Address employee cost liabilities in its Statement of Position to ensure that liability reduces over the next three years. | The Regent should review its employee leave procedures to reduce this figure over the three years. |

3. Working together

One of the Council's priorities is to establish and manage an effective working relationship based on mutual respect and trust with its CCOs. This means more than regular reporting – it means two-way dialogue and working together to achieve shared outcomes.

To achieve these aims, the Council has the following expectations:

- The Regent will work in a collaborative manner with Council to ensure The Regent's policies and decisions represent the best interest of the Council and ultimately the ratepayers;
- There is to be ongoing engagement between The Regent and Council, both at a governance and operational level, to ensure that all parties are well-informed of each other's mandate and priorities. This may include engagement between Elected Members and the Trust, and between senior managers in both organisations;
- The Board is the most important monitor of The Regent's performance. The Council expects the Board to advise Council regularly of its performance, implications for future performance, and risks and opportunities faced by the organization (including Covid-19 related risks);
- The Regent will adhere to a "no surprises" approach to communication;
- Publicly communicate Council decisions in a positive manner. Any concerns should be raised with Council officers;
- The Regent will participate in relevant network meetings including but not limited to the CCO bi-monthly meeting.

A "no surprises" approach is an expectation that Council will be fully informed on all matters that are likely to attract significant public interest, or which may require a Council response.

Equally, you will be notified of any Council actions or announcements that may affect the Regent before any public announcement is made. This no surprises approach applies to both parties.

4. Responsibilities

The Council expects that The Regent Theatre Trust will:

- Achieve the objectives as determined through the Regent Theatre Trust Deed and annual Statement of Intent;

- Align its strategy, business plan and activities to reflect the vision, goals and strategic objectives of the Council;
- Work in collaboration with other CCOs to implement the Council's Strategy;
- Strive to engage with and respond to the needs of customers and the wider public;
- Be sensitive to the demand for accountability and transparency required by its status as a public entity;
- Avoid duplication, ensure efficient allocation of public resources, and seek opportunities to collaborate with Council and other cultural CCOs;
- Employ prudent financial management as a basis for decision-making;
- Retain good visibility over operational decision-making and manage risks (including Covid-19 related risks) in a proactive manner;
- Provide clear and transparent information to Council and the public.

The responsibilities of Council are to:

- Fund and enhance the cultural Council Controlled Organisations to help make Palmerston North a creative and exciting city;
- Support CCOs to achieve the objectives of this plan and wider Council strategy;
- Provide clear direction to the Regent to inform their strategic and operational planning;
- Appoint members of the Regent Theatre Trust in keeping with the Council's Appointment of Directors & Trustees Policy;
- Receive and approve the draft and final Statement of Intent;
- Monitor the Regent's performance as informed through the presentation of six monthly and annual reports;
- Build and maintain a relationship of mutual respect and trust with;
- Respect that some information shared by the Regent may be commercially sensitive;
- Communicate in a positive manner about the Regent's successes.

5. Accountability, monitoring and transparency

The Regent is statutorily required to meet its obligations under Part 5 and Schedule 8 of the Local Government Act 2002 (LGA) including achieving the objectives of the Council, be a good employer, and exhibit a sense of social and environmental responsibility. The Act was amended with changes applicable from October 2019.

The public expects a high standard of accountability and transparency from Council and Council controlled organisations.

It is important to the Council that the people of Palmerston North know that they can attend at least one public board meeting each year, even if the majority will not choose to do so. The Council sees The Regent Theatre Trust's AGM as the ideal opportunity to do this and encourages The Regent Theatre Trust to actively promote this to the public.

6. Timeline of the next SOI

We expect The Regent Theatre Trust to submit the first draft SOI 2022–2025 to Council by 1st March 2022 to comply with the LGA. However, due to the compressed timeframe it is acknowledged that this may be a first draft only that is polished during March, possibly as a result of Officers seeking clarification. The timeline is below:

| | |
|---|---|
| By 20 Dec 2021 | Statement of Expectation letters sent to the CCOs. |
| By 30 Jan 2022 | Officers will meet with each CCO to discuss the expectations of Council for the SOIs, ensure understanding of what Council wants included, agree on a timeline for any additional plans and develop the non-financial performance measures. |
| On or before the 1 st March 2022 | Draft SOI delivered to Council by CCOs. |
| March and April - by the 1 st May 2022 | Draft SOIs presented to Arts, Culture and Heritage Committee of Council by April 2022. Council recommends changes to the draft SOI for consideration by the Trust Board. |
| By 30 June 2022 | Final Statement of Intent delivered to Council |

We look forward to working with the Regent Theatre Trust as collectively we continue to develop a model of service provision that ensures our community thrives socially, culturally, economically and environmentally. We thank the Board and staff of the Regent for their collaboration as we move ahead together.

Yours sincerely,

Grant Smith
MAYOR

Palmerston North City Council

1/12/2021

John Fowke
Chair
Te Manawa Trust Board



Dear John,

Statement of Expectation for Te Manawa 1st July 2022 – 30th June 2023

The Council values the important contribution Te Manawa is making to Council's vision of a city with Small city benefits, Big city ambition – He iti rā, he iti pounamu.

This Statement of Expectation provides direction to assist the Board in preparing its Statement of Intent (SOI) for the three years 2022-2025. It also clarifies Council's expectations on how Te Manawa and Council can work together for maximum community benefit.

1. Strategic Direction

As Palmerston North's Art Gallery, Museum and Science Centre, Te Manawa has an important role to play in helping Council reach its goals to achieve our 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

These five goals are supported by five Strategies with several plans for each one. The Arts and Heritage Plan has been developed by Council to help us achieve Goal 2:

A creative and exciting city -

He tāone whakaihiihi, tapatapahi ana

A city that draws inspiration from the diversity within its culture and creates a vibrant urban environment that attracts creative and clever people, and nurtures creative talent.

Actions from the Arts and Heritage Plan to which Council believes Te Manawa could be contributing are included table in Section 2. Development of the Statement of Intent.

