



RICCARTON HOUSE & BUSH
PŪTARINGAMOTU



RICCARTON BUSH TRUST ANNUAL REPORT 2019

FOR THE YEAR ENDED 30 JUNE 2019



OUR VISION

The Riccarton Bush / Pūtaringamotu, Riccarton House, Deans Cottage and the Grounds are collectively recognized as the premier natural and cultural heritage site in Christchurch / Ōtautahi and Canterbury / Waitaha

VALUE STATEMENT

Heritage conservation of The Riccarton Bush property / Pūtaringamotu is the primary consideration.

MANAGEMENT GOALS

Goal 1	Protect and enhance the indigenous flora and fauna of The Riccarton Bush/ Pūtaringamotu indigenous forest, including mahinga kai and taonga species.
Goal 2	Protect and conserve Riccarton House and Deans Cottage and their Grounds.
Goal 3	Promote the natural and cultural heritage values of the Riccarton Bush property / Pūtaringamotu.
Goal 4	Increase visitation to The Riccarton Bush/ Pūtaringamotu, Riccarton House, Deans Cottage and their Grounds.

RICCARTON BUSH TRUST

ANNUAL REPORT 2019

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REPORT FROM THE CHAIRMAN AND MANAGER

This has been a year when the long-term planning has come to fruition. The front entrance to the House was becoming shabby and shingle was tracking into the House, it was dusty in the summer and puddled in the winter. The resurfacing of the driveway from the wooden gate and the House frontage, has now been completed using a product called Aggrok – the same surface that is present throughout the City walkways. Although we had some initial teething problems the surface has settled down and looks good. The pavers adjacent to the rose garden had lifted and were uneven and we took the opportunity to upgrade this area as well as extending the garden in front of the fine dining room. The result is spectacular and it is at its best in late spring and early summer.

As a result of last year's decision not to proceed with additional carparking the area on the north side of the driveway has been planted out with rhododendrons, camelias and azaleas. These shrubs, together with the spring bulbs, will be a burst of colour and will really enhance what was a scruffy area.

Financially the Trust is in good health, primarily thanks to the continued support of the Christchurch City Council and the increasing income from the operations. Visitor numbers are steadily increasing and income from Local at Riccarton House and the market is also increasing. Prudent financial management ensures the Trust does not live beyond its means.

Board Chair Bob Shearing again takes this opportunity to thank Manager Shona Willis, the Ranger Gavin Ruckledge

“Wow, to find this in the heart of Christchurch was such a surprise. And even more, to find the authentic experience of one of the first homes on the Canterbury Plains. Well it was actually mind blowing. Not just the main house, but the smaller house beside which tells the story of the earliest settlers.”

and all other staff at Riccarton House and Bush for their time and commitment in maintaining the House, Bush and Grounds. Mr Shearing also thanks his fellow Board members for their help and support throughout the year with particular thanks to Working Party Chairs for being prepared to offer their specialist knowledge.

The House and Promotions Working Party welcomes Jenny May who joined the group through the year and thanks her for her commitment to Riccarton House.



Bob Shearing
Chairman



Shona Willis
Manager

THE YEAR IN REVIEW

The Riccarton Trust Board's 2018/19 Statement of Intent set eight performance targets.

- 1 Stabilise / replace gravel in front of House
- 2 Refit and upgrade the downstairs toilets to bring them up to code
- 3 Ranger's replacement truck
- 4 Develop a marketing plan to increase income to Riccarton Bush Trust
- 5 Minimise the number of feral pigeons in Riccarton Bush through culling and physical barriers
- 6 Monitoring and management of rodent activity in Riccarton Bush
- 7 Update and increase the interactivity of Deans Cottage displays
- 8 Bush and Grounds interpretation – signs to be upgraded to represent relationship with Ngāi Tūāhuriri
- 9 Monitor Health and Safety practices

1. Stabilise / replace gravel to front of House

For a number of years, the gravel in front of the House had caused problems with dust and loose gravel. The Trust engaged Rough and Milne to develop a plan to improve both the hard surfaces and soft landscaping in front and at the eastern and western ends of the House. After minor amendments the plan was approved, and the tender let. Isaac's Construction won the tender and work commenced in late August. Both Rough and Milne and Isaacs were part of the cycleway installation so knew the site very well. The work included paving adjacent to, and extending, the rose garden; levelling the driveway and laying Aggrok; and extending the garden in front of the Fine Dining Room was completed in early October. After some initial teething problems, the resurfacing has proven successful and is a vast improvement on what was there.

2. Refit and upgrade the downstairs toilets to bring them up to code

The ground floor toilets were built as an extension to the House in the 1980s and although repaired after the earthquake did not fully comply with the building code. Sheppard and Rout were selected to design and manage the project. Fundraising for the toilets was a lot harder than expected but our sincere thanks go to The Christchurch City Council, Rata Foundation and The

Southern Trust for their contribution. The actual work did not commence until 15 July 2019 and is scheduled to be completed in early September.

3. Ranger's replacement truck

The very worn Toyota 1993 Toyoace was beyond its use by date and was replaced in November 2018 with a Great Wall. The Truck has the Trust's logo on the doors and is a great way of advertising when the Ranger is out and about.

4. Develop a marketing plan to increase income to Riccarton Bush Trust

This has been completed in conjunction with 'Local' and outcomes include bespoke tour bookings for cruise ships in the next season; an improved website with online tour bookings; upgrading of ChristchurchNZ membership and also targeted brochures.

5. Minimise the number of feral pigeons in Riccarton Bush through culling and physical barriers

Despite weekly shooting and the installation of spikes on the House, the rock pigeon numbers continue to increase. The Board decided to discontinue shooting as it was having minimal effect but continues its interest in working with other agencies to address this citywide issue.

6. Monitoring and management of rodent activity in Riccarton Bush

Tracking stations located throughout the Bush are regularly monitored and baiting only occurs if there is evidence of activity. There has been minimal activity this year.

7. Update and increase the interactivity of Deans Cottage Displays

In early 2019 customer surveys were carried out to understand visitors' perception of displays within the Cottage. This work has not yet been fully completed and will be part of the wider project of representing the relationship with Ngāi Tūāhuriri.

8. Bush and Grounds Interpretation – signs to be upgraded to represent relationship with Ngāi Tūāhuriri

A number of the signs throughout the grounds have been upgraded. All Bush signage, including Nature's Treasure Trail, are bi-lingual. The completion of this project will be part of a wider project that will include replacement of the board walk throughout the Bush.

9. Monitor Health and Safety Practices.

A Health and Safety Committee comprising Trust Staff and Restaurant staff report monthly to the Board. All performance measures were met.



