



PAPAIOEA
PALMERSTON
NORTH
CITY

PALMERSTON NORTH CITY COUNCIL

AGENDA

CULTURE & SPORT COMMITTEE LATE ITEM

9:00 AM, WEDNESDAY 10 SEPTEMBER 2025

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

MEMBERS

Rachel Bowen (Chair)
Billy Meehan (Deputy Chair)
Grant Smith (The Mayor)

Mark Arnott
Vaughan Dennison
Lew Findlay (QSM)
Roly Fitzgerald
Patrick Handcock
(ONZM)

Leonie Hapeta
Debi Marshall-Lobb
William Wood
Kaydee Zabelin

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

Waid Crockett

Chief Executive | PALMERSTON NORTH CITY COUNCIL

CULTURE & SPORT COMMITTEE MEETING

10 September 2025

ORDER OF BUSINESS

Reason for lateness: Financial reports provided after publishing of the agenda.

Reason for urgency: For Council to receive the report prior to 30 September 2025.

25. Te Manawa Museums Trust - Annual Report 2024-25

Page 5

Memorandum, presented by Sarah Claridge, Governance Advisor.

MEMORANDUM

TO: Culture & Sport Committee

MEETING DATE: 10 September 2025

TITLE: Te Manawa Museums Trust - Annual Report 2024-25

PRESENTED BY: Sarah Claridge, Governance Advisor

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATION TO CULTURE & SPORT COMMITTEE

1. That the Committee receive Te Manawa Museums Trust Board's unaudited Annual Report 2024-25 (Attachment 1).
 2. That the Committee receive the audited Te Manawa Museums Trust Board's Annual Report 2023-24 (Attachment 2).
-

1. ISSUE

- 1.1 Te Manawa Museums Trust Board (Te Manawa) has submitted its draft Annual Report 2024-25 (Attachment 1). 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 2024 to 30 June 2025.
- 1.2 Following the completion of audit in May 2025, Te Manawa's Annual Report 2023-24 (Attachment 2) was revised. Changes occurred in the financial section (see 5.1 for more detail). As these are material changes, the Committee is asked to receive it.
- 1.3 Representatives of Te Manawa are in attendance to present.

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 purposes of the Trust are as follows:
 - a) To provide governance of an organisation which is a regional museum complex advancing interest in art, science, including interactive science, and heritage.
 - b) To provide study, education and enjoyment opportunities through acquiring, conserving, researching, communicating and exhibiting material evidence of people and their environment.

- c) To acquire, control, develop, promote, enhance and maintain collections to the maximum benefit and enjoyment of the peoples of the Manawatū and New Zealand.
- d) To ensure that the facility functions as a valued professional education resource and community asset for the citizens of Palmerston North and the Manawatū region.
- e) To encourage and support the Societies in accordance with the objects of the Trust Deed.
- f) To recognise the organisation's location in the Manawatū and to be aware of a regional focus.

2.3 In 2024-25, the Council granted the Te Manawa Board \$3,833,599¹. This included additional funds to upgrade and replace Te Manawa's semi-permanent offerings. This involves new content, furniture, exhibits and interactions (see [six month report](#) for further details).

2.4 The Board supplemented Council's grant with external revenue of \$695,839.

2.5 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.

2.6 Audit New Zealand has not yet audited Te Manawa's Annual Report. Therefore, the attached annual report is still in draft form. An updated report will be presented to the Committee in the event there are any material changes following audit.

3. PERFORMANCE FOR THE YEAR JULY 2024 - JUNE 2025

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

- Hosted several art exhibitions, including Robyn Kahukiwa: Tohunga Mahi Toi, Feminine Abstract and The Active Eye.
- Sunlight – Iho Kōmaru, was Te Manawa's premium science-based offering this year. Created by Te Manawa, it had more than 35,000 visitors.
- Completed the first major change and redesign of part of the heritage gallery. The new display, Call Me Maybe, features a selection of phones from our collection, spanning the decades from the 1880s to the present.
- Popularity of the learning programmes saw Te Manawa exceed its 2024 target set by the Ministry of Education for ELC funding; there remains high numbers of school groups attending Te Manawa created learning programmes for the exhibitions: Sunlight – Iho Kōmaru and Robyn Kahukiwa: Tohunga
- Continued the work to archive and digitalise the Peter Bush collection, – a photographic legacy of one of Aotearoa's most prolific photojournalists.

¹ Adjusted annually for inflation

With support from the Bush Family, the Peter M Acland Foundation and the New Zealand Rugby Museum, funding has been raised for the ongoing care and preservation of Peter's work.

- 3.2 Table 1 shows Te Manawa's annual performance against the agreed SOI targets for 2024/25. All measures achieved their target.

Table 1 Te Manawa: Annual Performance 2024-2025					
	Annual Target 2024-2025	6- month performance as at 31/12/24	% of annual target at 6 month mark	Annual performance 2024/2025	% of Annual Target
Visitor Numbers	131,000	80,960	62%	146,900	112%
Online Engagement	97,200	118,535	122%	253,537	261%
External Revenue Target	\$668,200	\$397,619	60%	\$695,839	104%
Audience Satisfaction	95% - Good/Very Good/Excellent	98%	N/A	99%	N/A
		Achieved			

- 3.2 Table 2 provides a three-year comparison of performance measures, from the current 2024/25 year with 2023/24 and 2022/23. Te Manawa is tracking well in all its targets.
- 3.3 Online engagement has increased significantly from 2023-24 due to increased resourcing in this area. Visitor satisfaction remains high, external funding has met its increased target and visits to Te Manawa continue to increase since 2022-23.

Table 2: Te Manawa's Performance Target Dashboard – Annual Results

Measure		2022-23 Year ending 30 June 2023	2023-24 Year ending 30 June 2024	2024-25 Year ending 30 June 2025	3 year trend
Visits to TM	Actual	121,914	137,172	146,900	↑
	Target	130,000	130,000	131,000	
Online Engagement	Actual	121,966	74,335	253,537	↑
	Target	90,000	90,000	97,200	
External Revenue	Actual	416,062	\$639,461	\$695,839	↑
	Target	\$947,180	\$510,250	\$668,200	
Visitor satisfaction	Actual	99%	98%	99%	→

Measure		2022-23 Year ending 30 June 2023	2023-24 Year ending 30 June 2024	2024-25 Year ending 30 June 2025	3 year trend
(TM surveys)	Target	>95%	95%		

4. FINANCIAL PERFORMANCE 2024-25

- 4.1 Te Manawa achieved a modest surplus of \$6,227. However, a surplus was only achieved due to the recognition of the Net Movement in Collection Assets of \$124k.
- 4.2 Current assets and current liabilities are very close in value. Te Manawa will need to carefully manage their finances, so that they have enough cash to cover their short-term liabilities. Whilst current liabilities are more than current assets as at 30 June, it should be noted that Council's grant payment is made on 1 July.

Table 3: Financial Information for Annual Report 2024-25

Summary Financials (\$000)	2025			2024	
	Actual	Budget	Variation	Actual	Variation.*
Financial Performance					
PNCC Grant	3,833,599	3,833,599	0	375,657	77,029
Total Revenue	4,529,438	4,580,385	-50,947	4,432,987	96,451
Total Expenses	4,523,221	4,574,965	51,744	4,170,427	352,794
Net Surplus (Deficit)	6,217	5,420	797	262,561	-256,344
Financial Position					
Current Assets	716,854	858,995	-142,141	1,318,571	-601,717
Total Assets	23,289,683	22,352,981	936,702	22,386,598	903,085
Current Liabilities	735,538	989,367	-253,829	1,028,404	-292,866
Total Liabilities	735,538	989,367	-253,829	1,028,404	-292,866
Equity	22,554,145	21,363,614	1,190,531	21,358,194	1,195,951
Cash Flows					
Total Net Cash Flows	-326,158	-240,409	-85,749	174,070	-500,228
Opening Cash	439,529	443,807	-4,278	265,459	174,070
Closing Cash	113,371	203,398	-90,027	439,529	-326,158

*when compared to the same period 12 months ago

5. REVISED ANNUAL REPORT 2023-24

- 5.1 Following the audit of Te Manawa's Annual Report 2023/24, several material amendments were made to the financial statements. Table 4 shows the change(s) in red.

Table 4: Changes to the Financial Statements following audit

	2024				2023	
Summary Financials (\$000)	Actual (before audit)	Actual (after audit)	Budget	Variation	Actual	Variation.*
Financial Performance						
PNCC Grant	3,756,570	3,756,570	3,756,570	0	3,352,361	404,209
Total Revenue	4,432,987	4,432,987	4,281,820	151,167	3,808,213	624,774
Total Expenses	4,170,439	4,170,427	4,207,092	-36,665	4,051,134	119,293
Net Surplus (Deficit)	262,549	262,561	74,728	187,833	-242,920	505,481
Financial Position						
Current Assets	1,350,571	1,318,571	916,470	402,101	1,076,779	241,792
Total Assets	23,942,208	22,386,598	19,176,290	3,210,308	21,829,264	557,334
Current Liabilities	1,060,417	1,028,404	825,414	202,990	733,631	294,773
Total Liabilities	1,060,417	1,028,404	828,724	199,680	733,631	294,773
Equity	22,881,791	21,358,194	18,347,566	3,010,628	21,095,633	262,561
Cash Flows						
Total Net Cash Flows	28,090	174,070	- 550,916	724,986	-188,541	362,611
Opening Cash	265,459	265,459	1,064,963	- 799,504	454,000	-188,541
Closing Cash	293,549	439,529	514,047	- 74,518	265,459	174,070

*when compared to the same period 12 months ago

- 5.2 As these are material changes, the revised Annual Report 2023-24 is attached for the Committee to receive.

6. NEXT STEPS

- 6.1 At the end of February 2026, Te Manawa will submit to officers:
- draft Statement of Intent for 2026–29; and
 - six-month report on the current Statement of Intent 2025–28.



These will be presented to the relevant committee.

7. COMPLIANCE AND ADMINISTRATION

Does the Council 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: Whāinga 2: He tāone whakaihiihi, tapatapahi ana Goal 2: A creative and exciting city		
The recommendations contribute to the achievement of action/actions in: 14. Mahere mana urungi, kirirautanga hihiri 14. Governance and Active Citizenship Plan The objective is: Review and monitor the performance of Council operations and Council Controlled Organisations		
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 Museums Trust _ Draft Annual Report 2024-25 [↓](#) 
2. Te Manawa Museums Trust_ Annual Report 2023-24 - Revised [↓](#) 

2024/25

Te Manawa
Museums Trust
**He Pūrongo ā Tau
Annual Report**

FOR THE YEAR ENDED 30 JUNE 2025



te manawa
TE PAPAIOEA PALMERSTON NORTH

Te Manawa acknowledges Rangitāne o Manawātū Settlement Trust and the people of Rangitāne. We are thankful for the ongoing guidance of mana whenua and are grateful for the continued support of Palmerston North City Council, the people of Palmerston North City, Manawātū, and our founding partners.

The 12-month report encompasses activity undertaken in the period 1 July 2024 – 30 June 2025 and reports against agreed objectives as set in the annual Statement of Intent.

“Whakatō ngā kakānō o te ao marama, kia puawai.”
Plant the seeds of tomorrow through the stories that we share.

Strategic objectives:

- Innovative experiences that engage visitors
- Enhanced learning and development
- A collaborative and future-focused organisation

Baseline progress:

Performance Measures	24/25 Target	Status	Comment
Visitation Baseline (Physical visits to the Te Manawa complex)	131,000	146,900	112%
Online engagement	97,200	253,537	261%
External revenue target	\$668,200	\$695,839	104%
Visitor Satisfaction	95%	99%	104%

DRAFT

1. Innovative experiences that engage visitors

Performance Measure	Status	Comments
Continue to grow partnership with mana whenua to support Rangitānenuiarawa.	Achieved	<p>Discussions held with Rangitāne around the refresh of the Te Rangi Whenua gallery. New lighting installed in the gallery, new cases for objects and cloak displays added.</p> <p>Te Manawa meets regularly with Te Whiri Kōkō iwi leadership group at PNCC.</p> <p>Engaging with Rangitāne o Manawatū Settlement Trust/Cultural Trust, upholding the Te Rangimārie Marae document principles of an enduring relationship.</p>
Work with Rangitāne to weave Te Ao Māori into the Science Centre development.	Ongoing	Rangitāne o Manawatū has been fully engaged with from the implementation of the Science Centre project. It will be co-designed with iwi and representatives will be engaged across governance and delivery aspects of the project to ensure Mātauranga Māori runs alongside the fundamental science narratives.
Continue to engage with and enable participation by the city's less-represented communities (NOA programme, MIAB, Tamariki exhibition space).	Achieved	27 sessions of NOA and 23 Museum in a Box activities have been delivered.
Engage with representatives for the sensory diverse as part of Science Centre development.	Achieved	Have continued conversations with representatives from neurodiverse community following engagement with a multi-sensory experience centre in Christchurch.
Support PNCC Cultural Events – Waitangi Day, Diwali, Chinese New Year.	Achieved	Te Manawa was the venue for the Multicultural Council and PNCC City Welcome on 6 September.

DRAFT

		<p>Te Manawa event staff attended Waitangi Day with a presence to engage visitors with Museum activities.</p> <p>Te Manawa helps promote, and attends/has presence at City Cultural events, shares these through its social channels and provides promotion for PNCC events on its digital screens throughout the Museum and Art Gallery.</p>
Engage visitors with on-site activities and public programmes based around cultural celebrations such as Matariki and Local History Week/Heritage Month.	Achieved	<p>Cosmodome holiday programmes offered during Puanga/Matariki with a focus on astronomy.</p> <p>Participation in Local History Week/Heritage Month with events on site including collections tours and Mina McKenzie Memorial Lecture.</p>
Implement the establishment of Te Manawa's ongoing Science Function through Stage 1 - the education space. Funding dependent.	Achieved	<p>Stage 1 has commenced with special drawings and initial funding applications completed.</p>
Continue to develop partnership and collaboration opportunities.	Achieved	<p>Partnered with New Zealand Portrait Gallery Te Pūkenga Whakaata to co-curate and exhibit <i>Robyn Kahukiwa: Tohunga Mahi Toi</i>.</p> <p>Work with UCOL students on designs for children's activity materials and videography for Tourism New Zealand.</p> <p>Established the Fair Art prize with the Eileen Fair Estate.</p> <p>Worked with The Suter Art Gallery and Makers 101 to develop He <i>Momo Nā te whānau: The Second Aotearoa Jewellery Triennial</i> which is touring to Waikato after being exhibited at Te Manawa.</p> <p>Partnered with Otago Museum to host the display Solar Tsunamis for free.</p> <p>Partnered with Waikato Museum to share freighting costs for the 2026 tourer Air Playground, coming from Victoria Museum in Melbourne.</p>

DRAFT

Develop and implement at least two public programmes related to our collection.