2. Development of the Statement of Intent

When developing Te Manawa's SOI, we expect that you will address the following:

| 2021-2024 SOI | Comment for preparation of SOI 2022-2025 |
|--|---|
| Contribute towards specific actions in the Arts Plan and align activities to Council's overall vision, goals and strategies. | Develop contributions to the actions in the Arts & Heritage and Events & Festivals chapters of the Creative and Exciting Strategy of the 2021-2031 10 Year Plan. |
| Focus on engaging local communities in relevant and meaningful learning experiences. | Continuing action. |
| Focus on developing and growing use of and access to collections. | Continuing action. |
| Focus on attracting visitation and third-party investment. | Continuing action. |
| Develop a thorough and evolving understanding of the community. | Continuing action. |
| Strategic partnerships. | Continue to work on stakeholder engagement. Activities should include: <ul style="list-style-type: none"> ➤ applying the Strategic Relationship Strategy; ➤ maintaining a strong relationship with Rangitāne – through activity-based approaches; ➤ strengthening the partnership with the New Zealand Rugby Museum; ➤ working with Te Manawa's founding trusts to address shared objectives. |
| Develop performance measures that demonstrate performance (specific measures requested). | You have developed a strong set of performance measures linked to the relevant objectives. All performance measures have targets against them. Activities should include continuing to incorporate new measures for: <ul style="list-style-type: none"> ➤ support for inclusive and diverse community events; ➤ support for whānau, hapu and iwi to create and deliver arts experiences; ➤ support for Rangitānenuiarawa¹. (All from the Arts Chapter of 2021-2031 Arts and Heritage Plan). |
| Outline approach to good governance practices, financial | SOI should include in governance practice comment on intention to reflect the diversity of Palmerston North in the membership of |

¹ Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

| | |
|---|---|
| sustainability and environmental sustainability. | the Board (from the Arts Chapter of 2021-2031 Arts and Heritage Plan). Develop performance measure of contribution to environmental sustainability. |
| There are inclusive, visible, fit-for-purpose and resilient cultural institutions and facilities. (from the Arts Chapter of 2021-2031 Arts and Heritage Plan). | SOI should commit to: <ul style="list-style-type: none"> ➤ identifying ongoing environmental control issues preventing the Art Gallery from hosting touring exhibitions; ➤ developing a proposal, including budget and timeline, to resolve these issues. |

3. Working together

One of the Council's priorities is to establish and manage an effective working relationship based on mutual respect and trust with its CCOs. This means more than regular reporting – it means two-way dialogue and working together to achieve shared outcomes.

To achieve these aims, the Council has the following expectations:

- Te Manawa will work in a collaborative manner with Council to ensure The Regent's policies and decisions represent the best interest of the Council and ultimately the ratepayers;
- There is to be ongoing engagement between Te Manawa and Council, both at a governance and operational level, to ensure that all parties are well-informed of each other's mandate and priorities. This may include engagement between Elected Members and the Trust, and between senior managers in both organisations;
- The Board is the most important monitor of The Regent's performance. The Council expects the Board to advise Council regularly of its performance, implications for future performance, and risks and opportunities faced by the organization (including Covid-19 related risks);
- Te Manawa will adhere to a "no surprises" approach to communication;
- Publicly communicate Council decisions in a positive manner. Any concerns should be raised with Council officers;
- Te Manawa will participate in relevant network meetings including but not limited to the CCO bi-monthly meeting.

A "no surprises" approach is an expectation that Council will be fully informed on all matters that are likely to attract significant public interest, or which may require a Council response.

Equally, you will be notified of any Council actions or announcements that may affect Te Manawa before any public announcement is made. This no surprises approach applies to both parties.

4. Responsibilities

The Council expects that Te Manawa will:

- Achieve the objectives as determined through the Te Manawa Trust Deed and annual Statement of Intent;
- Align its strategy, business plan and activities to reflect the vision, goals and strategic objectives of the Council;
- Work in collaboration with other CCOs to implement the Council's Strategy;
- Strive to engage with and respond to the needs of customers and the wider public;
- Be sensitive to the demand for accountability and transparency required by its status as a public entity;
- Avoid duplication, ensure efficient allocation of public resources, and seek opportunities to collaborate with Council and other cultural CCOs;
- Employ prudent financial management as a basis for decision-making;
- Retain good visibility over operational decision-making and manage risks (including Covid-19 related risks) in a proactive manner;
- Provide clear and transparent information to Council and the public.

The responsibilities of Council are to:

- Fund and enhance the cultural Council Controlled Organisations to help make Palmerston North a creative and exciting city;
- Support CCOs to achieve the objectives of this plan and wider Council strategy;
- Provide clear direction to Te Manawa to inform their strategic and operational planning;
- Appoint members of Te Manawa in keeping with the Council's Appointment of Directors & Trustees Policy;
- Receive and approve the draft and final Statement of Intent;
- Monitor the Te Manawa's performance as informed through the presentation of six monthly and annual reports;
- Build and maintain a relationship of mutual respect and trust with;
- Respect that some information shared by Te Manawa may be commercially sensitive;
- Communicate in a positive manner about Te Manawa's successes.

5. Accountability, monitoring and transparency

Te Manawa is statutorily required to meet its obligations under Part 5 and Schedule 8 of the Local Government Act 2002 (LGA) including achieving the objectives of the

Council, be a good employer, and exhibit a sense of social and environmental responsibility. The Act was amended with changes applicable from October 2019.

The public expects a high standard of accountability and transparency from Council and Council controlled organisations.

It is important to the Council that the people of Palmerston North know that they can attend at least one public board meeting each year, even if the majority will not choose to do so. The Council sees Te Manawa's AGM as the ideal opportunity to do this and encourages Te Manawa to actively promote this to the public.

6. Timeline of the next SOI

We expect Te Manawa to submit the first draft SOI 2022–2025 to Council by 1st March 2022 to comply with the LGA. However, due to the compressed timeframe it is acknowledged that this may be a first draft only that is polished during March, possibly as a result of Officers seeking clarification. The timeline is below:

| | |
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| By 20 Dec 2021 | Statement of Expectation letters sent to the CCOs. |
| By 30 Jan 2022 | Officers will meet with each CCO to discuss the expectations of Council for the SOIs, ensure understanding of what Council wants included, agree on a timeline for any additional plans and develop the non-financial performance measures. |
| On or before the 1 st March 2022 | Draft SOI delivered to Council by CCOs. |
| March and April - by the 1 st May 2022 | Draft SOIs presented to Arts, Culture and Heritage Committee of Council by April 2022. Council recommends changes to the draft SOI for consideration by the Trust Board. |
| By 30 June 2022 | Final Statement of Intent delivered to Council |

We look forward to working with Te Manawa Trust as collectively we continue to develop a model of service provision that ensures our community thrives socially, culturally, economically and environmentally. We thank the Board and staff of Te Manawa for their collaboration as we move ahead together.

Yours sincerely,

Grant Smith
MAYOR
Palmerston North City Council

MEMORANDUM

TO: Arts, Culture & Heritage Committee

MEETING DATE: 17 November 2021

TITLE: Report on future plans for celebration of Waitangi Day and Matariki public holidays in Papaioea / Palmerston North

PRESENTED BY: Luke McIndoe, Head of Events

APPROVED BY: Sheryl Bryant, Assistant Chief Executive

RECOMMENDATION(S) TO ARTS, CULTURE & HERITAGE COMMITTEE

1. That the memorandum titled 'Report on future plans for celebration of Waitangi Day and Matariki public holidays in Papaioea/Palmerston North' presented to the Arts, Culture & Heritage Committee on 17 November 2021, be received for information.