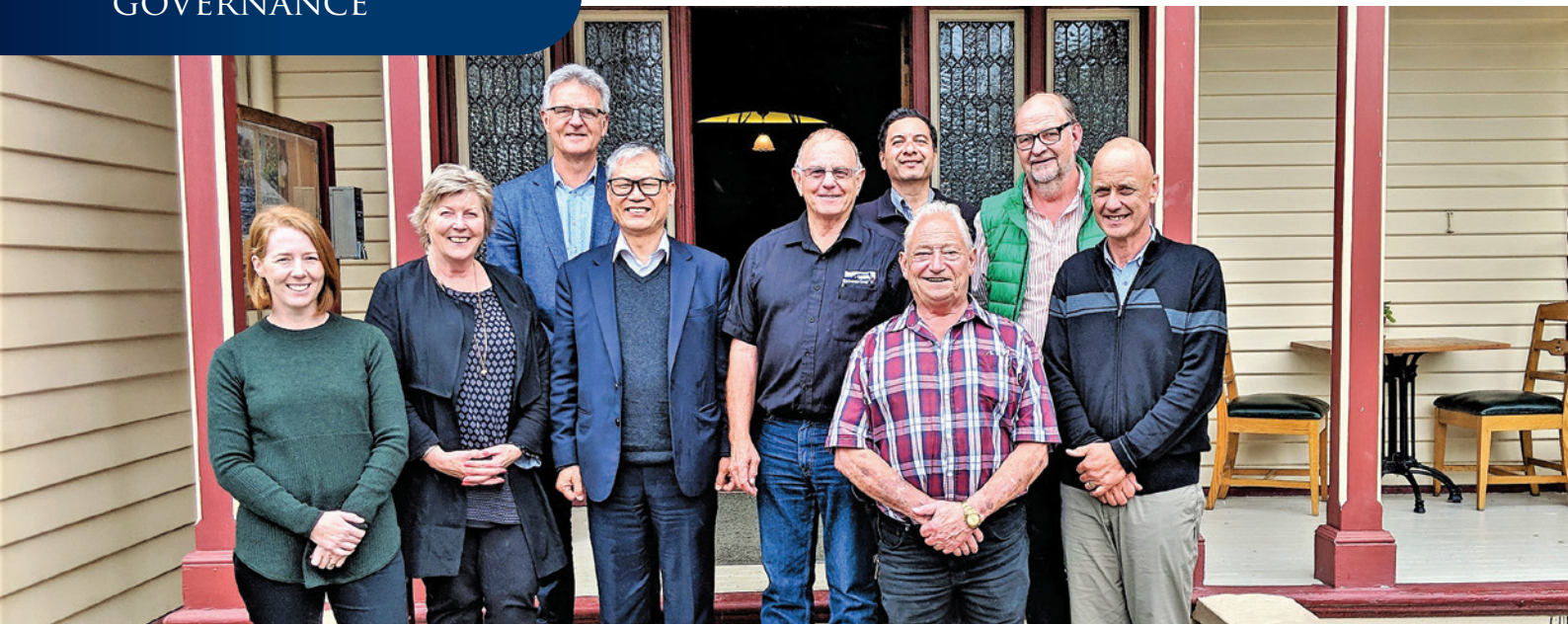
Rangers replacement truck



Replace gravel in front of House



Rose gardens



Board Constitution (as prescribed by Riccarton Bush Amendment Act 2012)

APPOINTED BY	NUMBER	TERM	CURRENT APPOINTEES
Christchurch City Council	3	3 years	Bob Lineham (reappointed June 2019) Jimmy Chen (reappointed Dec 2016) Bob Shearing (reappointed March 2018)
Christchurch City Council - Community Board Members	2	3 years	Mike Mora (reappointed Nov 2016) Shirish Paranjape (Nov 2016)
Family of John Deans II	2	5 years	Pippa Ensor (March 2017) Tim Deans (reappointed May 2018)
Royal Society of New Zealand Canterbury Branch	1	5 years	Prof. David Norton (May 2016)
Riccarton Bush Trust	1	By resolution	Current Vacancy Ongoing dialogue with Ngāi Tūāhuriri regarding Board Membership

Board Working Parties

The Board has three working parties; Finance Working Party; House and Promotions Working Party and Bush and Grounds Working Party.

All working parties have terms of reference which are renewed biennially.

The Finance Working Party comprises Bob Lineham (Chair), Jimmy Chen, Tim Deans, and Bob Shearing. The role of this Working Party is to ensure compliance with statutory reporting responsibilities; assess the adequacy of accounting, financial and operating controls and that the organisation's financial statements and reports are accurate and use fair and reasonable estimates and to assess the effectiveness of the management of business risk and reliability of management reporting.

The House and Promotions Working Party comprises Tim Deans (Chair), Bob Linehan, Shirish Paranjape, and Bob Shearing. Jenny May is also a member of the Working Party although not a member of the Board. The role of this Working Party is to take an overview of all activities related to the House; to facilitate the achievement of the management goals and to make recommendations to the Finance Working Party on both operational and project budgets.

The Bush and Grounds Working Party comprises David Norton (Chair), Pippa Ensor, Mike Mora, and Bob Shearing. Its role is to take an overview of all activities in the Bush and Grounds; to facilitate the achievement of the management goals and to make recommendations to the Finance Working Party on both operational and project budgets.



Medbury School
IMAGE: Ken Bake Photography

VISITORS TO THE GROUNDS, HOUSE & BUSH

Visitor numbers to the House continue to increase with a 15% increase on last year’s total. Nearly 50% of customers booking on our standard tours are locals. The “2 for 1” deal for Christchurch residents was again circulated to 142,000 households, is on all our marketing material as well as our website. The steady increase in numbers is also contributed to by increased social media presence and the introduction of online bookings. We trialled “freedom” tours on Saturdays to attract Christchurch Farmers’ Market patrons but this didn’t prove overly successful and probably won’t be repeated in its current form.

Our standard tours are still popular though numbers fluctuate for these depending on the time of year, the mainstay of our visitor numbers are our group tours. Collette and Road Scholar continued their support over the past year along with retirement villages and local groups. Discussion and marketing to groups will continue for the coming year and already we have secured bookings.

Our rating on Trip Advisor has moved up to 7 of 219 things to do in Christchurch, previously it was number 12.

Initial discussions have commenced with cruise lines and we are working to have Riccarton House added to their programmes.

Our rating on Trip Advisor has moved up to 7 of 219 things to do in Christchurch, previously it was number 12.

We continue to work in close partnership with the Canterbury Museum in their Experiences Outside the Classroom (EOTC) programme, with a number of schools

Visitor Numbers – Riccarton House

2018/19	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Totals
Groups	437	53	47	163	220	139	284	410	187	92	64	30	2126
Schools		216	60	34	373	65			266		36	456	1506
Individuals	110	81	73	89	103	23	212	287	159	114	53	43	1347
2018/19	547	350	180	286	696	227	496	697	612	206	153	529	4979
2017/18	129	320	212	275	482	174	665	756	859	161	127	222	4382
2016/17	107	95	94	319	234	256	182	559	536	198	107	85	2772

returning each year. In addition, we have a number of schools including Ao Tawhiti Unlimited Discovery, St Theresa's, Waimairi, Redwood Primary, Rangiora High and Hillmorton High schools who are regular visitors.