Achieved

Some highlights include:

Tours for Local Heritage Month, International Museums Day, and Mid-Winter treat (Santa's Cave).

The Active Eye Floor Talk + Q&A.

Local Sport Stories, Manawātū Skating Club event.

Continue to promote and add 1000 items to Collections Online.

Achieved

3919 items added since 1 July 2024 - a total of 11,129 collection objects now viewable online. (includes 2054 items from Peter Bush Archive).

Develop and deliver a balanced, exciting and frequently changing programme of local, national and international exhibitions.

Achieved

We opened 18 exhibitions, of particular note are:

Sunlight: Ihi Komaru (revamp of interactive exhibition developed in house)

Call Me Maybe, the display of local telecommunications history

Tohunga Mahi Toi by Robyn Kahukiwa (national art show feat collection and art society collection works)

Manawatu Now: Local Artists Current Practice (feat local artists)

Te Puna O Te Atua (feat local artists)

Mina Mackenzie: Keeping the Taonga Warm (feat collection objects)

Feminine Abstract (National art show feat collection and art society works)

Reframing the Active Eye (Art Society Collection)

Solar Tsunamis – Touring exhibition from Otago Museum

DRAFT

2. Enhanced learning and development

Performance Measure	Status	Comments
Implement at least one secondary school level learning programme based on consultation with local schools.	Achieved	Water Quality programme developed for Freyberg High School Year 11 geography and science classes.
Provide free education programmes to schools within the Palmerston North and Manawātū District Council boundaries.	Achieved	Te Manawa has provided 84 free education programmes to school groups (3270 students) within the Palmerston North and Manawātū District Council boundaries.
Seek external revenue to assist in cost of education programmes.	Achieved	Sponsorship of the Cosmodome by Yorb (for naming rights). UCOL Grant. ELC contract has been extended through to 31 December 2026.
4,000 students will participate in ELC Learning programmes.	Achieved	Te Manawa Museum exceeded its ELC 2024 target with 4107 students participating (funding reporting based on calendar year). 4286 students have participated in ELC learning programmes from 1 July 2024 – 30 June 2025 with another 2,481 students participating in self-led programmes.
Develop robust and engaging public programmes based around exhibitions and galleries.	Achieved	Some highlights include: <ul style="list-style-type: none"> • “Science Alive” event • Art Gallery Seasonal Celebration August 2024 • Sports/Club Day: Manawātū Skating Club • “Ada Lovelace – Woman in STEM” panel discussion • “Santa Paws” event • <i>Robyn Kahukiwa : Tohunga Mahi Toi</i> and associated talks and tours, including Baby Bites for caregivers with babies • Mina McKenzie display opening • <i>Manawātū Now</i> “Last Light Date Night” event

DRAFT

		<ul style="list-style-type: none">Local Heritage Month family activity centered on telephones<i>Sunlight</i> VR headset family programmes<i>Solar Tsunamis</i> – “Parawhenua Kōmaru Starlab” ScreeningsCurator and/or artist discussions for every art exhibitionWeaving demonstrations by Te Whatu Raranga ō Highbury Weavers“Mid-Winter Treat” <i>Santas Cave</i>
Deliver at least 20 staffed public programmes.	Achieved	<p>30 staffed holiday programme activities delivered.</p> <p>57 public programmes were delivered by staff and in collaboration with the community (see some examples above)</p> <p>Two teacher PD sessions related to exhibitions – <i>Robyn Kahukiwa</i> and <i>Sunlight</i>.</p>

3. A collaborative and future-focused organisation

Performance Measure	Status	Comments
Demonstrate continued commitment to the principles Te Tiriti o Waitangi.	Achieved	<p>Peter Te Rangi and Terry Hapi serve as Rangitāne representatives on the Te Manawa Trust Board.</p> <p>Commitment to Rangitāne o Manawatū Settlement Trust/Cultural Trust to being an active partner in the Science Centre development from start to finish.</p>
Implement kaupapa Māori strategy developed in 2023/24.	Achieved	<p>Regular waiata sessions for staff, increasing cultural practice at openings and events.</p> <p>Staff development with participation in Rākau course by Then Histories of Pamutana at Te Rangimarie Marae.</p> <p>Matariki staff event held for the first time to foster fellowship, knowledge and understanding</p>

DRAFT

Continue collaborations with whānau, hapū & iwi to bring Toi Māori exhibitions to Te Manawa.

Achieved

CEO regularly attends hui with members of Te Whirikōkō iwi leadership group via PNCC and has begun hui with RoMST/CT.

Tohunga Mahi Toi by Robyn Kahukiwa

Te Puna O Te Atua

Matatau 2024

Mina McKenzie: Keeping the taonga warm

Work with PNCC to reflect the diversity of Palmerston North in the membership of the Board.

Achieved

Continues as per usual agreement.

Research and identify a community and / or prominent community members and plan an oral history project.

Achieved

Researched oral history projects for Mina McKenzie: Keeping the taonga warm and also the Tōtaranui historic homestead.

Planned schedule of podcast topics, secured equipment and identified future talent to develop and deliver a programme of content in 2026

Collaborate with founding societies on one new initiative with each to grow support for Te Manawa and generate donations.

Achieved

Science Centre development with Science Centre Inc and Science Centre Trust.

Look. See. Think. Feel tours with Art Society (engaging their membership)

Local history week/heritage month activities: Mina McKenzie Memorial Lecture with Museum Society.

Continue to strengthen relationship with NZRM through the Peter Bush archive project and related activities.

Achieved

Ongoing documentation of the Peter Bush collection, which went live online in June 2025. Continue to provide access to the collection in partnership with the Rugby Museum.

Collaborated with NZRM, Property Brokers, Sport Manawātū and the Manawātū Business Chamber on the Peter Bush Fundraising Auction in August.

DRAFT

Implement the Te Manawa Revenue Strategy with a focus on philanthropic and sponsorship contributions against strategic targets, such as a sustainable Science Centre development.

Achieved

Potential sponsors have been identified, and grants applied for. Senior Managers met with Sponsorship Advisor Jenni Giblin director of Funding HQ to formulate a targeted plan to seek funds for the Science Centre Development. Funding campaign and funding implementation document has been completed for the Science Centre development.

Funding applications have been submitted to Grass Roots, Lions Foundation, CNZ Helping Hands, Te Paerangi National Services, CET and Science Centre Trust

Adopt the Tourism NZ 'Tiaki' promise – a commitment to care and respect for our natural world.

Achieved

Have identified several areas where commitments to environmental sustainability are prioritised as listed on the Te Manawa website.

Foster sustainable behaviours.

Achieved

The 'Tiaki' promise encourages both staff and visitors to think and act sustainably.

Te Manawa has diverted more 225.22kg or 9.0m³ of paper from landfill through the paper-towel recycling programme.

Coffee grounds and food waste is composted for use in the Biodiversity Garden.

Recycling bins are provided for both visitors and staff.

Reduce paper use by 50% and implement processes and systems to become paper-light.

Achieved

Have transitioned finance and payroll systems to cloud-based digital systems.

Internal documents and forms now digital, with greater emphasis on staff intranet to communicate information and provide easy access to important documents that are no longer printed.

Prioritise the re-use of materials and furniture in exhibition development.

Achieved

Old exhibition cases have been repurposed to allow for ongoing

DRAFT

Reduce carbon emissions from Te Manawa activities by 10%.	Achieved	<p>rotation of collection-based displays in <i>Manawatū journeys</i>, including Local Sports Stories and Mina Mackenzie.</p> <p>Plinths and vitrines being re-used for temporary art exhibitions.</p> <p>Reduced printing (paper use), electric vehicle, emphasis on recycling and reusing materials, and LED lighting is contributing to reductions.</p> <p>The reduction in printing has contributed to a decrease in carbon emissions by 29% (note, the periods measured exclude July, August and September as there was no comparative data prior to Oct 2023).</p>
Work with PNCC and external funders towards a new, purpose-built, energy efficient and sustainable Te Manawa complex.	Achieved	Discussions continue, Te Manawa participates as part of the steering group for the Civic & Cultural Precinct.
Ongoing collaboration with tertiary partners through at least one exhibition or event annually.	Achieved	<i>Toioho ki Āpiti, Matatau</i> exhibition with Massey University (November), <i>Nova Arte: Bachelor of Creative Media Expo</i> , UCOL student showcase.
Research and develop a report that shows the requirements needed for the Art Gallery to host high-quality contemporary exhibitions and provide museum standard level of care for collections and loaned items.	Achieved	Report submitted to PNCC.

DRAFT

COVID-19

Our staff routinely interact with members of the public in busy spaces. Covid-19 requires significant mitigation strategies to manage the additional pressure placed on maintaining base staffing levels. Strategies include isolating from other teams (working from home), managing scheduling to accommodate disruption (such as teams falling ill at the same time), and increased hygiene awareness in the workplace. While we live with Covid-19 in our society, it should be noted that this highly infectious illness compromises our delivery of service and can cause disruption and delays to our calendar of activity if not carefully managed.

Summary

Te Manawa Museums vision of “planting the seeds of tomorrow” has never been more pertinent than in these past twelve months when the focus of our activities has squarely been on the sustainability of our operations.

Improving our operational flexibility and transparency, coupled with the revitalisation of our service offerings have seen some major projects undertaken this year. These include the implementation of new financial systems with robust planning processes in place to manage our resources across the board, and to empower our people to deliver our mission with efficiency and responsiveness.

During the first six months of the 2024/25 financial year, we hosted several important and stunning art exhibitions. Developed in partnership with the NZ Portrait Gallery, the *Robyn Kahukiwa: Tohunga Mahi Toi* exhibition showcased a powerful collection of Robyn's work spanning her lifetime. Robyn sadly passed away this year and we acknowledge her with great aroha and respect. We are pleased that the touring of this exhibition has enabled other regions to appreciate her work, her activism and her take on our world.

Feminine Abstract brought together 14 artists, with each of these women exploring the realm of abstraction through their unique lens. Featuring large, inspiring works, this show was a significant installation for the Gallery. Also significant was the return of *The Active Eye* exhibition, a collection of works from the Te Manawa collection on show again, 50 years after its ground-breaking – and somewhat contentious – debut as the very first photography exhibitions in Aotearoa New Zealand.

Sunlight – Iho Kōmaru, was our premium science-based offering this year. A Te Manawa-developed product, it was re-opened in late September, and has had more than 35,000 visitors. Its interactive experiences have once again proven to be very popular, providing engaging and educational content for visitors of all ages.

Sunlight – Iho Kōmaru is of course a precursor to the development of a new Science Centre to be based in the current Te Awa exhibition space. Te Manawa has secured over a third of the funding needed to deliver the most significant refresh seen in the Museum since the 2011 redevelopment.

In October, we completed the first major change and redesign of part of our heritage gallery in several years. The new display, *Call Me Maybe*, features a selection of phones from our collection, spanning the decades from the 1880s to the present.

In February we installed a heritage display honouring the contribution Mina McKenzie, the Museum's inaugural director, has made to the cultural landscape of Aotearoa New Zealand. Mina was a pioneer and her spirit lives on in the people she touched and inspired throughout her professional career. This refresh, too, is a precursor to a larger project planned for the future.

The popularity of our learning programmes saw Te Manawa exceed its 2024 target set by the Ministry of Education for ELC funding. Our team is highly responsive to exhibitions on the floor, developing specific learning programmes related to the *Sunlight – Iho Kōmaru* and *Robyn Kahukiwa: Tohunga Mahi Toi* exhibitions. There has been an increase in secondary school visits, and the entire student population of Palmerston North Intermediate Normal School participated in our Flooding and Erosion programme.

DRAFT

Te Manawa values and honours its on-going partnership with tangata whenua, Rangitāne. With the purchase of three tall cases for Te Rangi Whenua gallery, we have been able to display kākahu and other traditional cloaks from our collection. These cloaks, including korowai and kahu huruhuru, are taonga of great importance, offering visitors a unique opportunity to connect with and appreciate the heritage, culture, and artistry involved.

The huge task of archiving the Peter Bush collection has begun, and to date, 19,098 photos have now been catalogued with 8310 of these also digitised. With support from the Bush Family, the Peter M Acland Foundation, the New Zealand Rugby Museum and our sponsors, we have raised a significant sum to help fund the ongoing care and preservation of Peter's work. With the launch of www.peterbush.co.nz we have made more than 2000 images available to the public.

Additionally, more than 1800 items were added to the collections online catalogue, with a total of 9074 objects from the Te Manawa collection able to be viewed online at <http://collection.temanawa.co.nz>.

We are in the process of expanding our storytelling to further engage our communities and visitors with the collections we hold. Research has been undertaken on oral history projects for Mina McKenzie and also the Tōtaranui historic homestead, which has reached its 150-year milestone.

The current financial environment has made it challenging to forecast and grow our external revenue. We have had some success with funding grants, with further discussions underway to secure targeted funding for our major projects. Our strengthened relationships have seen in-kind sponsorship contributions that have significantly helped in this area also. Every effort will be key in ensuring the sustainability, continuity and, importantly, quality of the services that we provide.

Those services include the staging of engaging and ever-changing exhibitions, education programmes, public events, talks, tours, community collaborations and the ongoing care and preservation of one of the largest public collections of art and heritage in a regional museum in Aotearoa New Zealand.

Te Manawa has a large, varied and ambitious mandate that drives our activity. We are grateful for the continued support of Palmerston North City Council, who recognise the value opportunities and challenges that cultural organisations face, and who have been generous and encouraging of our efforts.

Our gratitude goes to our fellow Council Controlled Organisations -- the Globe Theatre and the Regent on Broadway; the New Zealand Rugby Museum; Manawātū District Council; Manawātū Chamber of Commerce; Sport Manawātū; Massey University; UCOL; and our many supporters and sponsors.

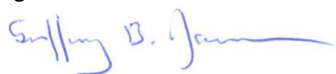
Our dedicated Trustees and team of professionals have proven their talent, resourcefulness and resilience during a period of major changes that has required us to refine the way we work and be open to any and all new opportunities that make that work possible in both the short and long-terms. Sincere thanks go to Adrian van Dyk who stepped down as Chair and from the Trust Board in March.

Museums have always been about the future. Through the stories we preserve and the knowledge we share, we empower future generations to understand where they come from, who they are, and what they can become.

“Mā mua ka kite a muri, mā muri ka ora a mua.

Those who lead give sight to those who follow, those who follow give life to those who lead.”