1. ISSUE

This memorandum reports on future plans for Waitangi Day and Matariki events activity.

2. BACKGROUND

Palmerston North City Council has worked with Rangitāne to deliver Waitangi Day civic ceremonies and events. The 2020 civic event was the only public facing commemoration. This included Rangitāne representatives and Elected Members undertaking a flag raising ceremony, speeches and kai.

This year, a public evening performance was held on the Manawatū River walkway to recognise the importance of Matariki and Puanga to the local community.

Council officers are working in partnership with Rangitāne representatives to develop plans for both events in 2022. Detailed planning will recognise the importance of both of these Public Holidays to Rangitāne and the wider Palmerston North community. Officers are committed to delivering public facing celebration events for both of these dates with limited details available at present. In depth plans for both events will be developed closer to the events.

3. NEXT STEPS

Officers will continue to plan for delivery of both events on an annual basis.

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? | Yes |
| Are the recommendations inconsistent with any of Council's policies or plans? | No |
| The recommendations contribute to Goal 3: A Connected and Safe Community | |
| The recommendations contribute to the achievement of action/actions in Connected Communities | |
| The action is: Rangitāne o Manawatū leads events for Waitangi Day and Matariki Puanga. | |
| Provide support to grow the city's calendar of Māori cultural events. | |
| Incorporate Māori community priorities, tikanga and te reo Māori into city events. | |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being | City celebration of Waitangi and Mataraki is an opportunity to grow wider community cultural wellbeing as identified in the Connected and Safe Community goal. Developing these events with Rangitāne further strengthens our partnership with Rangitāne. |

ATTACHMENTS

Nil

MEMORANDUM

TO: Arts, Culture & Heritage Committee

MEETING DATE: 17 November 2021

TITLE: Feasibility and Process for Establishing a Heritage Advisory Panel

PRESENTED BY: David Murphy, Chief Planning Officer

APPROVED BY: Heather Shotter, Chief Executive

RECOMMENDATIONS TO COUNCIL

1. That Council's heritage functions and responsibilities are delivered in accordance with the 2021 Arts and Heritage Plan without the establishment of a Heritage Advisory Panel
or
That the Chief Executive is directed to prepare a programme to establish a Heritage Advisory Panel to be considered as part of a future Annual Budget or Long Term Plan.
2. That it be noted that should the Council wish to proceed with the establishment of a Heritage Advisory Panel it will be recommended that:
 - The panel is a volunteer community-based panel that helps scope research of heritage themes to be addressed as part of the delivery of Council activities
 - The panel contains Rangitāne representation
 - The membership and terms of reference of the panel are prepared in consultation with Rāngitane, Manawatū Heritage Trust and other interested heritage stakeholders.

1. ISSUE

The Economic Development Committee passed the following resolution on 17 March 2021:

'That the Chief Executive report to Arts Culture and Heritage 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'.

As directed by the resolution, this report addresses the feasibility and process, not the formal establishment of a heritage advisory panel.

2. BACKGROUND

While good progress has been made by the Council on a number of heritage related projects, the way in which Council's heritage functions and responsibilities are delivered has remained largely unchanged for a number of years. Like all Council activities, delivery of Council's heritage activities is directly related to the resources made available via the Long Term Plan process.

Council's heritage activities are wide and varied and can be broadly described as follows:

Strategic Planning: Strategy and plan development, District Plan development, Rangitāne partnership, urban design advice, heritage advice, earthquake prone building policy (Council buildings), administration of the heritage and earthquake prone heritage funds, partnership projects and the annual military heritage report.

Library / Archives: The Heritage and Archives team within the City Library supports the capture, acquisition, development, creation, curation, preservation, display, exploration, and access of the history of Palmerston North and the wider region. This includes responsibility for the Ian Matheson City Archives (Council and community archives) and Manawatū Heritage, an online digital repository.

Infrastructure & Asset Management: Incorporation of heritage themes into infrastructure projects, asset management (maintenance, renewal and upgrades) of heritage assets, including key heritage buildings, and partnership projects with Rangitāne and local heritage groups.

Customer / Regulatory: Administration of earthquake prone building requirements under the Building Act, District Plan administration (resource consents) and Historic Places Act administration, e.g. archaeological approvals.

Events: Heritage related events, e.g. Waitangi, Anzac and Armistice days.

The description above is not an exhaustive list of all heritage related projects and activities undertaken by the Council.

A full copy of the 2021 Arts and Heritage Plan is included as Attachment One. The heritage chapter of this Plan (pages 14-19) provides a useful summary of where we are now, where we want to be, and the actions committed to as part of the approval of the 2021 Long Term Plan.

While "*regularly engage with a wider range of stakeholders in the heritage sector*" is an identified ongoing action, the establishment of a heritage advisory panel or heritage reference group would be a new action that would create additional work and require additional resourcing.

As an example, additional resources have been required to be directed to support the Palmerston North Defence Heritage Advisory Group. A heritage advisory panel will seek to address additional heritage themes and therefore require additional resources.

Additional resourcing is likely to include a specialist heritage planner (0.5 FTE), a consultancy budget to fund research, and potentially a new capital programme to assist with the physical representation or narration of heritage themes as part of infrastructure projects. Where possible physical representation or narration of new heritage themes would still be delivered via existing budgets.

3. HERITAGE ADVISORY PANEL VS REFERENCE GROUP VS STEERING GROUP

The terms advisory panel, reference group and steering group tend to get used in different settings with different meanings and intent. The establishment of clear terms of reference are important in that respect when establishing any advisory panel or reference / steering group.

A key consideration is whether Council is seeking expert professional heritage advice, community-based input from local interest groups and individuals, or a hybrid model containing experts and local interests. An advisory panel is more likely to comprise professional experts, whereas a steering or reference group is more likely to comprise local interests. Each subject matter (heritage, safety, housing, urban design, etc.) will have unique considerations that need to be factored into what is an appropriate response.

With regards to heritage, in some cases local interest groups and individuals are experts given their detailed knowledge of local history and the narratives that flow from that. This type of local knowledge is quite different from specialised heritage planning, architecture, engineering or urban design advice. Expert cultural advice is unique and provided by Rangitāne as mana whenua.