Early in the year we were approached to become a learning destination for the Children's University - Passport to Learning. This is a partnership between the University of Canterbury and Lincoln University to encourage 7 to 17-year olds to engage in exciting and innovative learning activities and experiences outside of the classroom. The aim of the programme is to raise young people's aspirations for higher education and encourage lifelong learning. Eight Christchurch schools have registered, and Riccarton House & Grounds joins a number of Christchurch locations as learning destinations including Ferrymead, the Botanic Gardens, the Art Gallery, and the Antarctic Centre.

Highlights of the Year

As part of **Kidsfest** in July 2018, in conjunction with Nataliya Oryshchuk and No Productions Theatre Company, we ran a series of ghost tours through the House. These were extremely popular with young and old alike and are something we will bring back again.

Becca Heritage Week was held in October with the theme being -"Strength from Struggle - Remembering our Courageous Communities". We partnered with Christchurch Boys' High School and had House, Garden and Deans Stables tours where the story of the Deans Family and their

"If you like heritage homes, Riccarton is a stunning example. Beautifully curated, it is as if the family have just popped out to let you have a look at the House. Our guide was knowledgeable, interesting and full of fantastic anecdotes. The demonstration of kitchen equipment was a first! I would highly recommend this on a trip to Christchurch."

early settlement on the Port Cooper Plains was told.

The Riccarton Spreydon Parish again held their Christmas carols in the grounds. Something we look forward to each year.

The format and date of the **Scottish Festival** changed this year to a pipe band competition. Although smaller than previous years the sounds of the pipes and the rich colours of the kilts seem at home in this special place.

In early June 2019 we had **Medbury School** visit us as part of a project to support their fundraising and awareness of the South Sudan crisis. 360 boys and 40 parents and teachers spent the day with us in the Grounds, House and Bush carrying out various tasks and exercises. It was an absolute pleasure hosting them.



Kidsfest

RICCARTON HOUSE



RICCARTON HOUSE

The Restaurant (Local at Riccarton House) with Sam and Amanda Marchant at the helm, continues its success with an increase in corporate functions, weddings and anniversary functions and also memorial services. Customer numbers are steadily increasing, and the restaurant remains open six days a week. The Christchurch Farmers' Market continues to be very successful.

“This location hosts the best farmers market in Christchurch. Outstanding stalls offer a range of exciting artisan food lines and plenty of supply. Always a highlight when visiting Christchurch.”

In August 2018 we had an intruder break into the House and steal the till and a cash box. Additional internal security cameras have since been installed.

The first edition “Letters to My Grandchildren” was produced from Jane Deans' handwritten letters in 1923 with further editions produced in 1971 and 1995. A number of comments about the small font size and the lack of

illustrations have been received. In 2018 it was decided to publish a 4th Edition. Marina Steinke, one of our Heritage Tour Guides, together with Antonia Allison, Visitor Experience Coordinator, created a version that is easy to read, full of historical and current illustrations and includes a family tree, as well as maps and timelines. It is a delightful book that has proved very popular.

Late in the year we were donated an antique desk and a beautiful scotch chest from the Estate of Betty Gill. The desk holds pride of place in the re-arranged morning room and the chest completes Marion's room.

We continue to fine tune our displays and this year purchased a vitrine to showcase items of Deans family history. In addition, the wardrobe in the Nanny's room has been converted to display sewing memorabilia.

The Asset Register has been updated and now there is a very accurate record of the provenance of our contents. We have been fortunate to have two volunteers complete the electronic cataloguing of the Trust's minute books back to its 1914 inception.

“It was wonderful to see the House looking so radiant after the earthquake repairs and in the 30 or so years I have known Riccarton House it has never been so impressively presented ... a real credit to all who led, sponsored, and provided input to the project.”



The Restaurant hosts weddings, corporate and anniversary functions



Hosting weddings



Fine tuning displays

HOUSE GROUNDS



HOUSE GROUNDS

Four trees have been planted in the southern field. A common yew; a red horse chestnut and a bhutan cypress. The fourth tree, a golden elm, was planted as a memorial tree.

As we have been increasing the size of the perennial borders, there is an increase in the amount of time needed to keep them looking good. Our Gardener, Alan Bowles, has had his hours increased and he is assisted one morning a fortnight during the spring and summer by a volunteer gardener – Lorna Price.

There was a significant storm on 23 January 2019 with a number of trees damaged throughout the City. Minimal damage was sustained and immediately following the storm a tree assessment was completed.

The Riccarton Bush By-law 1954 requires all dogs entering the Bush and Grounds to be on a leash. With the installation of the predator proof fence, dogs are prohibited in the fenced area. The leashing of dogs within the grounds has not been well enforced and in recent years we noted an increase in fouling and also complaints from visitors that



“If you want an escape from the madness of the City to just sit and listen to the bird song, and the rustle of the wind through the trees, then this is for you. And, when you’re done, the coffee shop on a cold winter’s day, when the fire is roaring in the hearth, is second to none.”

they had been frightened by dogs on the loose. In consultation with the Christchurch City Council we have placed signage at the entrance ways and are speaking to the owners of unleashed dogs. The amount of fouling on the property has reduced markedly. Note that no dogs are allowed in the Market area on Saturdays.

The large wooden gate at the House end of the driveway needed to be replaced and we were lucky enough to get the original craftsman, Kevan McPherson, to reconstruct it. It looks superb.

Last year the Board decided not to proceed with the bus turnaround area. Additional plantings have been made in this area to make this a spring flowering woodland. Rhododendrons, camelias and a specimen ginkgo tree have been planted.

As the border gardens have been extremely dry, we extended the irrigation to the Rhododendron and Pear Tree borders.



DEANS COTTAGE

All of the items within the Cottage are on loan from The Canterbury Museum. This loan is renewed every four years. On renewal this year it was brought to our attention that we needed to be more vigilant on the treatment of rodents and insects. In addition, a full “spring” clean was carried out.

Maintenance on the cottage included the floor throughout being repaired and resurfaced, and the front flagstone step being repaired.



“What a thrilling oasis in the midst of a bustling City! The bush walk is truly stunning with its majestic trees and trilling birdsong. Easy to move around with sealed paths or boardwalks, very clearly signposted, and plenty of identification of the native trees. An ideal walk for wheelchairs and pushchairs, so accessible for everyone.”

RICCARTON BUSH / PUTARINGAMOTU

Numbers to the bush have increased by 6% over the last year.