Ngā mihi



Geoffrey B. Jameson
Interim Chair



Susanna Shadbolt
Chief Executive

DRAFT

Te Manawa Museums Trust

Statement of Comprehensive Revenue and Expense
For the Year Ended 30 June 2025

	Note	Actual 2025 \$	Budget 2025 \$	Actual 2024 \$
OPERATING REVENUE				
PNCC Operating Grant	4	3,833,599	3,833,599	3,756,570
MDC Operating Grant	4	20,000	20,000	20,000
Interest Revenue	4	40,778	48,000	58,125
Other Operating Revenue	3, 4	510,875	678,786	556,600
Total Revenue	4	4,405,252	4,580,385	4,391,295
OPERATING EXPENDITURE				
Employee Expenses	5	3,037,383	3,022,582	2,572,000
Other Operating Expenses	6	1,169,929	1,285,143	1,299,918
Depreciation and Amortisation Expense	7	315,899	267,240	278,295
Loss/(Gains) on Disposal of Property, Plant and Equipment		-	-	1,086
Impairment of Property, Plant and Equipment		-	-	0
Total Operating Expenditure	2	4,523,211	4,574,965	4,151,299
Net Surplus/(Deficit) before Movement in Collection Assets		(117,959)	5,420	239,996
Movement in Collection Assets				
Revenue from				
Recognition of Donated Collection Assets	4	124,186	-	11,830
Recognition of Custodial Collection Assets	4	-	-	29,863
		124,186	-	41,693
less Expense from :				
Derecognition of Custodial Collection Assets		-	-	19,128
Derecognition of Owned Collection Assets		10	-	-
		10	-	19,128
Total Net Movement in Collection Assets		124,176	-	22,565
TOTAL REVENUE		4,529,438	4,580,385	4,432,987
TOTAL EXPENSE		4,523,221	4,574,965	4,170,427
Net surplus/(deficit) for the period		6,217	5,420	262,561
Other Comprehensive Revenue and Expense				
Revaluation of Owned Heritage Collection Assets		822,194	-	-
Revaluation of Custodial Heritage Collection Assets		367,539	-	-
Revaluation of Owned Art Collection Assets		-	(2800)	-
Revaluation of Custodial Art Collection Assets		-	-	-
Other Comprehensive Revenue and Expense for the Period	19	1,189,733	(2800)	-
Total Comprehensive Revenue and Expense for the Period		1,195,950	2,620	262,561

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

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 2025

	Note	Actual 2025 \$	Budget 2025 \$	Actual 2024 \$
Equity as at 1 July		21,358,194	21,358,194	21,095,633
Comprehensive Revenue and Expense				
Net Surplus / (Deficit) for the Period		6,217	5,420	262,561
Other Comprehensive Revenue and Expense		1,189,733	(2,800)	-
Total Comprehensive Revenue and Expense		1,195,950	2,620	262,561
Equity as at 30 June	8	22,554,144	21,363,614	21,358,194

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 2025

	Note	Actual 2025 \$	Budget 2025 \$	Actual 2024 \$
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	9	113,371	203,398	439,529
Receivables from Non-Exchange Transactions	10	9,536	12,032	15,647
Receivables from Exchange Transactions	11	1,807	8,309	430
Prepayments		18,060	25,019	28,749
Short Term Deposits	12A	554,486	584,980	814,712
Inventories	13	19,594	25,257	19,504
<i>Total Current Assets</i>		<u>716,854</u>	<u>858,995</u>	<u>1,318,571</u>
NON CURRENT ASSETS				
Financial Assets	12B	120,000	-	-
Intangible Assets	17	34,125	-	2,826
Property, Plant and Equipment	18	1,005,733	1,367,092	1,047,301
Collection Assets	19	21,412,971	20,126,894	20,017,900
<i>Total Non-Current Assets</i>		<u>22,572,829</u>	<u>21,493,986</u>	<u>21,068,027</u>
TOTAL ASSETS		<u>23,289,683</u>	<u>22,352,981</u>	<u>22,386,598</u>
LIABILITIES				
CURRENT LIABILITIES				
Payables under Exchange Transactions	14	298,903	413,419	425,817
Deferred Non -Exchange Revenue	15	119,734	118,771	239,888
Provisions		-	-	-
Employee Benefit Liabilities	16	316,901	457,177	362,699
<i>Total Current Liabilities</i>		<u>735,538</u>	<u>989,367</u>	<u>1,028,404</u>
NON CURRENT LIABILITIES				
Employee Benefit Liabilities	16	-	-	-
<i>Total Non-Current Liabilities</i>		<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>735,538</u>	<u>989,367</u>	<u>1,028,404</u>
NET ASSETS		<u>22,554,144</u>	<u>21,363,614</u>	<u>21,358,194</u>
TRUST EQUITY				
Contributed Capital		145,565	145,465	145,565
Retained Earnings		10,261,705	10,509,037	10,310,706
Asset Revaluation Reserves		11,414,421	10,230,805	10,224,689
Specific Reserves		721,580	478,307	666,363
Endowment Funds		10,873	-	10,873
TOTAL TRUST EQUITY	8	<u>22,554,144</u>	<u>21,363,614</u>	<u>21,358,194</u>

The breakdown of Equity in the budget column of the Balance Sheet varies from the breakdown in the Statement of Intent of Intent in that Contributed Capital and Retained Earnings as shown in Balance Sheet correspond to the Trust Equity and Retained Surplus current year set out in the forecast financial statements submitted with the Statement of Intent.

Trustee

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 2025

	Note	Actual 2025 \$	Budget 2025 \$	Actual 2024 \$
Cash flows from operating activities				
PNCC grant		3,833,599	3,833,599	3,756,570
Interest received		46,889	48,000	52,992
Receipts from other revenue		409,475	759,886	710,677
Payments to suppliers		(1,333,634)	(1,526,311)	(1,163,181)
Payments to employees		(3,011,868)	(3,022,583)	(2,482,731)
Interest paid		-	-	-
Goods and services tax (net)		(24,062)	-	1,449
Net cash inflow/(outflow) from operating activities		(79,601)	92,591	875,776
Cash flows from investing activities				
Proceeds from Investments		814,712	-	685,364
Donation for Endowment Fund		0	-	0
Proceeds from sale of assets		0	-	2,436
Purchase of intangibles assets		(34,500)	-	0
Purchase of property, plant and equipment		(271,131)	(273,000)	(555,011)
Purchase of collection assets		(81,152)	(60,000)	(19,783)
Purchase of Investments		(674,486)	-	(814,712)
Net cash inflow/(outflow) from investing activities		(246,557)	(333,000)	(701,706)
Cash flows from financing activities				
Proceeds from borrowing		-	-	-
Repayment of borrowings		-	-	-
Net cash inflow/(outflow) from financing activities		-	-	-
Effect of foreign exchange rates on cash		-	-	-
Net (decrease)/increase in cash and cash equivalents		(326,158)	(240,409)	174,070
Cash and cash equivalents at the beginning of the year		439,529	443,807	265,459
Cash and cash equivalents at the end of the year	9	113,371	203,398	439,529

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 2025

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 2025 and were approved by the Board of Trustees on DATE.

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 Trust is a Tier 2 entity and the financial statements have been prepared in accordance with and comply with PBE Standards RDR. The Trust is eligible and has elected to apply PBE Standards RDR because its expenses are less than \$30 million and it does not have public accountability as defined by XRB A1 Application of the Accounting Standards Framework.

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 and not early adopted

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

New or amended standards adopted

2022 Omnibus Amendments to PBE Standards, Issued June 2022

The 2022 Omnibus Amendments issued by the External Reporting Board (XRB) include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards, effective for reporting periods starting 1 January 2023. The Trust has adopted the revised PBE standards, and the adoption did not result in any significant impact on the Trust's financial statements.

Other changes in Accounting Policies

There have been no other changes in accounting policies applied by the Trust.

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 recognised as revenue or expenditure in cases where the Trust can 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

Short term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Trust applies the simplified ECL model of recognising lifetime ECLs for short-term receivables. In measuring ECLs, short-term receivables have been assessed on a collective basis because they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision is then made based on historical credit issues, and adjusted for any expected forward factors specific to individual debtors. Short-term receivables are written off when there are no expectations of recovery such as the debtor being in liquidation or the receivable being more than six months overdue.

Other Financial Assets

Other financial assets are initially recognised at fair value. They are then classified as , and subsequently measured under, the following categories:

- amortised cost:
- fair value through other comprehensive revenue and expense (FVTOCRE): and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated at FVTSD, in which case it is recognised as surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Trust's policy for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal outstanding and is held where the Trust's objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held where the Trust's objective is to collect the contractual cash flows and sell the financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL).

Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits.

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.

Any net proceeds earned while bringing an asset into use and relevant costs are recognised in surplus or deficit rather than being deducted from the asset cost recognised.

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	3 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 and Heritage Collections assets are revalued to fair value as determined from market -based evidence by an independent valuer. The collections are valued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value, and at least every three years for Art Collection Assets and at least every five years for Heritage Collection assets.

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	

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

Short-term creditors and other payables are measured at the amount payable.

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 the 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 2025.

Te Manawa Museums Trust
Notes to the Financial Statements
For the Year Ended 30 June 2025

2 Summary of Operating Expenses by Activity

	Actual 2025	Actual 2024
	\$	\$
Finance and Administration		
Employees' Costs	771,120	685,384
Other Operating Costs:	761,358	655,267
	<u>1,532,478</u>	<u>1,340,651</u>
Collections and Curatorial		
Employees' Costs	693,166	500,081
Other Operating Costs:	189,906	142,815
	<u>883,071</u>	<u>642,896</u>
Exhibitions		
Employees' Costs	465,954	414,706
Other Operating Costs	101,784	285,488
	<u>567,739</u>	<u>700,194</u>
Education and Outreach		
Employees' Costs	307,825	334,084
Other Operating Costs	14,374	21,163
	<u>322,198</u>	<u>355,247</u>
Visitor Experience		
Employees' Costs	420,417	393,500
Other Operating Costs	11,487	65,743
	<u>431,904</u>	<u>459,243</u>
Marketing and Events		
Employees' Costs	378,901	244,244
Other Operating Costs	90,839	131,617
	<u>469,740</u>	<u>375,861</u>
Depreciation/Amortisation	315,899	278,295
Loss (Gain) on Disposals of Fixed Assets	0	1,086
Impairment of Fixed Assets	0	0
Total Operating Expenditure	<u>4,523,030</u>	<u>4,151,299</u>

3 Other Operating Revenue	Actual 2025 \$	Actual 2024 \$
<i>From Exchange Transactions</i>		
Merchandise / Shop	81,457	88,512
Venue Hire	7,454	11,402
Sundry Income, Public Programmes, Events and Activities	68,838	12,167
Other	-	42,724
<i>Other Operating Revenue (from Exchange Transactions)</i>	157,748	154,804
Community Grants	241,583	257,558
Donations - General	45,558	25,588
Education Programme Fees	5,161	11,460
Sponsorship	-	46,420
Hire of Education Kits	711	656
Ministry of Education ELC	60,114	60,114
<i>Other Operating Revenue (from Non-Exchange Transactions)</i>	353,127	401,796
Total Other Operating Revenue	510,875	556,600

4 Revenue Classification in accordance with PBE IPSAS:	Actual 2025		
	Non-Exchange Transactions \$	Exchange Transactions \$	Total Revenue as per Statement of Comprehensive Revenue and Expense \$
Revenue from:			
Palmerston North City Council Operating Grant	3,833,599	-	3,833,599
Manawatu District Council Operating Grant	20,000	-	20,000
Interest Revenue	-	40,778	40,778
Other Operating Revenue (<i>refer Note 3 above</i>)	353,127	157,748	510,875
Subtotal Operating Revenue	4,206,726	198,526	4,405,252
Revenue from Donated/Custodial Collection Assets			
Recognition of Donated Collection Assets	124,186	-	124,186
Recognition of Custodial Collection Assets	-	-	-
Total Revenue classified as Revenue from:	4,330,912	198,526	4,529,438

	Actual 2024		
	Non-Exchange Transactions	Exchange Transactions	Total Revenue as per Statement of Comprehensive Revenue and Expense
	\$	\$	\$
Revenue from:			
Palmerston North City Council Operating Grant	3,756,570	0	3,756,570
Manawatu District Council Operating Grant	20,000	0	20,000
Interest Revenue	-	58,125	58,125
Other Operating Revenue (<i>refer Note 3 above</i>)	401,796	154,804	556,600
Subtotal Operating Revenue	4,178,366	212,929	4,391,295
Revenue from Donated/Custodial Collection Assets			
Recognition of Donated Collection Assets	11,830	0	11,830
Recognition of Custodial Collection Assets	29,863	0	29,863
Total Revenue classified as Revenue from:	4,220,058	212,929	4,432,987

	Actual 2025 \$	Actual 2024 \$
5 Employee Expenses		
Salaries and Wages	2,976,353	2,472,260
Employer Contributions to Kiwisaver	82,262	67,031
Employee Entitlements Increase / (Decrease)	(21,232)	32,709
Total Employee Expenses	3,037,383	2,572,000

	Actual 2025 \$	Actual 2024 \$
6 Other Operating Expenses		
Fees to Audit New Zealand for audit of financial statements	83,871	69,558
ACC	4,821	5,885
Advertising & Promotion	72,769	114,263
Bad Debts	-	-
Collection Valuation Fees	14,100	2,150
Computer & IT Support	51,820	60,014
Communication/Social Media	-	5,957
Contractors	94,768	219,180
Cost of Sales - Merchandise	52,728	53,906
Freight	11,276	18,059
Foreign Exchange Loss	-	-
Hire fees - Exhibitions	52,126	66,022
Insurance - Material Damage	28,423	22,782
Insurance - Collections	32,581	32,523
Inventory Write Down	-	4,966
Legal Fees	-	1,401
Materials/Consumables	98,301	72,017
Occupancy Costs	289,164	216,794
Repairs & Maintenance	14,839	28,652
Subscriptions	9,508	14,047
Training & Travel	32,651	30,585
Trust Board Remuneration	30,323	24,616
Trust Board Expenses	2,061	2,597
Operating Leases	38,691	47,912
Other Operating Expenses	155,107	186,031
Total Other Operating Expenses	1,169,929	1,299,918
	Actual 2025 \$	Actual 2024 \$
7 Depreciation and Amortisation		
Depreciation expense	312,698	274,781
Amortisation expense	3,201	3,514
Total Depreciation and Amortisation	315,899	278,295

