



125th JUBILEE 2020

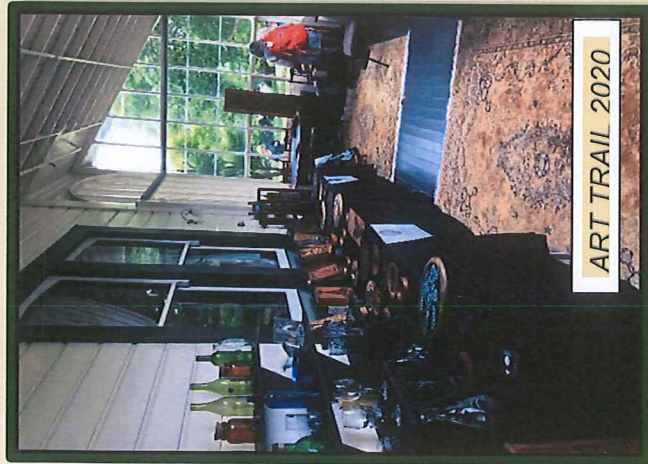


BRIDAL FAIR 2020

# CACCIA BIRCH TRUST BOARD

## STATEMENT OF SERVICE PERFORMANCE

JULY 2020 to JUNE 2021



ART TRAIL 2020



FAMILY DAY OUT



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2. CONTACT DETAILS	
Registered Office:	Caccia Birch House, 130 Te Awe Awe St, Palmerston North.
Website & Email	<a href="http://www.caccia-birch.co.nz">www.caccia-birch.co.nz</a> / <a href="mailto:manager@caccia-birch.co.nz">manager@caccia-birch.co.nz</a>
Phone:	06 3575363
Email:	<a href="mailto:manager@caccia-birch.co.nz">manager@caccia-birch.co.nz</a>
Office Contact:	Nicky Birch
Role in CCO:	Manager
Address:	As Above
Chairperson:	Grant O'Donnell
Email:	<a href="mailto:home@odonnell-law.co.nz">home@odonnell-law.co.nz</a>
Phone:	06 3567754
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:

#### VISION

***To provide our community with an outstanding historic property, available for everyone to use.***

#### MISSION

***To ensure the Caccia Birch property retains its historical, cultural, and environmental significance through diligent maintenance, promotion, and development.***

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

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



5. Strategic objectives
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HERITAGE RESPONSIBILITY:

a.	<b>Heritage Buildings</b> 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.
b.	<b>Heritage – Natural</b>  The grounds and flora of Caccia Birch House are to be managed and preserved and only developed in keeping with the heritage character.
c.	<b>Heritage - Cultural</b>  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.
d.	<b>Heritage – Governance</b> 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.

6. What we have achieved this year:
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A. Heritage Buildings
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i	<b>Work to keep this heritage property exceptionally well maintained and secure.</b>
	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	<p><b><u>Work to make Caccia Birch House environmentally responsible and eco-friendly.</u></b></p> <p>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.</p> <p>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.</p> <p>Pedestrians and cyclists can circumnavigate the property and further improvements to the footpath system in the property will encourage more participation and activity.</p>
iii	<p><b><u>Develop the venue facilities.</u></b></p> <p>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.</p> <p>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.</p>
<b><u>B. Heritage – Natural</u></b>	
i.	<p><b><u>The listed notable trees are preserved and maintained.</u></b></p> <p>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.</p>
ii.	<p><b><u>Enhancement of the grounds.</u></b></p> <p>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.</p>



## C. Heritage – Cultural

i	<u>We will make the community more aware of the heritage value of Caccia Birch House.</u>
	<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 125<sup>th</sup> 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 125<sup>th</sup> 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 125<sup>th</sup> 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 125<sup>th</sup> 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	Total Days		People	Corporate		Private		Community	
Month	Per month	USED	Number	Meetings	Functions	Discounted	Public Events	Cancellations	
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**

<b>Strategic Objective</b>	<b>Performance measure</b>	<b>Target 2019/20</b>	<b>Target 2020/21</b>	<b>12 Months 2020 to 2021</b>	<b>Target 2021/22</b>	<b>Target 2022/23</b>
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	<b>100% completed, commentary on progress</b>	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	<b>Target 5</b>	<b>7 free public events (140 %)</b> Bridal Fairs Aug / April Manawatu Art Trail 125 <sup>th</sup> Jubilee MMC Teas of the World Family Day Out / Heritage weekend.	5 / 6	
	No. visitors to Free Open Days	Target 560	<b>580</b>	<b>1161 (200%)</b> <b>19 free open days held</b>		
	No. Visitor experience surveys completed (RBA see below)	new	<b>100</b>	<b>Completed to date: 152 surveys (150%)</b>	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	<b>425</b>	<b>368 (92%)</b>	450	500
	No. of Community Groups hires	New	<b>30</b>	<b>48 (160%)</b>	40	50
	Income from venue hire incl net catering	Target: \$100,000	<b>\$85,000</b>	<b>\$65,545 (77%)</b>	\$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 2<sup>nd</sup> 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 1<sup>st</sup> July to 20<sup>th</sup> June 2021**

- Attached are the draft annual financial statements.



GRANT O'DONNELL

CHAIRPERSON

CACCIA BIRCH TRUST BOARD





Caccia Birch Trust Board

Financial Statements

30 June 2021

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

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**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.