In early 2017 a project to update the interpretation and signage throughout the Bush and Grounds was instigated by the Board. This year bi-lingual way-finder signs were installed throughout the Bush. In addition Te Ara Taonga Māori - Nature's treasure trail was opened. This trail is 460m long and is aimed primarily at young children - but is of visual and tactile appeal for wider audiences as well.



The Christchurch City Council carried out its third bird count in the Bush - the first was in 2004/5 prior to the installation of the predator proof fence. It was noted that smaller native birds (riroriro, piwakawaka and silvereye) have stayed relatively constant over the three measurements, while the larger native birds (korimako and kereru) and several species of exotics have increased in abundance. Rock pigeon numbers have increased dramatically which confirmed our observations.

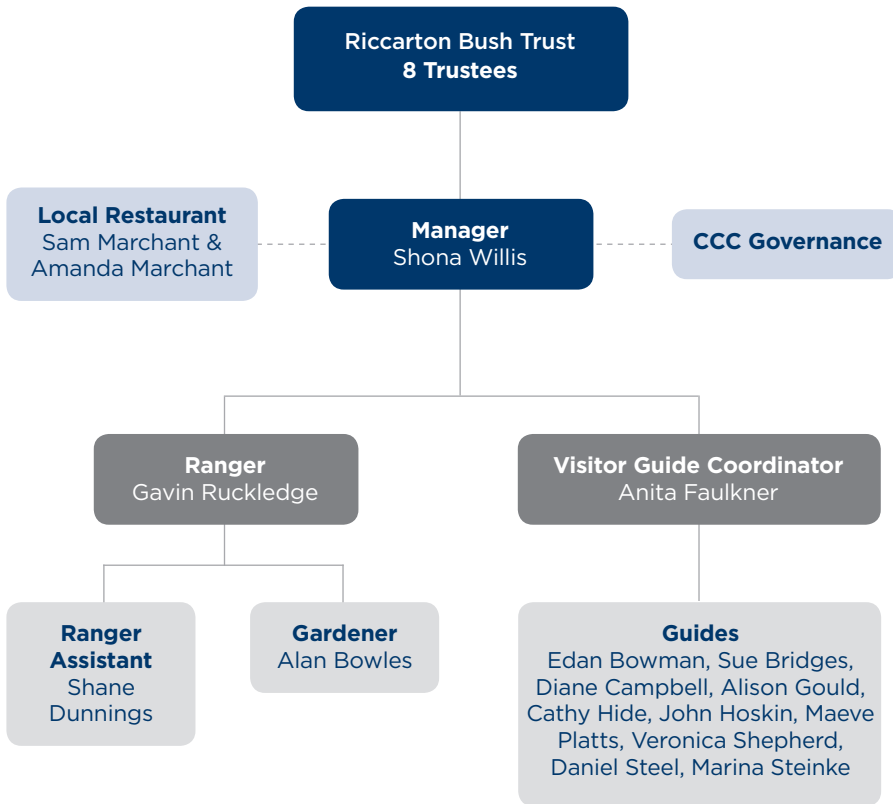
In early April a number of Waitaha Geckos were released into the Bush. Ngāti Wheke supported the relocation and were in attendance. A karakia was performed prior to the release of the geckos. The Lyttelton Port Company planned to quarry the geckos' habitat at Gollan's Bay and wanted to capture and relocate the geckos to a safe place before the quarry was developed. Riccarton Bush was chosen because it has 7.8 hectares of established forest surrounded by a state-of-the-art pest and mammal-proof fence that keeps out predators such as rats and cats. A similar release of geckos was done in 2012 as part of the Sumner Road recovery project.

“These geckos have been regularly seen by visitors and the Riccarton Bush Trust Ranger, so it’s fantastic to see more of these native creatures safely relocated.”

Visitor Numbers - Riccarton Bush

	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Totals
2018/19	5782	5381	6623	6692	7258	8348	7093	8077	6711	5821	4320	3713	75819
2017/18	4342	5174	4965	6770	5750	6287	7814	6279	7902	6146	4650	4979	71058

Riccarton Bush Trust - Organisation Chart



Antonia Allison moved to Picton early in the new year and we wish her the very best for her future. The position of Visitor Experience Coordinator has been filled by Anita Faulkner. Anita has a long history of customer service roles and already she is proving invaluable.

We currently have a pool of ten guides led by Anita. We lost Anna Rigg to Wellington and Diane Campbell and Alison Gould joined us this year. All our guides are incredibly knowledgeable and this is reflected in our visitor reviews, together with the positive comments of their guided tour experience.



Anita Faulkner and Dr Brian Molloy



Gardener - Alan Bowles

RANGER'S HOUSE AND YARD

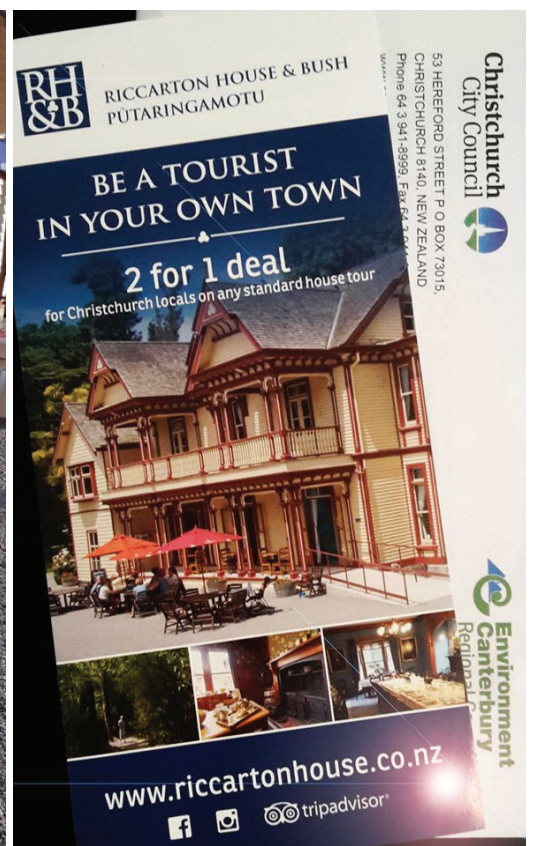
The nursery was extended this year to accommodate the increased propagation. Plant sales have increased this year.

The Ranger continues to complete landscaping and decking around the residence.

OUR COMMUNITY

The, quarterly, Bush Telegraph, is circulated to our immediate neighbours and also to the Riccarton Bush Kilmarnock Residents' Association, who circulate to their membership. This updates the neighbourhood on all that is happening at the House, Grounds and Bush and generates a lot of contact, support and sales of our books.

We continue to offer discount tours to Christchurch City residents by way of a "two for one" deal.