4. EXISTING HERITAGE GROUPS, HERITAGE PANELS IN OTHER PARTS OF NEW ZEALAND AND OTHER COUNCIL ADVISORY / STEERING GROUPS

When considering the potential role of a heritage advisory panel, it is useful to consider:

- Existing community heritage groups in Palmerston North.
- Heritage panels in other parts of New Zealand.
- Other advisory, reference and steering groups established by the Council.

The summaries provided below are not an exhaustive list. They have been included to provide context to future decision-making, should the Council decide to establish a heritage advisory panel.

Existing Community Heritage Groups in Palmerston North

Palmerston North Defence Heritage Advisory Group (PNDAG): A volunteer organisation that provides advice on defence related heritage matters.

Historic Places Manawatū-Horowhenua: A volunteer organisation which replaced the Manawatū Branch of the New Zealand Historic Places Trust in 2012. Works within

the Manawātū District Council, Horowhenua District Council and Palmerston North City Council. The organisation:

- Promotes the recording, protection and preservation of historic places in the Society's area.
- Offers support to iwi and hapu in relation to Māori wahi tapu, buildings and structures.
- Provides opportunities for members to visit historic buildings and precincts, and to be informed about local heritage issues.
- Educates the public in the appreciation of historic places.
- Works closely with Councils and other interest groups to create better protection, understanding and awareness of the importance of our local heritage.

Manawātū Heritage Trust: Established in 1997 under the auspices of the Palmerston North City Council. Its objective under the Trust Deed is 'encouraging public awareness of the need to develop, maintain, and preserve archival material and other records of significance connected with or relating to the city of Palmerston North and its surrounding region'. The committee administering the Trust has interpreted this brief broadly, and its activities include meetings and conferences of history groups, the local historian of the year award, and prizes for books and articles on local history.

Friends of the Regent: Set up in October 1995 at a meeting of people interested in the restoration of the Regent Theatre and participating in its ongoing life. The members provide Front of House services (ushering and catering) in the theatre. A team of volunteers who are duly trained for their duties are given the opportunity to work on a rostered basis.

Palmerston North Electric Power Station Incorporated Society: Their aim is to preserve and maintain the power station's own plant in working order, to present electrical history (regionally and in general), to display older electrical equipment (including domestic appliances) and to educate in these matters and in relation to safety with electricity.

The Hoffman Kiln Trust: Ownership of the Hoffman Kiln is vested in the Hoffman Kiln Trust, a charitable trust responsible for the site on behalf of the community.

Heritage Panels in other parts of New Zealand

Most examples in New Zealand are volunteer community-based panels. The Auckland panel does comprise professional heritage experts.

Auckland Heritage Advisory Panel: Helps strengthen Auckland Council's approach to heritage management. It promotes a shared understanding of how historic heritage should be identified, managed, protected, conserved, appreciated and celebrated. The Auckland Heritage Advisory Panel has a three-year term. The panel membership includes leading heritage professionals.

The Mayor appoints a liaison councillor for the Heritage Advisory Panel. The role of a liaison councillor is to:

- Ensure that the governing body is aware of the panel's feedback on council issues and its advice on historic heritage.
- Help align the panel's strategic agenda with governing body priorities
- Actively engage in panel meetings and workshops
- Engage with the panel chair and the lead officer for meeting agendas

The panel has between 10 and 16 members. The members must reside in Auckland. The panel must have at least two members with lived experience in Te Ao Māori and knowledge of the contemporary issues facing Māori communities in Auckland.

Heritage Nelson (recently disestablished): Heritage Nelson was an umbrella organisation for heritage organisations in the Nelson Area. The group was initiated by the Nelson City Council to provide a forum for information sharing and discussion within the heritage sector. Whilst a number of heritage focus groups existed, there was no one place for these groups to meet or liaise as a body with the Council or each other.

Carterton: Arts, Culture and Heritage Advisory Group: The purpose of the Arts, Culture and Heritage Advisory Group is to assist the Council to promote arts, cultural and heritage activities in Carterton. The Advisory Group's activities include:

- Preparing and reviewing an Arts, Culture and Heritage Strategy and recommending it to the Council.
- Overseeing and monitoring the implementation of the strategy.
- Providing advice to the Council on major arts, culture and heritage initiatives in Carterton.

Membership consists of up to three elected representatives; seven community groups; Heritage New Zealand; and local marae. An elected member chairs the group.

Hastings Landmarks Trust: Reports to a subcommittee of Hastings District Council made up of five councillors and four Landmarks Trust members. Meets quarterly with Landmarks Trust holding their meetings a week prior. Reports on Council projects or applications. The recommendations are then referred to Council.

A number of councils have also established urban design panels comprising paid urban design professionals who are tasked with completing urban design reviews for major new developments as part of the resource consent process.

Other advisory, reference and steering groups established by the Council

Housing Steering Group: The purpose of the Housing Steering Group is to provide strategic leadership on:

- Increasing the supply of housing in the private market, in particular good quality rental accommodation and affordable or first homes.
- Advocacy on the issues that can contribute to good housing outcomes.
- Ensuring sufficient land and infrastructure is available to accommodate growth and provide market choice while responding to changing demographics.
- Working with developers and agencies to co-create new housing opportunities

Membership includes the Mayor, the housing portfolio lead, Rangitāne, Kainga Ora, Manawātū Property Investors, Council officers and relevant interest groups. The group is voluntary.

Safety Advisory Board: The Palmerston North Safety Advisory Board is a voluntary group (but contains a number of members in paid roles) that works with Council, the community and other agencies to set the strategic direction for initiatives to make our city safer by:

- Implementing the Safe City Strategic Outcomes Plan.
- Ensuring strategic planning takes a holistic approach.
- Setting and overseeing priorities, projects and activities.
- Monitoring projects and activities by key performance indicators.

The Palmerston North Safe City Strategic Outcomes Plan (2019-2024) outlines the strategic direction and core actions of the board's multiple partners, supported by the Palmerston North Safety Advisory Board, for the next five years.

Disability Reference Group (DRG): The purpose of the DRG is to ensure the needs of disabled people are appropriately taken into account in the context of Council's roles and priorities. This includes:

- Representing in relation to PNCC's activities the interests, perspectives and expertise of people within our community living with impairments.
- Building strong relationships and establishing channels of communication between PNCC and disabled people living in our community.
- Providing guidance, advice and support to inform the PNCC's planning and decision-making processes at a strategic level as well as identifying actual and potential operational gaps in PNCC's activities.
- The DRG consists of between 8-12 people, with at least 60% of disabled people represented and a designated PNCC councillor.

5. ROLE AND FUNCTION OF A HERITAGE ADVISORY PANEL

As noted within the body of the report, based on the experience of the Palmerston North Defence Heritage Advisory Group, the establishment, administration and delivery of the work guided by a heritage advisory panel will require additional resourcing. This is best determined following the preparation of a more detailed programme as part of a future Annual Budget or Long Term Plan.