	2025 \$	2024 \$
8 Equity		
Contributed Capital		
Balance at Beginning of Year	145,565	145,565
Capital Contribution	-	-
Balance at End of Year	145,565	145,565
Retained Earnings		
Balance at Beginning of Year	10,310,706	10,279,936
Net Surplus/(Deficit) for the year	6,217	262,561
Transfers to Retained Earnings from:		
Exhibition Development Reserve	-	-
Collection Development Fund	-	-
Transfers from Retained Earnings to:		
Endowment Fund	-	-
Collection Development Fund	(21,151)	-
Exhibition Development Reserve	(34,067)	(231,790)
Balance at End of Year	10,261,705	10,310,706
Asset Revaluation Reserves		
Revaluation Reserve - Heritage Collection		
Balance at Beginning of Year	143,180	143,180
Revaluation Reserve on disposals	-	-
Revaluation of Collection Assets	1,189,732	-
Balance at End of Year	1,332,913	143,180
Revaluation Reserve - Art Collection		
Balance at Beginning of Year	10,081,508	10,081,508
Revaluation Reserve on disposals	-	-
Revaluation of Collection Assets	-	-
Balance at End of Year	10,081,508	10,081,508
Total Asset Revaluation Reserves	11,414,421	10,224,688
Collection Development Fund		
Balance at Beginning of Year	14,229	14,229
Transfer from Retained Earnings	21,151	-
Transfer to Retained Earnings	-	-
Balance at End of Year	35,380	14,229
Historic Building Maintenance Reserve		
Balance at Beginning of Year	22,081	22,081
Endowment for maintenance of historic	-	-
Balance at End of Year	22,081	22,081
Exhibition Development Reserve		
Balance at Beginning of Year	630,051	398,261
Transfer from Retained Earnings	34,067	231,790

Transfer to Retained Earnings	-	-
Balance at End of Year	664,118	630,051
Total Specific Reserves	721,580	666,363
Endowment Fund		
Balance at Beginning of Year	10,873	10,873
Transfer from Retained Earnings	-	-
Balance at End of Year	10,873	10,873
Total Equity	22,554,144	21,358,195

The breakdown of Equity in the budget column of the Balance Sheet varies from the breakdown in the of Intent in that Contributed Capital and Retained Earnings as shown in Balance Sheet correspond to the Trust Equity and Retained Surplus current year set out in the forecast financial statements submitted with the State

	2025	2024
9 Cash and Cash Equivalents	\$	\$
Cash at bank and on hand	113,371	293,549
Short Term Investment with maturity of three months or less	-	145,980
Total Cash and Cash Equivalents	113,371	439,529

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 0.49% (2024: 3.16%)

There are no restrictions over any cash and cash equivalents held by the Trust.

	2025	2024
10 Receivables from Non-Exchange Transactions	\$	\$
Non - Exchange Receivables	-	-
Related Party Receivables	-	-
Provision for Doubtful Debts	-	-
Interest Receivable	9,536	15,647
Total Receivables from Non-Exchange Transactions	9,536	15,647

	2025	2024
	\$	\$
11 Receivables from Exchange Transactions		
Trade Receivables	1,807	430
Receivables from Exchange Transactions	1,807	430

Fair Value

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

Impairment

Receivables written off during the period amounted to \$nil (2024:\$nil)

12 Investments**12A Short Term Deposits**

	2025	2024
	\$	\$
Term deposit with maturity less than 12 months	554,486	814,712
	554,486	814,712

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

The term deposits have between a four to eight month maturity with interest rate from 3.5% to 4.90% (2024: 4.30% to 6.10%)

12B Non-Current Financial Assets

	2025	2024
	\$	\$
Term deposit with maturity more than 12 months	120,000	-
	120,000	-

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

The term deposit has a twenty-four month maturity with an interest rate of 4.00% (2024:nil).

13 Inventories

	2025	2024
	\$	\$
Commercial Inventories – Items held for resale	19,594	19,504
Total Inventories	19,594	19,504

Inventory was written down during the period by \$nil (2024: \$4,825).

There were no reversals of previously written down inventory items (2024 :Nil).

There are no items of inventory pledged as security.

	2025	2024
14 Payables under Exchange Transactions	\$	\$
Trade Creditors	39,423	262,814
Related Party Payables (Note 22)	32,480	37,474
Accrued Expenses	87,498	70,193
GST Payable	68,187	40,864
Other Payables	71,315	-
Total Payables under Exchange Transactions	<u>298,903</u>	<u>425,817</u>

As at 30 June 2025, there is a credit card facility in place with Westpac for a limit of \$10,000 (2024: 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.

	2025	2024
15 Deferred Non -Exchange Revenue		
Revenue Received in Advance	119,734	239,888
Total Deferred Non -Exchange Revenue	<u>119,734</u>	<u>239,888</u>

	2025	2024
16 Employee Benefit Liabilities		
Current Portion	\$	\$
Accrued Salaries and Wages	119,086	143,652
Annual Leave	173,526	195,895
Long Service Leave	24,289	23,152
Total Current Portion of Employee Benefit Liabilities	<u>316,901</u>	<u>362,700</u>
Non-Current Portion		
Long Service Leave	-	-
Total Employee Benefit Liabilities	<u>316,901</u>	<u>362,700</u>

17 Intangible Assets

	Website \$	Software \$	Work in Progress \$	Total \$
Cost				
At 1 July 2023	10,000	88,534	-	98,534
Additions - Purchased	-	-	-	-
Disposals/Work in Progress transferred to	-	(8,310)	-	(8,310)
At 30 June 2024	10,000	80,224	-	90,224
Additions - Purchased	-	34,500	-	34,500
Fully depreciated assets not transferred to Wiise Disposals/Work in Progress transferred to	-	77,398	-	77,398
Intangible Assets	-	-	-	-
At 30 June 2025	10,000	37,326	-	47,326
less Accumulated Amortisation and Impairment Losses				
At 1 July 2023	10,000	81,581	-	91,581
Amortisation Expense	-	3,514	-	3,514
Impairment	-	-	-	-
Accumulated Amortisation on Disposals	-	-7,697	-	(7,697)
At 30 June 2024	10,000	77,398	-	87,398
Amortisation Expense	-	3,201	-	3,201
Fully depreciated assets not transferred to Wiise	-	77,398	-	77,398
Accumulated Amortisation on Disposals	-	-	-	-
At 30 June 2025	10,000	3,201	-	13,201
Carrying Amounts				
As at 30 June 2024 and 1 July 2024	-	0	2,826	2,826
As at 30 June 2025	-	34,125	-	34,125

There is no work in progress at balance date (2024: \$nil)

There are no intangible assets pledged as security over the Trust's liabilities (2024: \$nil).

18 Property, Plant and Equipment

	Computer Hardware \$	Exhibitions \$	Furniture & Fittings \$	Leasehold Improvement \$	Office Equipme nt \$	Plant & Equipment \$	Work in progress \$	Total \$
Cost								
At 1 July 2023	186,897	2,027,301	527,697	405,756	20,783	1,191,808	76,050	4,436,292
Additions	27,668	96,988	48,105	32,341		353,153	354,015	912,270
Disposals/Work in Progress transferred to	-15,023	-12,426	-5,331			-3,683	-357,259	-393,722
At June 2024	199,542	2,111,863	570,471	438,097	20,783	1,541,278	72,806	4,954,840
Additions	5,638	101,885	45,055	-		50,866	207,980	411,424
Moved between Classes on upload to Wiise		14,282				-14,282		
Fully depreciated assets not transferred to Wiis	-116,481	-1,485,006	-411,070	-318,331	-20,278	-652,555		-3,003,723
Disposals/Work in Progress transferred to							-140,293	-140,293
At 30 June 2025	88,699	743,024	204,456	119,766	505	925,306	140,493	2,222,248
less Accumulated Depreciation and Impairment Losses								
At 1 July 2023	136,070	1,854,143	453,107	375,688	20,783	827,608	-	3,667,399
Depreciation Charge for the year	29,511	86,188	20,652	11,590	-	126,841	-	274,782
Impairment	-	-	-	-	-	-	-	-
less Accumulated depreciation on disposals	-14,455	-10,778	-5,599			-3,809	-	-34,641
At 30 June 2024	151,126	1,929,553	468,160	387,278	20,783	950,640	-	3,907,540
Depreciation Charge for the year	28,022	105,169	26,503	11,977	-	141,027		312,698
Fully depreciated assets not transferred to Wiis	-116,481	-1,485,006	-411,070	-318,331	-20,278	-652,555	-	-3,003,723
Accumulated depreciation on disposals								-
At 30 June 2025	62,667	549,716	83,593	80,924	505	439,112	-	1,216,515
Carrying Amounts								
As at 30 June 2024 and 1 July 2024	48,416	182,309	102,311	50,819	-	590,638	72,806	1,047,299
As at 30 June 2025	26,555	193,308	120,862	38,843	-	485,672	140,493	1,005,733

No items of Property, Plant and Equipment are pledged as security as at 30 June 2025 (2024: \$nil).

**19 Collection Assets
30 June 2025**

	Opening 1 July 2025	Acquisitions	Donated Collection	Revaluations	Deaccess ions	Closing 30 June 2025
Art						
Owned	6,508,535	81,152	119,864		-	6,709,551
Custodial	9,609,833			-		9,609,833
Total Art	16,118,368	81,152	119,864	-	-	16,319,384
Heritage						
Owned	2,823,489		4,322	822,194		3,650,005
Custodial	1,076,043		-	367,539		1,443,582
Total Heritage	3,899,532	-	4,322	1,189,733	-	5,093,587
Total Collection Assets	20,017,900	81,152	124,186	1,189,733	-	21,412,971

Owned Collection Assets	10,359,556
Custodial Collection Assets	11,053,415
Total Collection Assets 30 June 2025	21,412,971

	Opening Balance 1 July 2024	Acquisitions	Donated Collection	Revaluations	Deaccess ions	Closing Balance 30 June 2024
Art						
Owned	6,488,752	19,783			-	6,508,535
Custodial	9,579,970		29,863			9,609,833
Total Art	16,068,722	19,783	29,863	-	-	16,118,368
Heritage						
Owned	2,813,855		10,744	-	(1,110)	2,823,489
Custodial	1,094,061		-	-	(18,018)	1,076,043
Total Heritage	3,907,916	-	10,744	-	(19,128)	3,899,532
Total Collection Assets 30 June 2024	19,976,638	19,783	40,607	-	(19,128)	20,017,900

Owned Collection Assets	9,332,024
Custodial Collection Assets	10,685,876
Total Collection Assets 2024	20,017,900

Valuation

Heritage Collection

The owned and custodial heritage collections were independently valued in June 2025 at \$3,521,930 for the owned heritage collection, and \$1,574,380 for the custodial heritage collection. The revaluation was undertaken by AON. The collection was valued based on fair value at the date of revaluation, by reference to price in an active market. The current book value has been revised accordingly.

Art Collection

Because the New Zealand art market has been bouyant over the last few years a re-valuation was carried out at 30 June 2023. The collection was valued by Art+Object based on fair value at the date of revaluation, by reference to price in an active market and comparison by the valuer to the value of similar items held in other institutions, as well as comparison with recent auction sales both nationally and internationally. A fair value assessment was conducted at 30 June 2025.

No Collection assets are pledged as security as at 30 June 2025 (2024: \$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:

	2025	2024
	\$	\$
Within 1 year	58,336	56,087
Within 1 – 2 years	58,336	3,544
Within 2 – 5 years	17,241	7,089
	133,913	66,720

	2025	2024
	\$	\$
Capital Commitments		
Capital expenditure contracted for at balance date but not yet incurred for property, plant and equipment:	-	32,000

The Trust had a commitment with Thyme Technologies for the installation of software amounting to \$32,000 as at 30 June 2024.

21 Contingencies

The Trust Board has no contingent liabilities at 30 June 2025. (2024: \$nil).

Related Party Transactions

22 Controlling Entity

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

Transactions carried out with PNCC are as follows:	2025	2024
Received from PNCC	\$	\$
Operating Grant	3,833,599	3,756,570
Contribution to Art auction Operating expenses		
Items for Japanese Exhibition		
Venue Hire	-	-
Other	78	-
Purchased from PNCC		
Water Rates	4,804	3,068
Rental Vehicles	27,212	25,646
Hosting of Vernon Systems	5,000	5,000
Computer Support	27,189	21,000
Internet Usage	3,000	3,000
Telephone Support	18,043	22,266
Assets Purchased	959	15,156
Other Services	527	1,484
Electricity and gas	207,904	175,372
Owing to PNCC at 30 June 2025	32,480	37,474
Owing from PNCC at 30 June 2025	-	-

Te Manawa provided free venue hire to PNCC Library and Community services with a market value of nil
Disclosure of arms length transactions

PBE IPSAS 20 only requires disclosure for transactions that are not at arms length. Te Manawa has made extra disclosures for the sake transparency.

Water rates are paid at market rates and are disclosed for transparency purposes.

SLA Agreement for provision of IT services

While Te Manawa pays for this service (29k p/a), Te Manawa cannot establish that it was paid at arms length given that the service was provided due to the parent/ CCO relationship, e.g. Te Manawa did not go out to the market to tender for the service.

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 members of the Management Team

Members of the Management 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:

	2025		2024	
	Remuneration	Number of persons	Remuneration	Number of Persons
Trustees	30,323	9	24,616	9
Management Team	631,175	4.88	702,462	5.7
Total Key Management Personnel Compensation	661,498		727,078	

(iii) Other Related Parties

Related Parties	Goods/Services provided	Market Value of Goods Services
Palmerston North City Council	Free Venue Use	\$1962(2023/24: \$2,808)
Earle Creativity Trust, TMCE S Shadbolt is a Trustee	Free Venue Use	\$366(2023/24: \$426)
Resonant Adrian van Dyk, TM Trust Board Chair (March 2025)	Free Venue Use	\$340(2023/24:\$nil)
Team Architect's Principal Darren Shadbolt, husband of the CEO	In kind Consultancy Services	\$6,200(2023/24 \$5,050)

23 Events After The Balance Sheet Date

There were no significant events after the balance sheet date.(2024:nil)

24 Categories of Financial Assets and Liabilities

Related Parties

	2025	2024
	\$	\$
Amortised Cost		
Cash and Cash Equivalents (Note 9)	113,371	439,529
Debtors and Other Receivables (Note 10 & Investments (Note 12)	11,343	16,077
	674,486	814,712
Total Amortised Cost	799,200	1,270,318
Financial Liabilities Measured at Amortised		
Creditors and Other Payables (Note 14)	298,903	425,817
Total Financial Liabilities Measured at	298,903	425,817

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 which at balance date were nil (30 June 2024: \$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 2025 were AA- from Standard & Poor's (2024: 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 Funding from Community Organisations

Te Manawa is grateful to the following organisations which have contributed with funding for various projects:

	2025	2024
	\$	\$
Grantor/Donor		
UCOL	15,000	13,043
Yorb	5,000	5,000
Lotteries	0	40,812
Lion Foundation	15,000	40,000
Acland Foundation	14,956	13,043
NZ Rugby Museum	20,000	0
Estate of Eileen Fair	10,000	0
Grassroots Trust	10,000	0

26 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 prudently manage its revenues, expenses, assets, liabilities, investments, and general financial dealings.