WE ACKNOWLEDGE AND THANK
THE FOLLOWING INDIVIDUALS AND
ORGANISATIONS FOR THEIR SUPPORT

Estate of Betty Gill
Amber Kiwi Holiday Park
Stephen Phillips
Robyn Lambie
Jacqueline Ballard
Dewiyani Bealing
Kerry Evans - Aggrok
Sarah Mankelow
Cathy Hide
Lorna Price



SHEPPARD & ROUT



In addition we have a group of craftsmen who keep the place safe and sound. Our thanks go to Kevin Whitelaw, our builder/handyman extraordinaire; Ricky Pye and his team at Pye Electrical; Glen Fifield and his team at Plumbfast; McPherson and Son; and Gareth Painter (Asplundh).

Riccarton Bush Trust

Annual Financial Statements

for the year ended 30 June 2019

RICCARTON BUSH TRUST

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RICCARTON BUSH TRUST

Directory

ADDRESS

The Riccarton Bush Trustees
16 Kahu Road
PO Box 8276
Christchurch

TRUSTEES

Bob Shearing (Chairman)
Mike Mora (Deputy Chairman)
Prof. David Norton
Tim Deans
Jimmy Chen
Bob Lineham
Shirish Paranjape
Pippa Ensor

BANKER

Bank of New Zealand
Christchurch

SOLICITOR

Grant Adams
Parry Field Lawyers
Christchurch

AUDITOR

Audit New Zealand on behalf of the Auditor-General

RICCARTON BUSH TRUST

Statement of comprehensive revenue and expense

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Revenue from operations	1	145,531	131,030
Other revenue	1	494,476	439,195
		<u>640,007</u>	<u>570,225</u>
Employee benefits expense	2	289,699	280,943
Depreciation and impairment	2	158,474	138,087
Other expenses	2	247,224	292,844
		<u>695,397</u>	<u>711,874</u>
Net deficit for period		<u>(55,390)</u>	<u>(141,649)</u>
Other comprehensive revenue and expense			
Property, plant and equipment revaluation gain	7	-	4,330,808
Total comprehensive revenue and expense		<u>(55,390)</u>	<u>4,189,159</u>

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

RICCARTON BUSH TRUST

	Retained earnings \$	Other reserves \$	Total equity \$
Balance at 30 June 2017	1,293,738	10,793,607	12,087,345
Gain on property revaluation	-	4,330,808	4,330,808
Deficit for the period	(141,649)	-	(141,649)
Balance at 30 June 2018	1,152,089	15,124,415	16,276,504
Deficit for the period	(55,390)	-	(55,390)
Balance at 30 June 2019	1,096,699	15,124,415	16,221,114

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

Statement of financial position

As at 30 June 2019

	Note	2019 \$	2018 \$
Current assets			
Cash and cash equivalents	4	249,366	340,394
Recoverables from non-exchange transactions	6	73	104
Receivables from exchange transactions	6	34,863	30,263
Inventories	5	2,030	1,927
Total current assets		286,332	372,688
Non-current assets			
Property, plant and equipment	7	15,992,998	15,973,288
Total non-current assets		15,992,998	15,973,288
Total assets		16,279,330	16,345,976
Current liabilities			
Taxes and transfers payable	8	401	2,747
Payables under exchange transactions	8	28,854	43,270
Finance lease liability	11	1,461	1,887
Income in advance		201	269
Provisions	9	20,443	19,984
Total current liabilities		51,360	68,157
Non-current liabilities			
Finance lease liability	11	6,856	1,315
Total non-current liabilities		6,856	1,315
Total liabilities		58,216	69,472
Net assets		16,221,114	16,276,504
Equity			
Reserves	10	15,124,415	15,124,415
Accumulated comprehensive revenue and expense		1,096,699	1,152,089
Total equity		16,221,114	16,276,504

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

For and on behalf of the Board of Trustees, which authorised the issue of the financial report on:

Date

30 SEPTEMBER 2019

Chairman



Trustee



RICCARTON BUSH TRUST

Statement of cashflows

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from customers		219,196	175,840
Contributions from Christchurch City Council		413,313	390,393
Interest revenue		4,110	5,766
Payments to employees and suppliers		(543,215)	(567,297)
GST (Payable / Receivable)		(1,902)	3,691
Net cash inflow from operating activities	13	91,502	8,394
Cash flows from investing activities			
Sale of Assets		16,234	183
Purchase of fixed assets		(203,879)	(183,282)
Investment in term deposit		-	-
Net cash outflow from investing activities		(187,645)	(183,099)
Cash flows from financing activities			
Advances received		8,317	-
Repayment of loans		(3,202)	(1,504)
Net cash outflow from financing activities		5,115	(1,504)
Net outflow of cash		(91,028)	(176,210)
Opening bank and short term investments		340,394	516,604
Represented by:			
Bank and short-term deposits		249,366	340,394

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

Statement of Objectives and Performance

For the year ended 30 June 2019

The following summarises the Trust's performance against the objectives for the year.

Financial Performance Targets

	Jun 19 Target \$	Jun 19 Actual \$	Jun 19 Variance \$
Revenue	556,000	551,776	(4,224)
Operating Expenses	556,000	536,923	19,077
Operating surplus before depreciation	-	14,853	14,853

Revenue above does not include the following grant, donation and interest income:

Halswell -Hornby- Riccarton Community Board Discretionary Response Fund	\$4,371
Rata Foundation	\$20,000
Capital grant – Christchurch City Council	\$59,750
Interest Income	\$4,110

Operating expenses above do not include depreciation (\$158,474).

Operating revenue:

Operating revenue was slightly lower than the target.

Income received from commission was higher than expected. With the launch of a new book, there has been increased book revenue. However these increases were offset by lower door sales and visits from schools. Despite the number of house visitors increasing, a larger proportion of these visitors were discounted through a promotion for local visitors. This has resulted in less door sale revenue overall.

Operating expenses:

Operating expenses were lower than target.

The administration expenses and bush and grounds expenses were under budget. This was largely due to a decrease in fee from the insurance provider. Other underspends were on grounds tree maintenance and fence maintenance. The purchase of a new ranger's vehicle also lead to a reduction in costs of vehicle maintenance. Small over spends in fire and security systems were made to improve the security of Riccarton House as a result of a burglary in August 2018.

Other overspends are the result of projects being written off or expensed in line with the capitalisation policy including but not limited to preservation of trust records and reviewing resource material.