Additional resourcing is likely to include a specialist heritage planner (0.5 FTE), a consultancy budget to fund research, and potentially a new capital programme to assist with the physical representation or narration of heritage themes as part of infrastructure projects. Where possible physical representation or narration of new heritage themes would still be delivered via existing budgets.

Should the Council wish to proceed with a Heritage Advisory Panel, it is recommended that the panel is a volunteer community-based panel that assists the Council with scoping research of heritage themes to be addressed as part of the delivery of Council activities in a similar way to which the military heritage theme has been addressed. A thematic approach is common among cities wanting to recognise, protect and celebrate heritage.

The panel and terms of reference should be established in consultation with Rangitāne, Manawatū Heritage Trust and other interested stakeholders. The panel should include Rangitāne representation.

6. NEXT STEPS

Should the Council wish to proceed with the establishment of a Heritage Advisory Panel the Chief Executive will need to be directed to prepare a programme to be considered as part of a future Annual Budget or Long Term Plan.

7. COMPLIANCE AND ADMINISTRATION

| | |
|--|---|
| Does the Committee have delegated authority to decide? | No |
| 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 | |
| There is no specific action in the Arts and Heritage Plan to establish a Heritage Advisory Panel. | |
| Contribution to strategic direction and to social, economic, environmental and cultural well-being | While "regularly engage with a wider range of stakeholders in the heritage sector" is an identified ongoing action, establishment of a heritage advisory panel or heritage reference group would be a new action that would create additional work and require additional resourcing. |

ATTACHMENTS

1. 2021 Arts and Heritage Plan [↓](#) 



PALMY
2021-31

TE MAHERE TOI, TAONGA TUKU IHO ARTS AND HERITAGE PLAN

NGĀ TOI
ARTS CHAPTER

NGĀ TAONGA TUKU IHO
HERITAGE CHAPTER

Ahunga rautaki



Strategic direction



Te toi me te taonga tuku iho: Te ahunga rautaki a te Kaunihera

Arts and heritage and Council's strategic direction

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Arts and Heritage Plan primarily contributes to the Palmerston North City Council's goal of a Creative and exciting city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan in two chapters: Arts and Heritage.

Ngā tino Priorities

The priorities of Goal 2: A creative and exciting city are:

1. He waihanga i te tāone me ōna wāhi papai mō te katoa

Create a city that has great places for all people
2. He whakanui i te hītori me te kanorautanga o te tāone, me te whakapakari i tōna pai hei kāinga mō ngā ahurea me ngā reo maha

Celebrate the city's history and diversity, and build on the strength of being a city of many cultures and languages
3. He waihanga i te tāone auaha, he poipoi, he whakanui anō i ngā toi

Be a creative city that nurtures and celebrates the arts

4. He whakaū i te rongonui o te tāone hei tāone whakihiihi, he nui ōna mahi ā-rēhia i ngā pō, i ngā mutunga wiki hoki

Develop a national reputation as an exciting city with plenty to do at night and on weekends

5. He whakatenatena i te kori tinana kia eke ki tua atu i hapori kē i Aotearoa

Be one of the most active communities in New Zealand

Te take o te mahere Purpose of the plan

The 10-Year Plan levels of service for this plan are:

- Provide support to community organisations, cultural Council-Controlled Organisations and individuals to help make Palmerston North a creative and exciting city
- Maintain and enhance cultural facilities that provide a range of opportunities for people to access and participate in the arts
- Work closely with Rangitāne o Manawātū to support it to be kaitiaki of its heritage places and to increase the wider community's understanding and appreciation of Rangitāne o Manawātū heritage
- Promote and celebrate local history
- Invest in cultural heritage buildings and places to give the community the opportunity to use and appreciate their heritage values

Ngā hononga ki mahere kē Links with other plans

The actions in the Arts chapter of this plan also contribute to the achievement of the Connected communities plan and the priorities "Develop, provide, support or advocate for services, facilities, and events that create connected, welcoming and inclusive communities" and "Grow the capacity of communities to achieve their aspirations".

The actions in the Heritage chapter of this plan also contribute to the achievement of the City shaping plan and the City centre plan.

Te mahitahi me Rangitāne o Manawātū Rangitāne o Manawātū partnership

Council will work in partnership with Rangitāne o Manawātū and:

- ensure Rangitāne o Manawātū history and aspirations are expressed in the city landscape
- protect cultural concepts, values, practices and the taonga of Rangitāne
- provide for diverse expressions of Toi Māori which acknowledge and celebrate Māori culture and artistry

These commitments will guide the implementation of all aspects of this plan.

Ngā puka Kaunihera e whai wāhi mai ana ki tēnei mahere Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- Asset Management Plan - Property
- CCO Statements of Expectation and Statements of Intent
- Community Funding Policy
- Dangerous and Insanitary Buildings Policy
- District Plan
- Natural and Cultural Heritage Incentive Fund
- Reserve and Walkway Naming Policy
- Street Naming and Numbering Policy

Te ine i te angitutanga Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Increase in arts participation and attendance rates of residents
- Increase in the diversity of funding recipients, as measured by self-reported ethnicity and artform information provided by Creative Communities Scheme applicants
- Increase in patronage of Council-owned cultural facilities (Te Manawa, Globe Theatre, Regent Theatre, and Square Edge), as measured by reports provided by operators
- Increased representation of emerging, local and Māori artists in public art commissioned by Council
- Heritage is part of the multi-disciplinary approach to working on Council projects
- More community engagement and involvement in the development of heritage initiatives
- Heritage is more prominent within the City
- Sites of significance to Rangitāne o Manawātū are identified, protected or acknowledged
- Increase in the number of scheduled heritage features contained in the District Plan
- Increase in investment of earthquake-prone heritage buildings
- Decrease in vacancy rates in earthquake-prone heritage buildings



Kupu whakataki Introduction

'The arts' refer to expressions of creativity, and encompass craft and object art, visual arts, ngā toi Māori, Pacific arts, theatre, dance, literature, music and film. The arts bring the city to life, challenge ideas, and generate excitement about future possibilities. Communities of identity, interest and place express cultural identity through the arts; for example, by coming together to design a neighbourhood mural or to perform a traditional dance. Many people work in arts-related jobs, and city organisations rely on people with creative skills.

The opportunity to participate in the arts contributes to all aspects of health; te whare tapa whā. The purpose of this chapter is to develop a culturally-rich city and for people to have opportunities to express their creativity and cultural identity.

Kei hea tātou i tēnei wā? Where are we now?