The Trust’s equity is largely managed as a by- product of managing revenues, expenses, assets, liabilities, investments and all financial dealings.

There were no externally imposed capital requirements during the period (2024: \$nil).

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

2023/24

Te Manawa
Museums Trust
He Pūrongo ā Tau
Annual Report

FOR THE YEAR ENDED 30 JUNE 2024



te manawa
TE PAPAIOEA PALMERSTON NORTH

Contents:

3:	Strategic Objectives
	Baseline Progress
4:	Chair and CEO Report
7:	Statement of Service Performance
17:	Covid-19 Statement
	Summary
18:	Financials

Cover image: *Peter Bush, John Clarke/Fred Dagg, (detail)*, Collection of Te Manawa, Courtesy of the Bush Family. All rights reserved

Te Manawa acknowledges the people of Rangitāne. We are thankful for the ongoing guidance of mana whenua and are grateful for the continued support of Palmerston North City Council, the people of Palmerston North City, Manawatū, and our founding partners.

The twelve-month report encompasses activity undertaken in the period 1 July 2023 – 3 June 2024 and reports against agreed objectives as set in the annual Statement of Intent.

“Whakatō ngā kakānō o te ao marama, kia puawai.”
Plant the seeds of tomorrow through the stories that we share.

Strategic objectives:

- 1. Innovative experiences that engage visitors
- 2. Enhanced learning and development
- 3. A collaborative and future-focused organisation

Baseline results:

Performance Measures	23/24 Target	Status	Comment
Visitation Baseline (Physical visits to the Te Manawa complex)	130,000	137,172	106%
Outreach (TM experiences offsite)	30,000	6,277	21% Lower than projected due to lack of outgoing touring exhibitions.
Online engagement	90,000	74,335	83% Lower than projected due to staff vacancies (new staff have since been appointed)
External Revenue Target	\$510,250	\$639,461	125% - Achieved
Visitor Satisfaction	95%	98%	

Chair and CEO Report

Te Manawa Museums Trust | Hongongoi July 2024

Last year, Te Manawa adopted a new vision statement: “Whakatō ngā kakānō o te ao marama, kia puawai.” Plant the seeds of tomorrow through the stories that we share.

This vision emphasises a renewed focus on storytelling through our key disciplines of art, science, and heritage – ensuring that our collections live through the sharing of our history and identity. It also ensures that Te Manawa, as a museum and gallery, honours its roots while remaining firmly focused on the future.

It's safe to say that a number of seeds were planted this year.

With support from Palmerston North City Council and the New Zealand Rugby Museum, the Trust acquired the Peter Bush Archive - a photographic legacy of one of Aotearoa's most prolific photographers, whose images capture the beating heart of who we were, and are, as a nation. This significant archive is at home in a regional museum that prides itself on its connections and storytelling. Te Manawa is uniquely placed to preserve Peter's work for generations of New Zealanders to come, through its geographical and professional connections, and by embodying the very grassroots ethos that makes Peter's work so personal and full of the Kiwi character that only a special eye can capture.

We celebrated the work of Sculptor Paul Dibble, who was sadly unable to attend his lifetime's final exhibition and will be sorely missed. We wish to acknowledge those who trusted us with their works in the exhibition, which honoured his extraordinary career. Paul was a true pioneer with a magic spark that will continue to touch landscapes from Palmerston North to Hyde Park Corner and we remain indebted to his talent and vision.

We lost both Peter Bush and Paul Dibble last year, and we are grateful to have enduring connections with their families. With their support, we continue to honour their legacies. Moe mai rā kōrua. Ngā mihi aroha.

A renewed exhibition programme featured exhibitions that celebrated local talent along with a stronger focus placed on our collection. Architect Brian Elliot's commanding designs were given new light in an exhibition that showcased the art in his architecture and recognised the unique qualities of his buildings that make them such identifiable landmarks.

The connections we forged with artists and businesses this year saw engagement with our work grow in very tangible and meaningful ways.

This year, Te Manawa exceeded its external revenue targets, a testament to the relationships we've built and the dedication of our staff who work so hard, often on a shoestring, to bring unforgettable experiences to the people of our region.

Santa's Cave saw a record turnout of nearly 18,000 visitors, while the Art Gallery also went from strength to strength with more than 20,000. Our overall visitation was steady and met targets, bolstered by the arrival of “Six Extinctions” from Australia.

“Six Extinctions” had a 15-week run that attracted more than 35,000 visitors throughout the summer and is estimated to have contributed more than six million dollars to the local economy. More than a third of our attendees were drawn to the region specifically for the exhibition, with many choosing to extend their stay.

We introduced our visitors to creatures like the awe-inspiring Tyrannosaurus Rex and were also able to add items from Te Manawa's own collection, including a moa skeleton and plaster casts of moa

footprints found at the Manawatū River. This allowed us to enrich the experience further and let visitors to get hands-on with a piece of local history.

We continue to offer our learning programmes free of charge to local schools and have strengthened our relationship with Rangitāne through Mātauranga Māori learning programmes.

We now meet regularly with the iwi leadership group Te Whirikōkō and have provided professional development opportunities for staff in museum tikanga and Te Tiriti o Waitangi. Among our aspirations for the coming years is to have more visible and meaningful integration of Te Ao Māori throughout the museum – vital for all organisations, but particularly for cultural institutions.

We've hosted interns from Victoria University, Massey University and IPU, as well as showcasing the work of Māori Visual Artists from Toioho kī Āpiti and BCM students from UCOL.

A new management team and organisational structure were adopted last year, and during that time, they have worked extensively on a new revenue strategy, visitor experience strategy and an ambitious roadmap to 2030. The Te Manawa Museums Trust Board also has seen a number of changes this year.

Adrian van Dyk has accepted the role of Chair following Caroline Tate's departure in February. The Board also farewelled Evan Greensides. New members appointed are Carol Thum, Simon Barnett, Sarah Rusholme, and Gillian Lawn.

COVID-19 continues to present challenges through ongoing service delays, visitation impacts during heightened case numbers, and our ability to maintain staffing levels. There is no sign of this slowing down, but our ability to meet these challenges has become a part of our 'business as usual' planning.

A review of our systems was completed, leading to paper-light ways of working, more integrated and collaborative office spaces, and more efficient use of technology to boost our capability across all departments. As we seek to grow our reach, secure investment, and create spaces and experiences that add new layers to the way our people engage with us, it is important that we are proactive, responsive, and nimble in every possible way.

We are accustomed to adapting. Adaptation is evolution. It is also survival – and we're very honest and realistic about the challenges faced in our sector. Arts and cultural institutions are essential to the well-being of communities, though sometimes seen as a 'nice to have'.

As our peers in other centres fight to keep the lights on, it has not been lost on us that our unique position as one of very few to avoid significant cuts in this current economic climate is something to be both proud of and thankful for.

Our sincere appreciation goes to our founding societies of Te Manawa. Their support as advocates and ambassadors for Te Manawa, and their guidance, are crucial to the Museum's success.

Our gratitude goes to Council, our core funder, for their support and guidance. Sincere thanks to our fellow Council Controlled Organisations: the Globe Theatre and the Regent on Broadway; the New Zealand Rugby Museum; Manawatū District Council; Manawatū Chamber of Commerce; Sport Manawatū; Massey University; UCOL; IPU; and our many supporters and sponsors.

Our team is made up of hard-working, passionate and dedicated professionals. They are a special and eclectic breed of people who care deeply for Te Manawa and the community it serves.

Our community has told us that they value the ways in which we invite, inspire, and reflect them, and that they feel valued and welcome when they spend time with us.

Our supporters are generous and understand the positive change we influence in our people – through education and expression that strengthens our sense of who we are and what is important to us all.

Through the inclusion of funding and a shared aspiration for a new cultural precinct being adopted into the City's long-term plan, Palmerston North City Councillors have given a vote of confidence in the work we do and our forward direction. We are grateful for that confidence.

We will not shy away from identifying the challenges that lie before us. Ageing infrastructure and shrinking resource pools are a common consideration for many of us. The knowledge that we can meet those challenges together will hold us in good stead to carry on.

Our future is undeniably ambitious, but our people deserve nothing less than that ambition.

Kia ora rawa atu. Ngā manaakitanga



Adrian van Dyk
Chair



Susanna Shadbolt
Chief Executive

Statement of Service Performance

1. Innovative experiences that engage visitors

Performance Measure	Status	Comments
Work in partnership with Rangitāne in the development of exhibitions, learning resources and programmes within the Museum with a focus on embedding biculturalism in everything we do.	Achieved	<p>Refresh of the Te Rangi Whenua gallery was completed with support from members of Rangitāne – including new lighting, ceiling repaint, entry signage and displays of taonga linking to the Mātauranga Māori curriculum.</p> <p>There is ongoing kōrero around learning programmes. We highlighted our recently developed programmes at the Lucy MacIntosh workshop for new teachers during Local Heritage Month in March 2024 (Te Manawa Museum Society and Local History Week Workshop 2024 - Objects and Place in the Aotearoa NZ Histories Curriculum).</p> <p>Katarina Gray-Sharp started as “Amorangi” in May, providing cultural advice regarding tikanga, and supporting Te Manawa in the development of its strategic objectives in this area.</p>
Engage with, and enable participation by, the city’s less-represented communities.	Achieved	We have successfully relaunched NOA, an inclusive art initiative that creates a safe environment for people with different needs.
Collaborate with PNCC for the New Migrant Welcome.		Te Manawa hosted the New Migrant Welcome on 2 September and 5 July with Palmerston North City Council. Te Manawa has reinstated after-school art classes at a very affordable rate, encouraging uptake across the community.
Provide at least two extra-curricular learning-based activities for children of these communities.		<p>An after-school “Hands on Science” session in partnership with the Multi-Cultural Centre was held in June.</p> <p>Yorb Cosmodome programmes on Puanga and Matariki were delivered to Highbury Whānau group in June.</p> <p>The Yorb Cosmodome was loaned to educator Āwhina Twoomy who provided a learning opportunity at her marae in Halcombe and a Whanganui kura in June.</p>

Investigate and plan development of a Pūtaiao Science Space with designs and concepts finalised to initiate budget, fundraising and sponsorship.

Achieved / Ongoing

In late September a Science Curator was appointed who is leading the concept development for the Science Centre.

A draft business plan was completed in June.

Investigate and develop partnership and collaboration opportunities.

Discussion with Science Centre Inc has indicated that they have a strong desire to collaborate with Te Manawa on the Science Centre project.

Concept of an ongoing science function close to being finalised. It includes a Science Centre and a dedicated Education Space. We are in the process of recruiting a project manager to oversee the delivery.

Begin discussions with other museums/venues to collaborate on the development of new, shared touring interactives in Science and Heritage.

Achieved

Ongoing research, discussions and collaboration around sharing interactives and touring exhibitions with other museums and venues. This has led to hosting ACMI's *Codebreakers – Women in Games* and Otago Museum's *Tuhura Tuarangi - Aotearoa in Space* during September and October. From December to April the highly successful *Six Extinctions* international tourer (with support from PNCC and local businesses)

During the next few years, we will focus our resources on developing the Science Centre and an ongoing science function. However, ongoing networking and discussions will continue with our colleagues nationwide to share and host (interactive) experiences.

Develop and begin to implement an annual calendar of activity to activate additional engagement through events and outreach with a focus on partnership with other organisations.

Achieved

School Holiday Programmes throughout the year are connected with significant dates (Matariki) and touring exhibitions from other institutions.

Christmas events included an annual collaboration with Manawātū Business Chamber to host the Business After 5 Christmas Party.

We continue to support PNCC events, offering activities at the Puanga Festival, Palmy Play Festival and Heritage Week.

Provide access to our collections through exhibitions, offsite displays, Collections Online and other digital projects and public programmes, this will include a cycle of exhibitions of new acquisitions.

Achieved

We hosted the Night Market at the Museum in August in partnership with Palmy Bid, attracting 1,600 attendees.

The Halloween Fright nights and Tamariki Trails (in partnership with Linton Community Group) attracted 1,971 attendees across four nights and provided a safe alternative to trick or treating.

NOA inclusive art sessions restarted in Term three attracting higher numbers with the change to a morning session and through strong links to Awatapu College and support organisations.

Highbury Weavers have reinstated a regular schedule to engage with public.

Discussions are underway with NZ Police to hold Blue Light Disco events.

Worked with Te Manawa Art Society to develop regular programmes in the Art Gallery, including talks by artists and collectors (Ron Te Kawa, Pip Steel, Paul Dibble, plus Heritage Week talks Paul Dibble, *We come from the Earth, Look.Smell.Feel*).

He Ara Whāriki, presenting the work of graduating students and tutors of the Maunga Kura Toi weaving programme at Te Wānanga o Aotearoa was installed on 13 October.

New Acquisitions on display until 24 October.

Matariki-themed objects displayed in *Manawatū Journeys* for Matariki (22 June to 27 July).

Bones for Halloween (24 October to 8 November). A Waka Huia shown for a School Visit (16 September) and shells for a family visit (16 September).

A small moa skeleton, restored huia taxidermy and moa footprints were added to the 'Six Extinctions' touring exhibition (from Australia) ensuring local content.

Five Paul Dibble sculptures featured in his survey exhibition *Paul Dibble: Continuum*.

We Come From the Earth

Deliver a programme of balanced, exciting and frequently changing exhibitions.

Achieved

Japanese collection items on display in the Art Gallery in connection with *Boro: Timeworn textiles of Japan*.

Raranga items from the collection displayed in Manawatū Journeys, supporting the Te Wānanga o Aotearoa collection.

ANZAC display featuring heritage objects – April.

Local Sport Stories display – June.

We added 344 items to collections online this year. Currently, there are 5,687 items online. (A further 400 items have been processed and are loading through the system queue during user idle times.)