RICCARTON BUSH TRUST

Project Performance Targets

Target	Performance Measure	Actual
1. Stabilise / replace gravel to front of house.	Completed by 30 June 2019.	Target met Construction completed in September 2018.
2. Refit and upgrade the downstairs toilets to bring them up to code.	Work Completed 30 June 2019.	Target not met but project has commenced. A contract has been awarded to Simons Construction Limited. Construction will commence on 15 July 2019. Completion scheduled for 6 September 2019.
3. Ranger's replacement Truck.	Truck Purchased 30 December 2018.	Target met Truck purchased 20 November 2018.
4. Monitor Health and Safety practices in accordance with adopted policy to meet the requirements of the Health and Safety at Work Act 2015.	<ul style="list-style-type: none"> • Report to each Board meeting. • Target results for all Trust activities, of: <ul style="list-style-type: none"> ○ Serious Harm incidents = 0 ○ Accident = 1 ○ Near Misses = 3 	Target met Health and Safety Committee operational. Monthly meetings with reporting on all Health and Safety measures. Serious Harm incidents = 0 Accident = 1 Near Misses = 0
5. Develop a Marketing Plan to increase income to RBT.	The best attempts have been made to augment CCC funding.	Target met

Environmental and Social Performance Targets

Target	Performance Measure	Actual
1. Minimise the number of feral pigeons in Riccarton Bush through culling and physical barriers.	Feral pigeon numbers not causing significant nuisance.	Target met Shooting ceased as effect is minimal. Further pigeon spikes have been placed to reduce nesting on the house.
2. Monitoring and management of rodent activity in Riccarton Bush.	Effective management of bait stations resulting in observable decrease in activity.	Target met Bait stations monitored regularly. No evidence of rodent activity.
3. Update and increase the interactivity of Dean's Cottage Displays.	The upgrade of the existing displays is completed by 30 June 2019.	Target not met but project has commenced. Customer survey work completed. To be considered as part of wider Interpretation programme. Lighting upgrade will be completed by September 2019.
4. Bush and Grounds Interpretation – signs to be upgraded to represent relationship with Ngāi Tuāhiriri.	Upgrade of interpretation panels completed by 30 June 2019.	Target not met but project has commenced. Upgrade of panels has commenced and will be completed by mid-October 2019.

RICCARTON BUSH TRUST

1. Revenue

	2019 \$	2018 \$
Revenue from operations		
Rents and commission - Riccarton House	110,554	96,484
Heritage income - Riccarton House	30,939	31,826
Sale of plants	30	-
Book sales	4,008	2,720
	<u>145,531</u>	<u>131,030</u>
Other revenue		
Rents - dwelling	24,507	21,351
Donations and sundry income	27,274	21,589
Levy - Christchurch City Council	353,563	336,393
Grant - Christchurch City Council	59,750	54,000
Grant - Others	24,371	-
Interest received	4,110	5,766
Gain on sales of assets	901	96
	<u>494,476</u>	<u>439,195</u>
Total revenue (excluding insurance recoveries)	<u>640,007</u>	<u>570,225</u>

2. Expenses

	2019 \$	2018 \$
Employee benefits expenses	289,699	280,943
Depreciation	158,474	138,087
Administration expenses	81,634	86,277
Historic Houses expenses	94,544	103,245
Bush and Ground expenses	46,944	49,553
Ranger's House expenses	4,334	5,372
Project and other expenses	18,065	47,471
Finance lease interest	1,703	926
	<u>695,397</u>	<u>711,874</u>

3. Remuneration of auditors

The auditor of Riccarton Bush Trust is the Auditor-General. The Auditor-General has appointed Audit New Zealand to undertake the audit.

	2019 \$	2018 \$
Audit New Zealand		
Audit of financial statements	12,677	12,479
	<u>12,677</u>	<u>12,479</u>

RICCARTON BUSH TRUST

4. Cash and cash equivalents

	2019 \$	2018 \$
Cash at bank and on hand	249,366	340,394
	<u>249,366</u>	<u>340,394</u>

5. Inventories

	2019 \$	2018 \$
Book stock on hand - at net realisable value	2,030	1,927
	<u>2,030</u>	<u>1,927</u>

6. Receivables

	2019 \$	2018 \$
Recoveries from non-exchange transactions	73	104
Receivables from exchange transactions	34,863	30,263
	<u>34,936</u>	<u>30,367</u>
Comprising of:		
Debtors and accruals	34,936	30,367
	<u>34,936</u>	<u>30,367</u>

Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost less the recognition of any expected credit loss (ECL) over the life of the asset. The ECL is based on its historical credit loss experience adjusted for forward looking factors specific to debtors and the prevailing economic environment.

RICCARTON BUSH TRUST

7. Property, plant and equipment

	Opening balances			Current year movements					Closing balances			
	Cost/ valuation	Accumulated depreciation/ impairment	Carrying amount	Additions	Net disposals/ Transfers	Acc. Depr. On disposals	Net Depreciation movement in WIP	Revaluation movement	Cost/ valuation	Accumulated depreciation/ impairment	Carrying amount	
2019												
Land	7,000,000	-	7,000,000	-	-	-	-	-	7,000,000	-	7,000,000	
Land improvements	219,616	(47,569)	172,047	88,726	-	-	-	(7,454)	308,342	(55,023)	253,319	
Buildings	8,461,883	(42,125)	8,419,758	8,907	-	-	-	(133,662)	8,470,790	(175,787)	8,295,003	
Furniture and fittings	61,607	(61,585)	22	-	-	-	-	(18)	61,607	(61,603)	4	
Plant & equipment	537,620	(392,667)	144,953	37,721	(15,333)	(11,064)	-	(17,302)	560,008	(398,905)	161,103	
Antique furniture	196,312	-	196,312	18,379	-	-	-	-	214,691	-	214,691	
Work in progress/AUC	40,196	-	40,196	-	-	-	28,682	-	68,878	-	68,878	
Total	16,517,234	(543,946)	15,973,288	153,733	(15,333)	(11,064)	28,682	(158,436)	-	16,684,316	(691,318)	15,992,998

	Opening balances			Current year movements					Closing balances		
	Cost/ valuation	Accumulated depreciation/ impairment	Carrying amount	Additions	Net disposals/ Transfers	Acc. Depr. On disposals	Net Depreciation movement in WIP	Revaluation movement	Cost/ valuation	Accumulated depreciation/ impairment	Carrying amount
2018											
Land	5,000,000	-	5,000,000	-	-	-	-	-	7,000,000	-	7,000,000
Land improvements	189,616	(41,224)	148,393	28,237	-	-	-	(6,812)	2,230	(47,569)	172,047
Buildings	6,107,055	(340,399)	5,766,656	441,440	-	-	-	(116,916)	2,328,578	(42,125)	8,419,758
Furniture and fittings	61,607	(61,567)	40	-	-	-	-	(18)	61,607	(61,585)	22
Plant & equipment	538,057	(382,437)	155,620	3,674	-	-	-	(14,341)	537,620	(392,667)	144,953
Antique furniture	187,886	-	187,886	8,513	(87)	-	-	-	196,312	-	196,312
Work in progress/AUC	332,049	-	332,049	-	-	-	(291,853)	-	40,196	-	40,196
Total	12,416,270	(825,627)	11,590,644	481,864	(87)	-	(291,853)	(138,087)	4,330,808	(543,946)	15,973,288

Revaluation

Land improvements and buildings

The Trust's land improvements and buildings were last revalued at 30 June 2018 by QV, an independent registered valuer. The fair value of the land and buildings was calculated in accordance with PBE IPSAS 17. A fair value assessment was carried out at 30 June 2019 and did not warrant a review of the revaluation programme. The next valuation is planned for 30 June 2021.