- In 2020 Palmerston North people reported attending and participating in the arts in line with the national rate (73% of Palmerston North, compared to 75% for all New Zealanders).¹
- Arts have the capacity to bring about significant individual and community change in wellbeing. The Creative New Zealand survey found that most people believe that their community would be poorer without the arts, the arts contribute positively to the economy, the arts improve New Zealand society, and the arts help define who we are as New Zealanders.
- Palmerston North has a strong arts sector and thriving art scene with notable local artists, exhibitions, performances, and events. Participants in a Creative Cities Index Survey, carried out in 2019, said that there is lots happening in the city, but it is difficult to find out what's on.



¹ Creative New Zealand (2021). *New Zealanders and the arts*.

- Palmerston North is home to cultural facilities which are owned by Council and operated by independent organisations. These facilities provide a range of opportunities for creative participation. Many Council-owned cultural facilities are fit-for-purpose, while others require improvements including earthquake-strengthening – particularly Te Manawa, Square Edge, and the Central Library.
- There is evidence a minority of people find the arts elitist. Thirty-eight percent of respondents to the Creative New Zealand survey indicated that if they were confident of feeling welcome, it would make a big difference to their likelihood of attending the arts. This is higher than the national average (28%).
- Palmerston North is an accredited established Welcoming Community. Part of the outcomes-based standard measures how well culture and identity are respected and valued in the city.
- Some efforts have been made to make arts facilities and experiences more inclusive and accessible for people by removing financial, social and physical barriers. Examples include the NOA Open Studio at Te Manawa and the refurbishment of the Globe Theatre to increase physical accessibility.
- Palmerston North's strength is in providing opportunities for artists to develop their craft; particularly for young artists. The city's secondary and tertiary institutions provide a range of arts education opportunities, including the Bachelor of Māori Visual Arts which is unique to Massey University, and UCOL creative industries pathway qualifications.
- Council works in partnership to support educational opportunities in the arts, such as the Artist in Residence scheme and the Arts Heart funding programme.
- It is a challenge to receive a reasonable return from effort in the arts, and national research shows over half of creative professionals also work outside the creative sector. This makes it difficult for creative careers to become self-sustaining.
- Council invests in the arts through contestable community grant programmes and is a key operational funder for many of the city's cultural facilities. It funds the Palmerston North Sculpture Trust to purchase and install new public art. The Creative New Zealand survey found that 53% of respondents agreed the local council should provide funding for the arts.
- There is tension between Council's role as a facilitator and funder of arts organisations, and the importance of the sector self-determining when and how they collaborate. Sector feedback suggests that competitive arts funding can discourage collaboration.



| He aha ngā hiahia hei whakatutuki? What do we want to achieve? |
|--|
| <div>➤ The arts sector hosts diverse arts experiences and has the resources to grow its audiences.</div> <div>➤ There are inclusive, visible, fit-for-purpose and resilient cultural institutions and facilities.</div> <div>➤ The Globe Theatre is a busy and vibrant centre for the performing arts community in Palmerston North.</div> <div>➤ Te Manawa engages local communities in learning experiences, develops and provides access to taonga, artworks and artefacts, and attracts people to the city.</div> <div>➤ The Regent Theatre is a historic venue that caters for large-scale international, national and local performing arts experiences.</div> <div>➤ Rangitānenuiarawa² is embedded in public art, cultural facilities and public spaces.</div> <div>➤ The city is host to diverse expressions of Toi Māori.</div> <div>➤ Creative projects and facilities reflect the city's bicultural foundations, and people experience Māori culture through participation in, and exposure to, traditional and contemporary Māori creative practices.</div> <div>➤ There are safe, affordable and welcoming spaces for people to express their creativity and cultural identity.</div> |

² Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

| He aha ngā mahi e tutuki ai ngā hiahia? What actions will we take to get there? | Start date | Involvement of partners |
|--|---------------|--|
| Provide artists and arts organisations with advice and support in governance, funding, marketing and communications, collaboration, and event and project management | All 2021/2022 | Arts organisations Central government Rangitāne o Manawatū Funders Local communities |
| Renew, develop and maintain Council-owned cultural facilities, incorporating modern accessibility standards where practical | | Facility leaseholders |
| Lease Council-owned cultural facilities in line with the community support policy | | Cultural facility leaseholders - including Square Edge and Creative Sounds (The Stomach) |
| Administer grants in line with the community support policy Support the arts sector through: ➤ Creative Communities Scheme ➤ Arts Event Fund ➤ Strategic Priority Grants ➤ Small Grants | | Creative New Zealand |
| Support projects that promote the visibility of, and participation in, Māori creative practices | | Rangitāne o Manawatū Te Wananga o Aotearoa Te Pūtahi-a-Toi |
| Facilitate a coordinated approach to management and marketing of arts events (Refer to the Events and festivals chapter of the Connected communities plan) | | |
| Curate, maintain and promote Council's public art | | Rangitāne o Manawatū Palmerston North Sculpture Trust |
| Purchase and install new public art | | Rangitāne o Manawatū Palmerston North Sculpture Trust Arts organisations Local artists |
| Provide operational grants to cultural Council-Controlled Organisations | | Te Manawa Museums Trust Globe Theatre Trust Regent Theatre Trust Caccia Birch House Trust (until transition to Council) |
| | | |

| He aha ngā hiahia hei whakatutuki? What do we want to achieve? |
|--|
| <div>➤ Whānau, hapū, iwi are supported to create and deliver arts experiences that are of value to them.</div> <div>➤ Governance bodies of arts and cultural organisations reflect the diversity of Palmerston North.</div> <div>➤ Creative expression is incorporated into the design and management of Palmerston North's public spaces.</div> <div>➤ Emerging Palmerston North artists have the tools, facilities, encouragement and confidence they need to pursue a career in the arts.</div> <div>➤ There are arts education experiences that cater for people of all ages and backgrounds.</div> <div>➤ Council's arts investment is strategic and coordinated with other funders and capacity-builders.</div> <div>➤ Council events and projects involve local artists in a range of fairly paid roles.</div> <div>➤ Council's arts role reflects meaningful relationships between central government, local government, iwi, funders, arts organisations and local communities.</div> |