Art Gallery

1. *Sandy Adsett – Toi Koru*
2. *Richard Wotton – Overlooked Ordinary*
3. *Top Art*
4. *Brigham Anderson – Te Whare Tukutuku*
5. *Brian Elliot – 55 Years of Architecture*
6. *Paul Dibble: Continuum*
7. *Toioho kī Āpiti - Māori Visual Arts*
8. *Sweet & Sour – UCOL/Te Pūkenga BCM*
9. *Rita Angus – New Zealand Modernist*
10. *We come from the earth* (collection-based exhibition)
12. *Boro: The timeworn textiles of Japan* (featuring complimenting display of collection items)
13. *Maungarongo Te Kawa – Te Whare Pora*

Museum

1. Mātauranga Māori objects (Taonga Māori - STEM)
2. *Te Ara Whariki – Te Wānanga o Aotearoa* (Taonga Māori)
3. Raranga display from the collection (Taonga Māori)
4. *Codebreakers, Women in Gaming* (STEM, touring)
5. *Tūhura Tuarangi – Aotearoa in Space* (Science, touring)
6. *Six Extinctions* (Science, Touring) – attracted 35,000 visitors.
7. *Halloween Skeletons display (Science)*
8. *Santa's Cave* (Heritage)
9. *Anzac Display* (Heritage)
10. *Local Sport Stories display (Heritage)*

Investigate and trial an electronic visitor monitoring system to understand visitor interactions with Te Manawa	Achieved	<p><u>Total:</u></p> <p>Art – 9 exhibitions including 3 Toi Māori Science/STEM – 4 including 1 Mātauranga Māori Heritage – 4 including displays of recent acquisition items (<i>He Ara Whāriki, New Acquisitions</i>, Matariki-themed objects and bones.</p> <p>Electronic visitor counters were trialed in the <i>Six Extinctions</i> exhibition along with a visitor survey (through Event Insights) from which we generated an economic impact report.</p> <p>Commissioned an electronic visitor counter to go live from 1 July which tracks visitation patterns. The manual and electronic counting system will remain in operation simultaneously for the first two months of implementation to compare data.</p>
Develop a “Delivery of Excellence” Visitor Experience Strategy that incorporates physical spaces.	Achieved	<p>The visitor experience strategy forms part of a broader ‘roadmap for 2030’ project and updated business plan which includes principles of manaakitanga, sustainability and cultural design.</p>

2. Enhanced learning and development

Performance Measure	Status	Comments
Implement three new Mātauranga Māori learning programmes aligned with the Aotearoa New Zealand Histories Curriculum.	Not Achieved	After advice from <i>THEN: Histories of Pāmutana</i> , this was reduced to two programmes. These are now being offered.
Provide free education programmes to schools within the Palmerston North and Manawātū District Council boundaries.	Achieved	Te Manawa has provided free education programmes to 59 school groups within the Palmerston North and Manawātū District Council boundaries.
Seek external revenue to assist in cost of education programmes.	Achieved	While external revenue has been sought from two providers, both applications were unsuccessful. We continue to seek funding.
4,000 students will participate in ELC Learning programmes.	Achieved	4063 students have participated in ELC learning programmes from 1 July 2023 - 30 June 2024
Develop a sector leadership role by providing opportunities for interns partnering with Massey University Museum Studies.	Achieved	<p>Te Manawa has provided opportunities for a Marketing Intern from IPU and a Museums Studies Intern from Massey University and Victoria University, Wellington.</p> <p>We currently have a 'Collections Intern' who will be embarking on a MA in Museums and Cultural Heritage at Auckland University next year. We also hosted a student from Feilding High School on her 'work day'.</p>
Implement staffed public programmes for visitors during weekends and peak visitor periods.	Achieved	46 staffed weekend public programmes delivered.
Deliver at least 20 staffed public programmes.	Achieved	46 staffed public programmes delivered.
Develop networks with other non-school education programme providers.	Achieved	<p>In August we partnered with Horizons Regional Council to host a sustainability hui for local teachers, attracting 40 teachers to the day-long event.</p> <p>Staff from Wildbase visited Te Manawa to provide education</p>

activities to the public based on their mission.

After school science programmes delivered in partnership with Manawatū Multicultural Council.

Provided venue for Kids' Market (for Manawatū Multicultural Council).

3. A collaborative and future-focused organisation

Performance Measure	Status	Comments
Continue to maintain strong relationships with Rangitāne at governance levels.	Achieved	Peter Te Rangi and Terry Hapi serve as Rangitāne representatives on the Te Manawa Trust Board.
Continue to honour and implement Te Tiriti o Waitangi partnerships with Rangitāne and other iwi of the region.	Achieved	CEO and team members meet regularly with members of Te Whirikōkō iwi leadership group via PNCC.
Develop clear kaupapa Māori direction and strategy for Te Manawa, incl. training and development opportunities.	Achieved	<p>Regular staff waiata practice held to bolster tikanga confidence and participation.</p> <p>Staff-initiated fellowship group for tāngata whenua, supported by management.</p> <p>Katarina Gray-Sharp started as “Amorangi” in May, providing cultural advice regarding tikanga, and supporting Te Manawa in the development of its strategic objectives in this area.</p> <p>Te Papa facilitated “Tikanga in Museums” full-day workshop for all staff</p>
Implement two new Rangitāne Mātauranga Māori Learning Programmes.	Achieved	Two new Mātauranga Māori programmes are being delivered as in section one.
Collaborate with founding societies on two new initiatives to grow support for Te Manawa and generate donations.	Achieved	<p>Discussions with Te Manawa Art Society to develop Manawatū Art Review partnership: a community arts engagement exercise and opportunity to develop stronger relationships with local artists and businesses for funding.</p> <p>Te Manawa Museum Society is shoulder-tapping members and historians to research items in and for the collection relating to childhood (toys, games etc) in the Manawatū. They are writing and initiating articles for publication while providing input into the development of a related exhibition.</p>

		Science Centre Inc is enthusiastic to provide support, as well as contacts and potential funding opportunities for work on a new Science Centre, and is supporting the delivery of Science programmes and demonstrations.
Strengthen the relationship with the New Zealand Rugby Museum through a collaborative project or partnership.	Achieved	Te Manawa acquired the Peter Bush Archive and will document and provide access to the collection in partnership with the Rugby Museum.
Collaborate with NZRM on a joint national marketing campaign.	Achieved / ongoing	The Peter Bush Archive and the launch campaign featuring prominent rugby imagery have provided a common starting point for joint promotions and messaging.
Grow philanthropic and sponsorship contributions to grow external revenue against strategic targets.	Achieved	External revenue targets have been exceeded.
Implement a fundraising programme that communicates the vitality of Museums and Galleries as essential to community identity and wellbeing.	Achieved	Our 'We Museum' campaign will form the basis of our fundraising and vitality campaign. Two videos and a dedicated webpage for recruitment have been developed and will contribute to this. A revenue strategy to support this has been developed and will be implemented.
Identify and nurture emerging artists and museum professionals to invest in the future of art and cultural expression and provide links to professional practice and advice.	Achieved	Exhibition projects with Massey University, Te Pūkenga/UCOL in the tertiary sector and MATA and Top Art in the secondary sector, enabling students to experience what it's like working with museum professionals such as curators, exhibition technicians and designers.
Continued commitment to environmental sustainability. Work closely with PNCC, as landlord, to understand plans to help the facility function in a more sustainable manner. Review systems with the aim to become digitised and reduce paper use by 30%.	Achieved	Replacement of all lighting with LED is complete. Worked with PNCC to renovate office and make it more efficient, creating dedicated, collaborative work spaces vs storage. This includes reducing our printers from

		<p>four to one and reducing our heat pumps by four.</p> <p>Paper towel recycling programme underway, paper-reduction targets set as part of workspace redevelopment.</p> <p>Te Manawa has adopted the Tourism New Zealand Tiaki Promise, inspiring and helping visitors to travel safely and conscientiously.</p> <p>Te Manawa is going paperlight/free from 1 July. The new financial system Wiise is going live in the first quarter of the new financial year.</p>
Work with PNCC towards a new, purpose-built, energy efficient and sustainable Te Manawa complex.	Achieved / ongoing	CEO is part of the steering group for the city's cultural precinct. Te Manawa will continue to be proactive about identifying opportunities and advocating for efficiency, vibrancy and cultural design considerations.
Ongoing collaboration with tertiary partners.	Achieved	Hosted an IPU intern, Hosted a Victoria University intern, Hosted the Matatau Massey University Toioho Ki Āpiti Graduate exhibition, Hosted the UCOL/Te Pūkenga Graduate exhibition.
Maintain a Gold Qualmark standard through Tourism NZ (Hospitality and sustainability).	Achieved	Te Manawa maintains its gold status.

COVID-19 Statement

Covid-19 continues to impact operations with additional pressure on maintaining base staffing levels (particularly at the front line with Visitor Hosts, Educators and Event staff).

Pandemic impacts on the economy including additional costs, availability of building materials and freight continue to affect our ability and decision-making around securing touring exhibitions. PNCC support enabled us to host *Six Extinctions* (currently open) – a replacement for a planned exhibition which was cancelled due to proximity and affordability.

Summary

The organisation continues to undergo a period of renewal. Changes are designed and implemented to respond to increased financial pressures, the ongoing pandemic and international political instability. The new management team has now spent one year in the role and has:

- **Updated the Business Plan to include a roadmap 2030 outlining future development priorities, a revenue strategy and a visitor experience strategy aligned to the organisation's trust deed, vision and values, the Te Tiriti partnership and commitments to manaakitanga and sustainability.**
- **Reviewed the staffing structure and aligned jobs as part of the completed transition to the Strategic Pay remuneration system**
- **Implemented activity-based workspaces**
- **Begun work on new Visitor Experience and Revenue strategies**
- **Increased external revenue by 54% (compared to June 2023)**
- **Adopted a roadmap for 2030 to include upgraded public spaces, semi-permanent galleries, better sustainability and new touring products as we look toward a new facility as part of the city's cultural precinct aspirations.**

We have reviewed our learning programmes following the successful application for ELC Funding (formerly LEOTC) from the Ministry of Education of \$60,000 per year for a period of three years and continue to offer these for free.

Well over 5000 items are now available to be viewed online through the Vernon catalogue. This includes the art, Pasifika and childhood toys and games collections. This has been a mammoth undertaking and the work here continues as we seek to unlock new ways to explore, search and engage with our unique and extensive collection.

**Statement of Comprehensive Revenue and Expense
For the Year Ended 30 June 2024**

	Note	Actual 2024 \$	Budget 2024 \$	Actual 2023 \$
OPERATING REVENUE				
PNCC Operating Grant	4	3,756,570	3,756,570	3,352,361
MDC Operating Grant	4	20,000	20,000	20,000
Interest Revenue	4	58,125	20,760	30,383
Other Operating Revenue	3, 4	556,600	469,490	365,896
Total Revenue	4	4,391,295	4,266,820	3,768,640
OPERATING EXPENDITURE				
Employee Expenses	5	2,572,000	2,420,806	2,197,522
Other Operating Expenses	6	1,299,918	1,448,930	1,463,093
Depreciation and Amortisation Expense	7	278,295	337,356	289,836
Loss/(Gains) on Disposal of Property, Plant and Equipment		1,086	-	(433)
Impairment of Property, Plant and Equipment		-	-	0
Total Operating Expenditure	2	4,151,299	4,207,092	3,950,018
Net Surplus/(Deficit) before Movement in Collection Assets		239,996	59,728	(181,377)
Movement in Collection Assets				
Revenue from				
Recognition of Donated Collection Assets	4	11,830	15,000	39,573
Recognition of Custodial Collection Assets	4	29,863	-	-
		41,693	15,000	39,573
less Expense from :				
Derecognition of Custodial Collection Assets		19,128	-	101,106
Derecognition of Owned Collection Assets		-	-	-
		19,128	-	101,106
Total Net Movement in Collection Assets		22,565	15,000	(61,533)
TOTAL REVENUE		4,432,987	4,281,820	3,808,213
TOTAL EXPENSE		4,170,427	4,207,092	4,051,124
Net surplus/(deficit) for the period		262,561	74,728	(242,910)
Other Comprehensive Revenue and Expense				
Revaluation of Owned Heritage Collection Assets		-	-	-
Revaluation of Custodial Heritage Collection Assets		-	-	-
Revaluation of Owned Art Collection Assets		-	-	354,450
Revaluation of Custodial Art Collection Assets		-	-	345,149
Other Comprehensive Revenue and Expense for the Period	19	-	-	699,599
Total Comprehensive Revenue and Expense for the Period		262,561	74,728	456,689

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

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 2024

	Note	Actual 2024 \$	Budget 2024 \$	Actual 2023 \$
Equity as at 1 July		21,095,633	18,272,838	20,638,945
Comprehensive Revenue and Expense				
Net Surplus / (Deficit) for the Period		262,561	74,728	(242,911)
Other Comprehensive Revenue and Expense		-	-	699,599
Total Comprehensive Revenue and Expense		<u>262,561</u>	<u>74,728</u>	<u>456,688</u>
Equity as at 30 June	8	<u>21,358,194</u>	<u>18,347,566</u>	<u>21,095,633</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 2024

		Actual 2024 \$	Budget 2024 \$	Actual 2023 \$
Note				
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	9	439,529	514,047	265,459
Receivables from Non-Exchange Transactions	10	15,647	4,000	10,514
Receivables from Exchange Transactions	11	430	15,000	19,743
Prepayments		28,749	25,000	69,546
Short Term Deposit	12	814,712	330,422	685,364
Inventories	13	19,504	28,000	26,153
<i>Total Current Assets</i>		<u>1,318,571</u>	<u>916,470</u>	<u>1,076,779</u>
NON CURRENT ASSETS				
Intangible Assets	17	2,826	3,816	6,953
Property, Plant and Equipment	18	1,047,301	1,087,273	768,894
Collection Assets	19	20,017,900	17,168,730	19,976,638
<i>Total Non-Current Assets</i>		<u>21,068,027</u>	<u>18,259,820</u>	<u>20,752,485</u>
TOTAL ASSETS		<u>22,386,598</u>	<u>19,176,290</u>	<u>21,829,264</u>
LIABILITIES				
CURRENT LIABILITIES				
Payables under Exchange Transactions	14	425,817	449,614	335,076
Deferred Non -Exchange Revenue	15	239,888	30,000	125,124
Provisions		-	-	-
Employee Benefit Liabilities	16	362,699	345,800	273,431
<i>Total Current Liabilities</i>		<u>1,028,404</u>	<u>825,414</u>	<u>733,631</u>
NON CURRENT LIABILITIES				
Employee Benefit Liabilities	16	-	3,310	-
<i>Total Non-Current Liabilities</i>		<u>-</u>	<u>3,310</u>	<u>-</u>
TOTAL LIABILITIES		<u>1,028,404</u>	<u>828,724</u>	<u>733,631</u>
NET ASSETS		<u>21,358,194</u>	<u>18,347,566</u>	<u>21,095,633</u>
TRUST EQUITY				
Contributed Capital		145,565	145,565	145,565
Retained Earnings		10,310,706	10,396,455	10,279,936
Asset Revaluation Reserves		10,224,689	7,327,447	10,224,688
Specific Reserves		666,363	467,225	434,572
Endowment Funds		10,873	10,874	10,873
TOTAL TRUST EQUITY	8	<u>21,358,194</u>	<u>18,347,566</u>	<u>21,095,633</u>

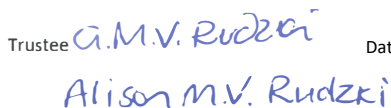
The breakdown of Equity in the budget column of the Balance Sheet varies from the breakdown in the Statement of Intent of Intent in that Contributed Capital and Retained Earnings as shown in Balance Sheet correspond to the Trust Equity and Retained Surplus current year set out in the forecast financial statements submitted with the Statement of Intent.