Land Improvement

Land improvements are Ranger's house lawn and driveway. They are valued at fair value on a fair market basis.

Buildings

Riccarton House and Deans Cottage are classified as specialised buildings. These are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Ranger's House are valued at fair value using market based evidence.

Land

Land was last valued at 30 June 2018 by QV. Its fair value was determined using market-based evidence on its highest and best use with reference to comparable land values.

Insurance

Insurances are current and the policy covers the replacement value of buildings but natural disaster cover for demolition costs only.

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8. Current trade and other payables

	2019 \$	2018 \$
Taxes and transfers payable	401	2,747
Payables under exchange transactions	28,854	43,270
	<u>29,255</u>	<u>46,017</u>
Comprising of:		
GST	401	2,747
Trade payables	16,177	30,791
Audit fee	12,677	12,479
	<u>29,255</u>	<u>46,017</u>

9. Current provisions

	2019 \$	2018 \$
Employee benefits	20,443	19,984
	<u>20,443</u>	<u>19,984</u>

10. Reserves

	Special funds \$	Asset revaluation \$	Capital reserve \$	Total \$
Balance at 1 July 2017	50,015	9,662,426	1,081,166	10,793,607
Gain/(loss) on property revaluation	-	4,330,808	-	4,330,808
Balance at 30 June 2018	50,015	13,993,234	1,081,166	15,124,415
Net income recognised directly in equity	-	-	-	-
Balance at 30 June 2019	<u>50,015</u>	<u>13,993,234</u>	<u>1,081,166</u>	<u>15,124,415</u>

11. Finance lease liability

	2019 \$	2018 \$
Current finance lease liability	1,461	1,887
Long term finance lease liability	6,856	1,315
	<u>8,317</u>	<u>3,202</u>

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	2019 \$	2018 \$
Minimum lease payments payable		
Not later than one year	3,250	2,430
Later than one year and not later than five years	9,250	1,418
	<u>12,500</u>	<u>3,848</u>
Future finance charges	<u>(4,183)</u>	<u>(646)</u>
Present value of minimum lease payments	<u>8,317</u>	<u>3,202</u>

12. Financial instruments

Financial instruments are cash, cash equivalents, debtors, creditors and other financial assets (see Notes 4, 6 & 8).

Risk

The Trust has policies to manage the risks associated with financial instruments. The Trust is risk averse and seeks to minimise exposure from its treasury activities.

Interest rate risk

The Trust is exposed to interest rate risk on funds invested at both fixed and floating interest rates. The risk is managed by restricting investment to fixed interest rate investments, pursuant to the Council's investment policy.

Credit Risk

Credit risk refers to the risk that a third party will default on its contractual obligations to the Trust, causing the Trust to incur a loss. Financial instruments which potentially subject the Trust to credit risk consist principally of cash, short term investments and accounts receivable. The risk is managed by restricting investment to quality investment grade issues, pursuant to the Council's investment policy.

The Trust banks solely with Bank of New Zealand (BNZ) and therefore credit risk is concentrated with BNZ. BNZ has an (AA-) (2018: AA-) credit rating with Standard and Poor's (Australia) Pty Limited.

13. Reconciliation of surplus for the year to net cash flows from operating activities

	2019 \$	2018 \$
Operating deficit	(55,390)	(141,649)
Add non cash items		
Depreciation	158,474	138,087
Add/(less) items classified as investing or financing		
(Gain) on Sale of assets	(901)	(96)
Add/(less) movements in working capital items		
Accounts receivable	(4,569)	1,565
Accounts payable	(6,008)	11,347
Inventory	(103)	(862)
Net cash outflow from operating activities	<u>91,503</u>	<u>8,393</u>

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14. Commitments for expenditure

	2019 \$	2018 \$
Not later than one year	18,846	17,562
Later than one year and not later than five years	25,127	23,416
	<u>43,973</u>	<u>40,978</u>

The Trust has entered into a 7 year maintenance contract with Programmed Maintenance Services Ltd for ongoing painting of Riccarton House which began in May 2014. Annual payments are \$15,607 subject to inflation based increases. The current payment is \$18,846.

15. Contingencies

There are no contingent assets and liabilities as at 30 June 2019. (2018: Nil.)

16. Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances.

The Council

The Trust requires the Council to contribute a significant amount of funds towards its operating costs to deliver its objectives as specified in the Riccarton Bush Act.

During the year, the Trust received in levies and grants \$353,563 (2018: \$336,393) from the Council. The Trust also received a one off grant from Council of \$59,750 (2018: \$54,000) for funding the capital projects.

The Council also provided accounting services to the Trust at a total cost of \$35,993 (2018: \$37,790) for accounting and \$Nil (2018: \$3,600) for insurance services.

Although these services were provided at market value, the transactions are not considered to be at arm's length as the Council does not usually provide accounting services to outside parties and have provided these services to the Trust only as a result of the Council/Council controlled organisation relationship.

As at 30 June 2019, the Trust had a balance owing to Council of \$ Nil (2018: \$ 3,600).

As at 30 June 2019, the Council had a balance owing to the Trust of \$ Nil (2018: \$ Nil).

17. Key management personnel

Remuneration of key management personnel

	2019 \$	2018 \$
Salaries and other short-term benefits	<u>81,813</u>	<u>78,292</u>

Key management personnel includes the Trustees and manager.

18. Post balance date events

There are no post balance date events as at 30 June 2019 (2018: Nil).

19. Capital management

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

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

20. Statement of Accounting Policies

Reporting entity

The Trust operates under the Riccarton Bush Act 1914 and is a Council Controlled Organisation under the Local Government Act 2002. The Trust manages property in Riccarton. The property consists of Riccarton House and grounds, Deans Cottage, a residential house and Riccarton Bush.

The major source of revenue is from an operating levy and an additional grant received annually from the Council, and from grants, donations and rents & commission from use of the properties.

The primary purpose of the Trust is to:

- protect and enhance the indigenous flora, fauna and ecology of Riccarton Bush;
- conserve Deans Cottage, Riccarton House and their grounds with Riccarton Bush and the Deans family history;
- and encourage public use and participation of the reserve and to inform visitors about the natural, Maori and colonial heritage of Christchurch

On this basis, the Trust is considered a public benefit entity for purposes of financial reporting.