| He aha ngā mahi e tutuki ai ngā hiahia? What actions will we take to get there? | | |
|---|-------------------------------------|--|
| New and one-off actions | Completion date | Involvement of partners |
| Agree a Statement of Expectation with Te Manawa Museums Trust, the Regent Theatre Trust and the Globe Theatre Trust | 2021/2022 2022/2023 2023/2024 | Te Manawa Museums Trust Globe Theatre Trust Regent Theatre Trust Caccia Birch House Trust (until transition to Council) |
| Agree a Statement of Intent with Te Manawa Museums Trust, the Regent Theatre Trust and the Globe Theatre Trust | | |
| Carry out regular performance monitoring and reporting of Te Manawa Museums Trust, the Regent Theatre Trust, the Globe Theatre Trust and the Caccia Birch House Trust | | |
| Develop a Public Art Policy to direct Council decisions on creativity in infrastructure projects and acquiring and maintaining new public art | 2021/2022 | Palmerston North Public Sculpture Trust Rangitāne o Manawātū Arts organisations Local artists |
| Develop a street art programme for match-funding private building owners to incorporate street art onto their buildings | 2023/2024 | Building owners Local artists |
| Provide support for arts organisations to build meaningful relationships and deliver community-led collaborative projects | 2022/2023 | Arts organisations Central government Rangitāne o Manawātū Funders Local communities |
| Complete the Civic and Cultural Master Plan in collaboration with affected organisations (see the City shaping plan) | 2022/2023 | Building owners and leaseholders |
| Increase the number of free walls in the city to provide live environments for street art skill development | 2022/2023 | |
| Carry out seismic strengthening of the Council-owned arts and cultural facilities | 2023/2024 | Council-owned arts and cultural facilities |



NGĀ TAONGA TUKU IHO HERITAGE CHAPTER

Kupu whakataki Introduction

Our city heritage includes places, objects, stories, memories and traditions. The heritage of the city contributes to our identity and sense of belonging. Retention and celebration of the city's heritage is crucial in shaping the character of the city.

The purpose of this chapter is for our city heritage to be understood, valued, and reflected in our storytelling and cityscape.

Kei hea tātou i tēnei wā? Where are we now?

- Education, awareness, and celebration of local history is provided through displays, exhibits, programmes, events, and trails (for example Local History Week and the Manawātū Heritage Tour App).
- Stories, objects and records are acquired, archived, conserved, researched, recorded, and developed.
- Marae, city facilities (for example, the Central Library, Ian Matheson City Archives, and Te Manawa), and private facilities are knowledge hubs of taonga and local history.
- Asset and infrastructure and project planning provide Council with an opportunity to be proactive and share local history, for example Memorial Park redevelopment and signage panel in city reserves.

- Council supports community and individual heritage projects via funding, facilities, advice, and staff support.
- Local history is sometimes hidden in the modern landscape. Innovative initiatives have started to take cultural heritage to the wider community.
- The District Plan contains scheduled heritage features including: Sites of Significance to Rangitāne o Manawātū, Heritage Buildings and Objects, Notable Trees, and some Heritage Areas.
- The number of scheduled heritage features is low compared to other equivalent sized cities.
- Heritage features are held in both private and public ownership.
- Many heritage buildings are also classified as earthquake-prone (in whole or part) and require structural upgrade in the next 10-15 years. Few heritage buildings have been completely upgraded, and the cost of upgrading buildings remains a significant challenge.
- Unlike other buildings, heritage buildings cannot be demolished without a resource consent if a landowner considers the cost of earthquake strengthening is not economically or commercially viable. Earthquake-strengthening of heritage buildings offers a unique opportunity for the city.
- Since 2001 Council has supported third party heritage projects through the Natural and Cultural Heritage Incentive Fund.
- There is a spatial database of known military heritage for Palmerston North.



| He aha ngā hiahia hei whakatutuki? What do we want to achieve? |
|--|
| <div>➤ Ongoing access to heritage is secure, through preservation, active collection, and facilities.</div> <div>➤ There is greater community understanding and appreciation of Māori heritage places.</div> <div>➤ Rangitāne o Manawatū history and aspirations are expressed in the landscape of the city.</div> <div>➤ Sites of natural and cultural significance to Rangitāne o Manawatū are acknowledged, identified, and protected.</div> <div>➤ The heritage collection contains community stories, objects and records from all cultures within our diverse community.</div> <div>➤ Expressions of cultural heritage are more visible in the cityscape and innovative means are used to showcase heritage to the city and beyond.</div> <div>➤ Heritage continues to form part of the multi-disciplinary approach to working on Council projects.</div> <div>➤ Opportunities to collaborate with and support the heritage sector are realised, including with heritage related interest groups.</div> <div>➤ Investment in the retention of earthquake-prone heritage buildings is supported, and there is collaboration with those who want to invest in these buildings.</div> |

| He aha ngā mahi e tutuki ai ngā hiahia? What actions will we take to get there? | | |
|---|---------------|---|
| Ongoing actions | Start date | Involvement of partners |
| Provide quality visitor experience and accessibility to Council-owned and/or operated heritage buildings | All 2021/2022 | Caccia Birch Trust Board and future organisation |
| Maintain the internal integrity of Council-owned and/or operated heritage buildings | | The Friends of the Regent Square Edge |
| Provide archives to enable the ongoing collection of, and access to, local history | | |
| Earthquake-prone buildings are assessed for compliance with the Building Act | | |
| Include heritage conservation principles in Council Asset Management decisions | | |
| Provide an annual progress report on military heritage themed Council-run programmes to the Arts, Culture and Heritage Committee | | Palmerston North Defence Heritage Advisory Group |
| Assist owners and investors of earthquake-prone buildings through the upgrade process | | |
| Provide the Natural and Cultural Heritage Incentive fund to third party owners of scheduled heritage features for the protection and earthquake strengthening of Heritage Buildings, and the promotion of the city's heritage | | |
| Include heritage storytelling in the delivery of major Council services, projects and activities | | Rangitāne o Manawatū Historic Places Manawatū Horowhenua Heritage Manawatū Palmerston North Defence Heritage Advisory Group |
| Provide the Manawatū Heritage and related Tour App | | |
| Make use of, and invest in, heritage buildings to provide Council and community facilities | | |
| Adopt the value of cultural heritage awareness in the delivery of Council activities | | |
| Promote the success stories where heritage buildings have been upgraded and share information about building upgrades | | |
| Regularly engage with a wider range of stakeholders in the heritage sector | | |

He aha ngā hiahia hei whakatutuki? What do we want to achieve?

- Building upgrades on earthquake-prone heritage buildings have limited or no impact on heritage values.
- Council has a good understanding of the heritage values of scheduled heritage features.
- The District Plan contains a more complete understanding of culture and heritage results in an expanded list of scheduled and non-scheduled heritage, including:
 - Sites of Significance to Rangitāne o Manawātū
 - Increasing native tree specimen representation
 - Investigating Tier 2 Notable Tree status
 - Residential character and heritage areas
- Caccia Birch grounds, including the cottage gardens, are maintained and complement the historical values of the homestead.
- Military heritage is included in Council planning and programme delivery.
- There are, visible, fit-for-purpose and resilient heritage buildings.
- There is a reasonable level of public access to Council-owned and operated heritage buildings.
- CCOS deliver heritage themed experiences and stories that are kept relevant for future generations.