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

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	Note	2021 \$	Budget \$	2020 \$
<b>REVENUE</b>				
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>
<b>OTHER INCOME</b>				
Covid 19 Wages Subsidy	4.1	42,280		26,836
		<u>322,729</u>	<u>258,834</u>	<u>277,173</u>
<b>Less EXPENSES</b>				
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
<b>TOTAL EXPENSES</b>		<u>324,460</u>	<u>288,410</u>	<u>285,282</u>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<u>-1731</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

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

	Note	2021 \$	Budget \$	2020 \$
<b>ASSETS</b>				
<b>Current Assets</b>				
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>
<b>Non-Current Assets</b>				
Property, Plant & Equipment	10	<u>72,535</u>	<u>49,507</u>	<u>95,603</u>
<b>TOTAL ASSETS</b>		<u>168,418</u>	<u>108,904</u>	<u>185,976</u>
<b>Less LIABILITIES</b>				
<b>Current Liabilities</b>				
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>
<b>Total LIABILITIES</b>		<u>48,289</u>	<u>41,524</u>	<u>64,116</u>
<b>NET ASSETS/(LIABILITIES)</b>		<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>
<b>Total Trust Equity</b>		<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



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

	Note	2021 \$	Budget \$	2020 \$
<b>Cash flows from operating activities</b>				
<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		<u>289,904</u>	<u>254,953</u>	<u>315,268</u>
GST (Net)		<u>0</u>		
		<u>289,904</u>	<u>254,953</u>	<u>315,268</u>
<b>Net cash inflow (outflow) from operating activities</b>		<u>10,076</u>	<u>-17,079</u>	<u>26,625</u>
<b>Cash flows from investing activities</b>				
<u>Cash was received from:</u>				
Receipts from Sale of Investments		<u>14,777</u>	<u>14,400</u>	<u>14,355</u>
		<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>
<b>Net cash inflow (outflow) from investing activities</b>		<u>-7,915</u>	<u>0</u>	<u>-14,002</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		<u>2,161</u>	<u>-17,079</u>	<u>12,623</u>
Bank Accounts and Cash as at 1 July 2020		<u>54,314</u>	<u>36,576</u>	<u>41,692</u>
<b>Bank Accounts and Cash as at 30 June 2021</b>		<u><u>56,475</u></u>	<u><u>19,497</u></u>	<u><u>54,315</u></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

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

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**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 .



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

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(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.

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

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(i) **Bank Accounts and Cash**

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

(j) **Investments**

Investments comprise investments in term deposits with banks.

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

(k) **Lease Expenses**

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

(l) **Debtors & Prepayments**

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

(m) **Creditors & Accrued Expenses**

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

(n) **Employee Costs Payable**

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

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

(o) **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.



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

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**3. Council Funding**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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
<b>Total Council Funding</b>	<b>109,077</b>	<b>109,086</b>

**4 (a) Other Sales of Goods & Services**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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
<b>Total Other Sales of Goods &amp; Services</b>	<b>167,823</b>	<b>132,505</b>

**4.1 Covid 19 Wages Subsidy**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	
Reimbursement - Covid 19 Wage Subsidy	42,280	26,836
	<b>42,280</b>	<b>26,836</b>

**5. Employee Related Costs**

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

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

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**6. Costs Related to Providing Goods & Services**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
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
<b>Total Costs Related to Providing Goods &amp; Services</b>	<b>142,551</b>	<b>112,795</b>

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.



**Caccia Birch Trust Board**  
**Notes to the Financial Statements**  
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<b>7. Other Expenses</b>	<b>2021</b>	<b>2020</b>
	\$	\$
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
<b>Total Other Expenses</b>	<b>19,951</b>	<b>19,857</b>
<b>8. Debtors &amp; Prepayments</b>	<b>2021</b>	<b>2020</b>
	\$	\$
Debtors	23,543	20,405
Prepayments	893	876
	<b>24,436</b>	<b>21,281</b>
<b>9. Investments</b>	<b>2021</b>	<b>2020</b>
	\$	\$
Term Deposits	14,972	14,777

**Caccia Birch Trust Board**  
**Notes to the Financial Statements**  
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<b>10. PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Plant &amp; Equipment</b>		
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
<b>Carrying Amount at 30 June</b>	<b>16,851</b>	<b>26,920</b>
<b>Awhina Project</b>		
Carrying Amount at 1 July	27,574	33,801
Additions		0
Disposals (Net of Accumulated Depreciation)		0
Depreciation Expense	6,227	6,227
<b>Carrying Amount at 30 June</b>	<b>21,347</b>	<b>27,574</b>
<b>Coach House</b>		
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
<b>Carrying Amount at 30 June</b>	<b>24,984</b>	<b>28,970</b>
<b>Fire Safety Upgrade</b>		
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
<b>Carrying Amount at 30 June</b>	<b>9,353</b>	<b>12,139</b>
<b>Total Carrying Amount at 30 June</b>	<b>72,535</b>	<b>95,603</b>



**Caccia Birch Trust Board**  
**Notes to the Financial Statements**  
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<b>11. Creditors &amp; Accrued Expenses</b>	<b>2021</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
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>
<b>12. Employee Costs &amp; Payable</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Accrued Wages & Salaries	4,038	4,365
Annual Leave	15,458	9,900
	<u>19,496</u>	<u>14,265</u>
<b>12.1 MSD Covid 19 Wage Subsidy Received</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Covid 19 Wage Subsidy Received - balance	0	17,994
	<u>0</u>	<u>-</u>
<b>13. Equity</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Accumulated Surpluses</b>		
Accumulated Surpluses at 1 July	121,860	129,969
Surplus/(Deficit) for the Year	-1,731	-8,109
<b>Balance at 30 June</b>	<u>120,129</u>	<u>121,860</u>
<b>14. Coach House Grant Summary</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Opening</b>	8,394	5094
PNCC	0	3300
Central Energy Trust	0	8239
Expenses	-6,361	-8,239
<b>Total Remaining</b>	<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.

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

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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



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

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**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**

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**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.



- 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 to 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