The financial statements of the Trust are for the year ended 30 June 2019. The financial statements were approved for issue by the Board of Trustees on 30 September 2019.

(a) Basis of preparation

The financial statements for the year ended 30 June 2019 have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with the Tier 2 PBE standards.

As the Trust has elected to report under Tier 2 PBE standards, it has applied disclosure concessions, where available. The criteria under which the Trust is eligible to report under Tier 2 PBE Standards are as follows:

- (a) the Trust is not publicly accountable; and
- (b) the Trust's total expenses for the period being reported are below the \$30 million threshold for Tier 1 reporting.

Where disclosure concessions have been applied by the Trust, these are discussed in the accounting policies affected.

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

(b) Revenue

Grants/Levies

Grants received from the Council are the primary source of funding to the Trust and are restricted for the purpose of the Trust meeting its objectives as specified in the Riccarton Bush Act. The Trust also receives Government assistance for specific purposes, and these grants usually contain restrictions on their use.

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

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Other Revenue

Revenue is measured at the fair value of consideration received.

Interest revenue is recognised using the effective interest method.

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

(c) Property, plant and equipment

Land, site improvements and buildings are shown at fair value, based on periodic valuations by an external independent valuer less subsequent depreciation and impairment.

All other property, plant and equipment are shown at cost, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or 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 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.

Work in progress

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

Work in progress is recognised at cost less impairment and is not depreciated.

Disposals

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the surplus or deficit. When revalued assets are sold, the amounts included in other reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the surplus or deficit during the financial period in which they are incurred.

Depreciation

Land and antique furniture are not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

The useful lives of major classes of assets are as follows:

• Buildings	5-100 yrs
• Furniture and fittings	10 yrs
• Plant and equipment	3-30 yrs
• Land improvements	5-100 yrs

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Revaluations

Land and buildings are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value. All other asset classes are carried at depreciated historical cost less accumulated impairment.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue, but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be

recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue.

(d) Trade and other receivables

Trade and other receivables are stated at their expected realised value after writing off of any known bad debts and making an expected credit loss allowance which may prove irrecoverable in subsequent accounting periods.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of other inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

(f) Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to the 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.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and other short-term deposits with original maturities of 3 months or less.

(h) Impairment

Assets are reviewed for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. Land and buildings are also reviewed for impairment at least every three years as part of the revaluation process (note 1(d)).

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.

Non-cash generating assets

Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined on a depreciated replacement cost basis.

Cash generating assets

Cash generating assets are those assets that are held with the primary objective of generating a commercial return. These assets are adjusted based on age profile calculations of expected credit losses.

(i) Creditors and other payables

Short-term creditors and other payables are recorded at their face value which represents amortised cost.

(j) Provisions

A provision is recognised in the balance sheet when the Trust has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

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(k) Employee entitlements

Provision is made in respect of the Trust's liability for the short-term employee entitlements.

Liabilities for annual leave and time off in lieu are accrued at the full amount owing at the pay period ending immediately prior to the balance sheet date.

Provisions made in respect of employee benefits which are not expected to be settled within 12 month are measured as the present value of the estimated future cash outflows to be made by the Trust in respect of services provided up to balance date.

(l) Income tax

Charities Services (formerly Charities Commission) Department has confirmed that the Riccarton Bush Trust has charitable status for tax purposes therefore the Trust is not liable for income tax.

(m) Goods and Services Tax

The financial statements are prepared exclusive of GST with the exception of receivables and payables that are shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

(n) 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 the 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

At each balance date the Trust reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Trust to consider a number of factors such as 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;
- Analysis of prior asset sales; and
- Regular independent valuations of land and buildings.

The Trust has not made significant changes to the past assumptions concerning useful lives and residual values. The carrying amounts of property, plant and equipment are disclosed in note 7.

(o) Critical judgement in applying the Trust's accounting policies

The Trustees must exercise their judgement when recognising grant revenue to determine if conditions of the grant contract have been satisfied. This judgement will be based on the facts and circumstances that are evident for each grant contract.

New accounting standards and interpretations

(p) Early adoption of PBE IFRS Financial instruments

Riccarton Bush Trust has early adopted all requirements of PBE IFRS 9 *Financial instruments* (PBE IFRS 9) as of 1 July 2018. PBE IFRS 9 supersedes part of PBE IPSAS 29 *Financial instruments: Recognition and Measurement* (PBE IPSAS 29). PBE IFRS 9 includes two areas of change that affect these financial statements:

1. Classification and measurement of financial instruments

Riccarton Bush Trust determines the classification of financial assets at initial recognition. Classification is driven by Riccarton Bush Trust business model for managing the financial assets and their contractual cash flow characteristics.

Riccarton Bush Trust completed a detailed assessment of its financial assets and liabilities as at 1 July 2018 and there has been no change in classifications under the new standard. All Riccarton Bush Trust financial instruments remain measured at amortised cost.

2. New impairment model

PBE IFRS 9 prescribes an 'expected credit loss' model instead of a previous incurred loss model, so it is no longer necessary for a trigger event to have occurred before recognising credit losses. NZ IFRS 9 requires Riccarton Bush Trust to base the measurement of expected credit losses on forward-looking information, as well as current and historic information. There was no expected credit loss allowance recognised as a result of adoption, as Riccarton Bush Trust has not experienced a history of significant credit losses, and no current or forward-looking information at 30 June 2019 indicated a significant increase in credit risk.

(q) Accounting standards and interpretations issued but not yet effective

The following new standard has been issued but not yet effective as at 30 June 2019. Riccarton Bush Trust has not early adopted this standard.

- *PBE FRS 48 Service Performance Reporting*

This standard establishes requirements to PBEs to select and present service performance information. This standard is effective from the year ending 30 June 2022, and does not have any material impact on the Trust.

Independent Auditor's Report

To the readers of Riccarton Bush Trust's financial statements and performance information for the year ended 30 June 2019

The Auditor-General is the auditor of Riccarton Bush Trust (the Trust). The Auditor-General has appointed me, Andy Burns, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust on his behalf.

Opinion

We have audited:

- the financial statements of the Trust on pages 22 to 25 and 28 to 38, that comprise the statement of financial position as at 30 June 2019, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on pages 26 and 27.

In our opinion:

- the financial statements of the Trust on pages 22 to 25 and 28 to 38:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2019; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards Reduced Disclosure Regime; and
- the performance information of the Trust on pages 26 and 27 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2019.

Our audit was completed on 30 September 2019. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Trustees and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Trustees for the financial statements and the performance information

The Trustees are responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Trustees are also responsible for preparing the performance information for the Trust.

The Trustees are responsible for such internal control as they determine is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Trustee's responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the performance information, our procedures were limited to checking that the information agreed to the Trust's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included on pages 2 to 21, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1(Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.



Andy Burns
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand



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