He aha ngā mahi e tutuki ai ngā hiahia? What actions will we take to get there?

| Ongoing actions | Start date | Involvement of partners |
|---|-----------------|--|
| Collaborate with the community to make heritage a visible part of city life and the cityscape | All 2021/2022 | |
| Investigate and trial innovative ways of showcasing our city heritage | | |
| Work with Rangitāne o Manawātū to actively protect, expand, enhance and co-design sites of cultural and natural significance, including: <ul style="list-style-type: none"> ➤ proactively support the maintenance of knowledge and kōrero about those places, including kōrero tuku iho, mōteatea, waiata and pūrākau (ancestral narratives, chants, songs and stories) ➤ provide opportunities for the wider public to engage with Rangitānenuiarawa ➤ develop an understanding of the potential contribution of places of Māori heritage to health and well-being, and to culture and identity | | Rangitane o Manawātū |
| Work with Mana Whenua to tell their stories and develop a partnership to look after taonga | | Mana Whenua |
| Implement the Earthquake-Prone Buildings Policy for Council owned buildings | | |
| Review District Plan Schedule and processes, particularly: <ul style="list-style-type: none"> ➤ Update of heritage value statements ➤ The approach to notable tree protection ➤ Investigate and identify character or heritage areas | | |
| New and one-off actions | Completion date | Involvement of partners |
| Develop a Caccia Birch Site Master Plan | 2023/2024 | Caccia Birch Trust Board |
| Complete an inventory of District Plan listed Built Heritage | 2021/2022 | |
| Publish a public facing interactive online map that spatially shows the cities military heritage sites | 2021/2022 | Palmerston North Defence Heritage Advisory Group |
| Develop a CBD Architectural Heritage Design Guide | 2022/2023 | |
| Develop an earthquake-strengthening guide for heritage buildings | 2021/2022 | |
| Develop a 'District Plan Heritage Buildings Tour' on the Manawātū Heritage Tour App | 2021/2022 | |
| Survey the community and stakeholders to inform future development of Manawātū Heritage | 2021/2022 | Rangitāne o Manawātū |
| Investigate the need for additional shelving for archives as part of the Civic and Cultural Precinct Master Plan | 2021/2022 | |
| Review the Natural and Cultural Heritage Incentive Fund | 2022/2023 | |
| Mark the city's 150th anniversary | 2021/2022 | Rangitāne o Manawātū |



Te Kaunihera o Papaioea
Palmerston North City Council
pncc.govt.nz / info@pncc.govt.nz / 06 356 8199

Our north arrow draws directly from "North" in our city's name. An upward arrow perfectly symbolises our ambition for a city that's smarter, continually growing and evolving, innovating, collaborating and finding enlightened ways to work with nature.

COMMITTEE WORK SCHEDULE

TO: Arts, Culture & Heritage Committee

MEETING DATE: 17 November 2021

TITLE: Committee Work Schedule

RECOMMENDATION(S) TO ARTS, CULTURE & HERITAGE COMMITTEE

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

ATTACHMENTS

1. Committee Work Schedule_November 2021 [↓](#) 

ARTS, CULTURE & HERITAGE COMMITTEE

COMMITTEE WORK SCHEDULE – NOVEMBER 2021

| Item No. | Estimated Report Date | Period of Reporting | Subject | Officer Responsible | Current Position | Date of Instruction/ Point of Origin |
|----------|-----------------------|----------------------------|---|------------------------------|--|---|
| 1. | August 2021 | | Annual report on Maintenance and Renewal Plans and Budgets for Cultural Facilities | Chief Infrastructure Officer | | 25 June 2018 clause 19.2 |
| 2. | August 2021 | 1 January – 31 March 2021 | To Manawa Quarterly Report (third quarter 2020/21) | | To be circulated for information after 31 May 2021, followed by formal receipt at August committee meeting | SOE 2020/21 LGA due date: 31 May 2021 |
| 3. | August 2021 | 1 July 2021 – 30 June 2023 | Final Statements of Intent Globe Theatre Regent Theatre Caccia-Birch To Manawa | Assistant Chief Executive | | |
| 4. | August 2021 | | Annual report from Palmerston North Public Sculpture Trust | Assistant Chief Executive | Annual report not required this year | Council 29 April 2019 clause 36.4 |

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 clause 20.2 |
| 6. | August 2021 | | Update on the City's 150 th Celebrations Programme | Assistant Chief Executive | | 17 February 2021 clause 5.2 |
| 7. | November 2021 | 1 July 2020 – 30 June 2021 | Annual Reports Globe Theatre Regent Theatre Cecilia-Bieh Te Manawa | Assistant Chief Executive | | |
| 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 Rangitane and European heritage should be identified, managed, protected, conserved, appreciated and celebrated | Chief Planning Officer | | Economic Development 17 March 2021 clause 9.2 |
| 9. | November 2021 | | Report on future plans for celebration of Waitangi Day and Matariki public holidays in Paparua / Palmerston North | Assistant Chief Executive | | 17 February 2021 clause 6.2 |
| 10. | 2022 (first quarter) | 1 July – 30 September 2021 | Te Manawa Quarterly Report (first quarter 2021/22) | | Reporting arrangements return to align with legislative requirements | SOE 2020/21 LGA due date: 30 November 2021 |

| Item No. | Estimated Report Date | Period of Reporting | Subject | Officer Responsible | Current Position | Date of Instruction/ Point of Origin |
|----------|-----------------------|---------------------|---|------------------------------|---|--------------------------------------|
| | | | | | Council 1 September 2021 clause 95-21 | |
| 11. | February 2022 | | Develop model to enable community involvement in the in-house service delivery of Caccia Birch House | Chief Customer Officer | | |
| 12. | August 2022 | | Report on the future of the Artist in Residence scheme | Chief Customer Officer | | 17 February 2021 clause 6.3 |
| 13. | 2022 | | Report on resourcing required to ensure the city continues with two central city services for Anzac Day | Assistant Chief Executive | | |
| 14. | 2022 | | Annual report from Palmerston North Public Sculpture Trust | Assistant Chief Executive | | Council 29 April 2019 clause 36.4 |
| 15. | 2022 | | Review of the City's 150th Celebrations Programme delivery, costs and outcomes | Assistant Chief Executive | | 17 February 2021 clause 5.2 |
| 16. | 2022 | | Annual report on Maintenance and Renewal Plans and Budgets for Cultural Facilities | Chief Infrastructure Officer | | 25 June 2018 clause 19.2 |
| 17. | 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 | | | |
| 18. | 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](#)