Trustee



Geoffrey B. Janeson

Trustee



Alison M.V. Rudzki

Date: 30 April 2025

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 2024

	Actual	Budget	Actual
	2024	2024	2023
Note	\$	\$	\$
Cash flows from operating activities			
PNCC grant	3,756,570	3,756,570	3,352,361
Interest received	52,992	20,760	22,837
Receipts from other revenue	710,677	489,490	344,894
Payments to suppliers	(1,163,181)	(1,448,930)	(1,471,529)
Payments to employees	(2,482,731)	(2,420,806)	(2,174,200)
Interest paid	-	-	-
Goods and services tax (net)	1,449	(58,000)	(8,064)
Net cash inflow/(outflow) from operating activities	875,776	339,084	66,299
Cash flows from investing activities			
Proceeds from Investments	685,364	(485,000)	671,317
Donation for Endowment Fund	0	-	-
Proceeds from sale of assets	2,436	-	695
Purchase of intangibles assets	0	0	(4,200)
Purchase of property, plant and equipment	(555,011)	(345,000)	(161,843)
Purchase of collection assets	(19,783)	(60,000)	(75,445)
Purchase of Investments	(814,712)	0	(685,364)
Net cash inflow/(outflow) from investing activities	(701,706)	(890,000)	(254,840)
Cash flows from financing activities			
Proceeds from borrowing	-	-	-
Repayment of borrowings	-	-	-
Net cash inflow/(outflow) from financing activities	-	-	-
Effect of foreign exchange rates on cash	-	-	-
Net (decrease)/increase in cash and cash equivalents	174,070	(550,916)	(188,541)
Cash and cash equivalents at the beginning of the year	265,459	1,064,963	454,000
Cash and cash equivalents at the end of the year	439,529	514,047	265,459

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 2024

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 2024 and were approved by the Board of Trustees on 12 August 2024

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 Trust is a Tier 2 entity and the financial statements have been prepared in accordance with and comply with PBE Standards RDR. The Trust is eligible and has elected to apply PBE Standards RDR because its expenses are less than \$30 million and it does not have public accountability as defined by XRB A1 Application of the Accounting Standards Framework.

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 and not early adopted

There are no Standards and amendments that have been issued but are not yet effective and that have not been early adopted and that are relevant to the Trust:

New or amended standards adopted

2022 Omnibus Amendments to PBE Standards, Issued June 2022

The 2022 Omnibus Amendments issued by the External Reporting Board (XRB) include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards, effective for reporting periods starting 1 January 2023. The Trust has adopted the revised PBE standards, and the adoption did not result in any significant impact on the Trust's financial statements.

Other changes in Accounting Policies

There have been no other changes in accounting policies applied by the Trust.

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

Short term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Trust applies the simplified ECL model of recognising lifetime ECLs for short-term receivables. In measuring ECLs, short-term receivables have been assessed on a collective basis because they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision is then made based on historical credit issues, and adjusted for any expected forward factors specific to individual debtors. Short-term receivables are written off when there are no expectations of recovery such as the debtor being in liquidation or the receivable being more than six months overdue.

Other Financial Assets

Other financial assets are initially recognised at fair value. They are then classified as , and subsequently measured under, the following categories:

- amortised cost:
- fair value through other comprehensive revenue and expense (FVTOCRE): and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated at FVTSD, in which case it is recognised as surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Trust's policy for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal outstanding and is held where the Trust's objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held where the Trust's objective is to collect the contractual cash flows and sell the financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method., less any expected credit losses (ECL).

Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits.

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.

Any net proceeds earned while bringing an asset into use and relevant costs are recognised in surplus or deficit rather than being deducted from the asset cost recognised.

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	3 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 and Heritage Collections assets are revalued to fair value as determined from market -based evidence by an independent valuer. The collections are valued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value, and at least every three years for Art Collection Assets and at least every five years for Heritage Collection assets.

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	

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

Short-term creditors and other payables are measured at the amount payable.

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 the 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 2024.

e Manawa Museums Trust
Notes to the Financial Statements
for the Year Ended 30 June 2024

Summary of Operating Expenses by Activity	Actual 2024 \$	Actual 2023 \$
Corporate		
Employees' Costs	685,384	696,523
Other Operating Costs:		
- Facilities	324,507	306,806
- Corporate Services & Executive	330,760	498,044
	1,340,651	1,501,373
Collections and Curatorial		
Employees' Costs	500,081	254,137
Collection Operating Costs	142,815	119,397
	642,896	373,534
Exhibitions		
Employees' Costs	414,706	300,819
Exhibitions Operating Costs	285,488	274,535
	700,194	575,354
Education and Outreach		
Employees' Costs	334,084	354,664
- Education	8,189	56,455
- Public Programmes and Events	12,974	24,215
	355,247	435,334
Visitor Experience		
Employees' Costs	393,500	374,515
- Visitor Hosting and Shop	65,743	52,447
- Volunteers	0	0
	459,243	426,962
Marketing and Events		
Employees' Costs	244,244	216,864
Other Operating Costs	131,617	131,144
	375,861	348,008
Depreciation/Amortisation	278,295	289,836
Loss (Gain) on Disposals of Fixed Assets	1,086	-433
Impairment of Fixed Assets	0	50
Total Operating Expenditure	4,151,299	3,950,018

Other Operating Revenue	Actual 2024 \$	Actual 2023 \$
<i>from Exchange Transactions</i>		
Merchandise / Shop	88,512	72,733
Venue Hire	11,402	6,797
Sundry Income Public Programmes Events and Activities	12,167	12,485
Other	42,724	
<i>Other Operating Revenue (from Exchange Transactions)</i>	154,804	92,015
<i>from Non-Exchange Transactions)</i>		
Community Grants	257,558	115,911
Donations - General	25,588	22,839
Education Programme Fees	11,460	10,973
Sponsorship	46,420	30,701
Hire of Education Kits	656	696
Ministry of Education LEOTC	60,114	60,114
<i>Other Operating Revenue (from Non-Exchange Transactions)</i>	401,796	241,235
Total Other Operating Revenue	556,600	333,249

Revenue Classification in accordance with PBE IPSAS:	Actual		
	2024		
	Non-Exchange Transactions	Exchange Transactions	Total Revenue as per Statement of Comprehensive Revenue and Expense
	\$	\$	\$
Revenue from:			
Palmerston North City Council Operating Grant	3,756,570	-	3,756,570
Manawatu District Council Operating Grant	20,000	-	20,000
Interest Revenue	-	58,125	58,125
Other Operating Revenue (<i>refer Note 3 above</i>)	401,796	154,804	556,600
Subtotal Operating Revenue	4,178,366	212,929	4,391,295
Revenue from Donated/Custodial Collection Assets			
Recognition of Donated Collection Assets	11,830	-	11,830
Recognition of Custodial Collection Assets	29,863	-	29,863
Total Revenue classified as Revenue from:	4,220,058	212,929	4,432,987

	Actual		
	2023		
	Non-Exchange Transactions	Exchange Transactions	Total Revenue as per Statement of Comprehensive Revenue and Expense
	\$	\$	\$
Revenue from:			
Palmerston North City Council Operating Grant	3,352,361	0	3,352,361
Manawatu District Council Operating Grant	20,000	0	20,000
Interest Revenue	-	30,383	30,383
Other Operating Revenue (<i>refer Note 3 above</i>)	241,235	124,662	365,896
Subtotal Operating Revenue	3,613,596	155,045	3,768,640
Revenue from Donated/Custodial Collection Assets			
Recognition of Donated Collection Assets	28,474	0	28,474
Recognition of Custodial Collection Assets	11,099		11,099
Total Revenue classified as Revenue from:	3,653,168	155,045	3,808,213

	Actual 2024 \$	Actual 2023 \$
Employee Expenses		
Salaries and Wages	2,472,260	2,127,493
Employer Contributions to Kiwisaver	67,031	58,305
Employee Entitlements Increase / (Decrease)	32,709	11,724
Total Employee Expenses	2,572,000	2,197,522

	Actual 2024 \$	Actual 2023 \$
Other Operating Expenses		
Fees to Audit New Zealand for audit of financial statements	69,558	55,700
ACC	5,885	5,243
Advertising & Promotion	114,263	98,337
Bad Debts	-	53,747
Collection Valuation Fees	2,150	22,650
Computer & IT Support	60,014	57,866
Communication/Social Media	5,957	7,564
Contractors	219,180	410,479
Cost of Sales - Merchandise	53,906	43,664
Freight	18,059	52,160
Foreign Exchange Loss	-	2,988
Hire fees - Exhibitions	66,022	27,768
Insurance - Material Damage	22,782	20,886
Insurance - Collections	32,523	32,679
Inventory Write Down	4,966	2,841
Legal Fees	1,401	623
Materials/Consumables	72,017	61,755
Occupancy Costs	216,794	192,474
Repairs & Maintenance	28,652	48,465
Subscriptions	14,047	14,430
Training & Travel	30,585	32,129
Trust Board Remuneration	24,616	22,378
Trust Board Expenses	2,597	4,636
Operating Leases	47,912	55,738
Other Operating Expenses	186,031	135,893
Total Other Operating Expenses	1,299,918	1,463,093

	Actual 2024 \$	Actual 2023 \$
Depreciation and Amortisation		
Depreciation expense	274,781	284,441
Amortisation expense	3,514	5,395
Total Depreciation and Amortisation	278,295	289,836

	2024 \$	2023 \$
8 Equity		
Contributed Capital		
Balance at Beginning of Year	145,565	145,565
Capital Contribution	-	-
Balance at End of Year	145,565	145,565
Retained Earnings		
Balance at Beginning of Year	10,279,936	10,555,917
Net Surplus/(Deficit) for the year	262,561	(242,910)
Transfers to Retained Earnings from:		
Exhibition Development Reserve	-	-
Collection Development Fund	-	-
Transfers from Retained Earnings to:		
Endowment Fund	-	-
Collection Development Fund	-	(208)
Exhibition Development Reserve	(231,790)	(32,863)
Balance at End of Year	10,310,706	10,279,936
Asset Revaluation Reserves		
Revaluation Reserve - Heritage Collection		
Balance at Beginning of Year	143,180	143,180
Revaluation Reserve on disposals	-	-
Revaluation of Collection Assets	-	-
Balance at End of Year	143,180	143,180
Revaluation Reserve - Art Collection		
Balance at Beginning of Year	10,081,508	9,381,909
Revaluation Reserve on disposals	-	-
Revaluation of Collection Assets	-	699,599
Balance at End of Year	10,081,508	10,081,508
Total Asset Revaluation Reserves	10,224,688	10,224,688
Collection Development Fund		
Balance at Beginning of Year	14,229	14,021
Transfer from Retained Earnings	-	208
Transfer to Retained Earnings	-	-
Balance at End of Year	14,229	14,229
Historic Building Maintenance Reserve		
Balance at Beginning of Year	22,082	22,082
Endowment for maintenance of historic house	-	-
Balance at End of Year	22,082	22,082
Exhibition Development Reserve		
Balance at Beginning of Year	398,261	365,398
Transfer from Retained Earnings	231,790	32,863
Transfer to Retained Earnings	-	-
Balance at End of Year	630,051	-
Total Specific Reserves	666,363	434,572
Endowment Fund		
Balance at Beginning of Year	10,873	10,873
Transfer from Retained Earnings	-	-
Balance at End of Year	10,873	10,873
Total Equity	21,358,194	21,095,633

The breakdown of Equity in the budget column of the Balance Sheet varies from the breakdown in the Statement of Intent of Intent in that Contributed Capital and Retained Earnings as shown in Balance Sheet correspond to the Trust Equity and Retained Surplus current year set out in the forecast financial statements submitted with the Statement of Intent.

	2024 \$	2023 \$
9 Cash and Cash Equivalents		
Cash at bank and on hand	293,549	125,469
Short Term Investment with maturity of three months or less	145,980	139,991
Total Cash and Cash Equivalents	439,529	265,459

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 3.16% (2023: 3.38%)
There are no restrictions over any cash and cash equivalents held by the Trust.

	2024	2023
10 Receivables from Non-Exchange Transactions	\$	\$
Non - Exchange Receivables	-	-
Related Party Receivables	-	-
Provision for Doubtful Debts	-	-
Interest Receivable	15,647	10,514
Total Receivables from Non-Exchange Transactions	15,647	10,514

	2024	2023
11 Receivables from Exchange Transactions	\$	\$
Trade Receivables	430	19,743
Receivables from Exchange Transactions	430	19,743

Fair Value

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

Impairment

Receivables written off during the period amounted to \$nil (2023:\$53,747)

	2024	2023
12 Short Term Investments	\$	\$
Term deposit with maturity less than 12 months	814,712	685,364
	814,712	685,364

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

The term deposits have between a four to six month maturity with interest rate from 4.30% to 6.10% (2023: 4.0% to 4.7%)

	2024	2023
13 Inventories	\$	\$
Commercial Inventories – Items held for resale	19,504	26,153
Total Inventories	19,504	26,153

Inventory was written down during the period by \$4,825 (2023: \$2,083).

There were no reversals of previously written down inventory items (2023 :Nil).

There are no items of inventory pledged as security.

	2024	2023
14 Payables under Exchange Transactions	\$	\$
Trade Creditors	262,814	177,363
Related Party Payables (Note 22)	51,946	24,200
Accrued Expenses	70,193	103,537
GST Payable	40,864	28,553
Other Payables	-	1,423
Total Payables under Exchange Transactions	425,817	335,076

As at 30 June 2024, there is a credit card facility in place with Westpac for a limit of \$10,000 (2023: 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.

	2024	2023
15 Deferred Non -Exchange Revenue		
Revenue Received in Advance	239,888	125,124
Total Deferred Non -Exchange Revenue	239,888	125,124

	2024	2023
16 Employee Benefit Liabilities		
Current Portion	\$	\$
Accrued Salaries and Wages	143,652	80,621
Annual Leave	195,895	170,573
Long Service Leave	23,152	22,237
Total Current Portion of Employee Benefit Liabilities	362,700	273,431
Non-Current Portion		
Long Service Leave	-	-
Total Employee Benefit Liabilities	362,700	273,431

17 Intangible Assets

	Website \$	Software \$	Work in Progress \$	Total \$
Cost				
At 1 July 2022	10,000	84,334	-	94,334
Additions - Purchased	-	4,200	-	4,200
At 30 June 2023	10,000	88,534	-	98,534
Additions - Purchased	-	-	-	-
Disposals/Work in Progress transferred to	-	(8,310)	-	(8,310)
At 30 June 2024	10,000	80,224	-	90,224
less Accumulated Amortisation and Impairment Losses				
At 1 July 2022	10,000	76,186	-	86,186

Amortisation Expense	-	5,395	-	5,395
Impairment	-	-	-	-
Accumulated Amortisation on Disposals	-	-	-	0
At 30 June 2023	10,000	81,581	-	91,581
Amortisation Expense	-	3,514	-	3,514
Impairment	-	-	-	-
Accumulated Amortisation on Disposals	-	-7,697	-	7,697
At 30 June 2024	10,000	77,398	-	87,398
Carrying Amounts				
As at 30 June 2023 and 1 July 2023	-	0	6,953	6,953
As at 30 June 2024	-	2,826	-	2,826

There is no work in progress at balance date (2023: \$nil)

There are no intangible assets pledged as security over the Trust's liabilities (2023: \$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 2022	162,014	2,034,968	509,565	404,830	20,783	1,131,741	42,100	4,306,001
Additions	36,674	9,223	18,132	926	-	62,938	76,050	203,943
Disposals/Work in Progress transferred to	(11,791)	(16,890)	-	-	-	(2,871)	(42,100)	(73,652)
At June 2023	186,897	2,027,301	527,697	405,756	20,783	1,191,808	76,050	4,436,292
Additions	27,668	96,988	48,105	32,341	-	353,153	354,015	912,270
Disposals/Work in Progress transferred to	(15,023)	(12,426)	(5,331)	-	-	(3,683)	(357,259)	(393,722)
At 30 June 2024	199,542	2,111,863	570,471	438,097	20,783	1,541,278	72,806	4,954,840
less Accumulated Depreciation and Impairment Losses								
At 1 July 2022	116,520	1,786,159	435,657	365,953	20,783	689,176	-	3,414,248
Depreciation Charge for the year	31,341	84,874	17,450	9,735	0	141,042	-	284,441
Impairment	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
less Accumulated depreciation on disposals	(11,791)	(16,890)	-	-	-	(2,610)	-	(31,291)
At 30 June 2023	136,070	1,854,143	453,107	375,688	20,783	827,608	-	3,667,398
Depreciation Charge for the year	29,511	86,188	20,652	11,590	-	126,841	-	274,782
Impairment	-	-	-	-	-	-	-	-
Accumulated depreciation on disposals	(14,455)	(10,778)	(5,599)	-	-	(3,809)	-	(34,641)
At 30 June 2024	151,126	1,929,554	468,160	387,278	20,783	950,640	-	3,907,539
Carrying Amounts								
As at 30 June 2023 and 1 July 2023	50,827	173,158	74,590	30,068	0	364,200	76,050	768,894
As at 30 June 2024	48,416	182,309	102,311	50,819	-	590,639	72,806	1,047,301

No items of Property, Plant and Equipment are pledged as security as at 30 June 2024 (2023: \$nil).

19 Collection Assets

30 June 2024	Opening Balance 1 July 2023	Acquisitions	Donated/Custodia Collection Assets	Revaluations	Deaccessions	Closing 30 June 2024
Art						
Owned	6,488,752	19,783	-	-	-	6,508,535
Custodial	9,579,970	-	29,863	-	-	9,609,833
Total Art	16,068,722	19,783	29,863	-	-	16,118,368
Heritage						
Owned	2,813,855	-	10,744	-	(1,110)	2,823,489
Custodial	1,094,061	-	-	-	(18,018)	1,076,043
Total Heritage	3,907,916	-	10,744	-	(19,128)	3,899,532
Total Collection Assets	19,976,638	19,783	40,607	-	(19,128)	20,017,900
Owned Collection Assets	-	-	-	-	-	9,332,024
Custodial Collection Assets	-	-	-	-	-	10,685,876
Total Collection Assets 30 June 2024	-	-	-	-	-	20,017,900
30 June 2023						
30 June 2023	Opening Balance 1 July 2022	Acquisitions	Donated	Revaluations	Deaccessions	Closing 30 June 2023
Art						
Owned	6,046,035	59,793	28,474	354,450	-	6,488,752
Custodial	9,219,169	15,652	-	345,149	-	9,579,970
Total Art	15,265,204	75,445	28,474	699,599	-	16,068,722
Heritage						
Owned	2,803,062	-	11,099	-	(306)	2,813,855
Custodial	1,194,861	-	-	-	(100,800)	1,094,061
Total Heritage	3,997,923	-	11,099	-	(101,106)	3,907,916
Total Collection Assets 30 June 2023	19,263,127	75,445	39,573	699,599	(101,106)	19,976,638
Owned Collection Assets	-	-	-	-	-	9,302,607
Custodial Collection Assets	-	-	-	-	-	10,674,031
Total Collection Assets 2024	-	-	-	-	-	19,976,638

Valuation**Heritage Collection**

The owned and custodial heritage collections were independently valued in May 2020 at \$2,740,094 for the owned heritage collection, and \$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. A fair value assessment of the collection was carried out by Aon New Zealand at 30 June 2024 and it was not deemed necessary to revise the current book value.

Art Collection

Because the New Zealand art market has been buoyant over the last few years a re-valuation was carried out at 30 June 2023. The collection was valued by Art+ Object based on fair value at the date of revaluation, by reference to price in an active market and comparison by the valuer to the value of similar items held in other institutions, as well as comparison with recent auction sales both nationally and internationally. A fair value assessment was conducted at 30 June 2024 and it was not deemed necessary to revise the current book value.

No Collection assets are pledged as security as at 30 June 2024 (2023: \$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:

	2024	2023
	\$	\$
Within 1 year	56,087	56,087
Within 1 – 2 years	3,544	56,087
Within 2 – 5 years	7,089	10,631
	<u>66,720</u>	<u>122,805</u>

	2024	2023
	\$	\$
Capital Commitments		
Capital expenditure contracted for at balance date but not yet incurred for property, plant and equipment:	32,000	-

The Trust has a commitment with Thyme Technologies for the installation of software amounting to \$32,000

21 Contingencies

The Trust Board has no contingent liabilities at 30 June 2024. (2023: \$nil).

Related Party Transactions**22 Controlling Entity**

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

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.

Transactions carried out with PNCC are as follows:	2024	2023
Received from PNCC	\$	\$
Operating Grant	3,756,570	3,352,361
Contribution to Art auction Operating expenses		
Items for Japanese Exhibition		
Venue Hire	-	522
Other	-	19,644
Purchased from PNCC		
Water Rates	3,068	2,615
Rental Vehicles	25,646	24,293
Hosting of Vernon Systems	5,000	5,000
Computer Support	21,000	21,000
Internet Usage	3,000	3,000
Telephone Support	22,266	31,800
Assets Purchased	15,156	32,568
Other Services	1,484	757

Electricity and gas	175,372	148,545
Owing to PNCC at 30 June 2024	37,474	24,200
Owing from PNCC at 30 June 2023	-	-

Te Manawa provided free venue hire to PNCC Library and Community services with a market value of nil (2023:nil)

Disclosure of arms length transactions

PBE IPSAS 20 only requires disclosure for transactions that are not at arms length. Te Manawa has made extra disclosures for the sake of transparency.

Water rates are paid at market rates and are disclosed for transparency purposes.

SLA Agreement for provision of IT services

While Te Manawa pays for this service (29k p/a), Te Manawa cannot establish that it was paid at arms length given that the service was provided due to the parent/ CCO relationship, e.g. Te Manawa did not go out to the market to tender for the service.

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 members of the Management Team

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

Members of the Management 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:

	2024		2023	
	Remuneration	Number of persons	Remuneration	Number of Persons
Trustees	24,616	9	22,378	7*
Management Team	702,462	5.7	563,829	5.5
Total Key Management Personnel Compensation	727,078		586,207	

* Due to the difficulty in determining the full-time equivalent for Trustees, the figure is taken as the number of Trustees. As a result of the rotation of Trustees during the year there were 11 trustees included in the payment of \$24,616 but only 9 Trustees remained on the Board at year end.

(iii) Other Related Parties

Related Parties	Goods/Services provided	Market Value of Goods Services
Palmerston North City Council	Free Venue Use	\$2,808(2022/23: \$2,648)
Earle Creativity Trust- CE S Shadbolt is a Trustee	Free Venue Use	\$426(2022/23: \$nil)
The Science Centre Inc. (Geoffrey Jameson - Trustee of Te Manawa Museums Trust and member of The Council of Science Centre Inc.)	Free Venue Use	\$414(\$2022/23 \$414)
Team Architect's Principal Darren Shadbolt, husband of the CEO	In kind Consultancy Services	\$5,050(2022/23 \$32,200)

23 Events After The Balance Sheet Date

There were no significant events after the balance sheet date.(2023:nil)

24 Categories of Financial Assets and Liabilities

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

	2024	2023
<i>Amortised Cost</i>	\$	\$
Cash and Cash Equivalents (Note 9)	439,529	265,459
Debtors and Other Receivables (Note 10 & 11)	16,077	30,257
Short term deposits (Note 12)	814,712	685,364
Total Amortised Cost (2022:Loans and	1,270,318	981,080

Financial Liabilities Measured at Amortised**Cost:**

Creditors and Other Payables (<i>Note 14</i>)	425,817	335,076
Total Financial Liabilities Measured at Amortised Costs	425,817	335,076

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 which at balance date were nil (30 June 2023: \$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 2024 were AA- from Standard & Poor's (2023: 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 Funding from Community Organisations

Te Manawa is grateful to the following organisations which have contributed with funding for various projects:

	2024	2023
	\$	\$
Grantor/Donor		
UCOL	13,043	13,000
Yorb	5,000	5,000
Lotteries	40,812	79,255
Lion Foundation	40,000	0
Acland Foundation	13,043	0
Eastern and Central Community Trust	0	5,000

26 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 prudently manage its revenues, expenses, assets, liabilities, investments, and general financial dealings.

The Trust's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and all financial dealings.

There were no externally imposed capital requirements during the period (2023: \$nil).

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

27 Explanation of Major Variances Against Budget

Explanations for major variations from the Trust's budgeted figures in the 30 June 2024 Statement of Intent are as follows:

Statement of Comprehensive Revenue and Expenses

Revenue

Other Operating Revenue is \$556,600 which is \$87,110 above budget of \$469,490.

As well as Community grants as listed, significant sponsorship was obtained for The Paul Dibble and Brian Elliot exhibitions.

Expenses

Payroll exceeded budget by \$151,194 as the result of fixed term staff being engaged to commence archiving the Peter Bush collection as well resulting from the implementation of Strategic Pay.

Other Operating Expenses were \$149,012 below budget as the result of delays on planned projects such as the refurbishment of Sunlight and the development of a Science Centre.

\$90,000 of operating expenditure was repurposed to increase capital expenditure on those projects.

Recognition / (Derecognition) of Collection Assets

Some taxidermed birds were deaccessioned.

Statement of Changes in Net Assets/Equity

\$200,000 of the operating surplus of \$262,746 transferred to Exhibition Development Fund to finance continuing development of the aforementioned projects.

Statement of Financial Position

The budgets for the Statement of Financial Position for receivables and payables are set on base numbers.

The actual balance can be highly variable depending on the content and timing of scheduled activities.

The most significant movements for cash and cash equivalents are:

Cash and Cash Equivalents from operating activities are \$536,692 more than what was budgeted for. This is due to a combination of higher than budgeted receipts from other revenue which is \$221,187 above budget, and payments to suppliers \$285,749 being lower than budget. Receipts from other revenue was primarily higher than budgeted due to Te Manawa Museums Trust receiving more in grants than predicted. The most significant of which being a grant of \$215,871 from New Zealand Lotteries. A portion of the receipts from other revenue also sits in Revenue Received in advance. Payment to suppliers were lower due to the number of contractors being reduced which led to a reduction in payments to suppliers by \$185,338. Some of this amount was shifted to employee expenses.

The budget assumed a \$1,064,963 opening cash position but the actual was only \$265,459. Outflow from investing activities were lower than the budgeted outflow by \$188,294. This was primarily due to \$90,000 being transferred from operating expenses to capital (this was not reflected in the budget) and a \$100,000 grant was received for cases that was not budgeted for.

Further, the purchase of investments was \$355,652 lower than budgeted. Some Cash and Cash Equivalents were inadvertently included with Purchase of Investments. A term deposit was also broken with \$55,000 being cashed out.

The most significant movements for short-term deposits are:

Short-term deposits were \$484,290 higher than budget primarily due to the requirements of a grant. The Trust had applied for a grant which stated that the Trust must self-fund and complete the project in order for the grant to be awarded. This resulted in the Trust effectively being reimbursed and, thus, the grant, once received, was placed into a short-term deposit as the spend had already occurred.

The fixed assets budget was overspent when compared to actuals in FY23/24 primarily due to the Trust receiving an additional grant. This grant, totaling \$150,659, was given to the Trust by Central Energy Trust and enabled replacement lighting to be installed in Te Rangi Whenua.

The opening plant, property, and equipment budget, when compared to the previous year's closing amount, has a variance of \$310,735. This was an oversight by the Trust and its occurrence may have been negatively contributed to by timing issues between the previous audit being completed and a new budget for FY23/24 being finalised.

The Collection Assets' opening balance was \$2,807,908 lower than the actual closing in FY23/24. Only \$19,783 was spent on new acquisitions for the art collection from a budget of \$60,000.

Deferred revenue was \$209,888 higher than budget. This was due to \$175,058 not yet being spent from New Zealand Lotteries as the Trust opted to split the spending across two financial years (23/24 and 24/25) due to the spending not being required to be complete until January 2025.

Statement of Cash Flows

The variances in the Statement of Cash Flow are a direct result of the items mentioned above.

28 Breach of Statutory Deadline Reporting

The Trust was required, under section 67(1)b of the Local Government Act 2002, to complete its audited financial statements and statement of service performance by 30 September 2024. This timeframe was not met due to the Trust implementing a new financial system in early September 2024 as well as staff absences in September 2024.