



RICCARTON HOUSE & BUSH PŪTARINGAMOTU



RICCARTON BUSH TRUST

**Statement of Intent
for the year ending
30 June 2024**

1. Introduction

This Statement of Intent (SOI) is prepared in accordance with S.64 (1) of the Local Government Act 2002.

The Riccarton Bush Trust is a Council Controlled Organisation for the purpose of the Local Government Act 2002.

The SOI specifies for the Riccarton Bush Trust, the objectives, the nature and scope of the activities to be undertaken and the performance targets and other measures by which the performance of the Riccarton Bush Trust may be judged in relation to its objectives, amongst other requirements.

The process of negotiation and determination of an acceptable SOI is a public expression of the accountability relationship between the Riccarton Bush Trust and the Christchurch City Council.

The SOI is reviewed annually with the Council and covers a three-year period.

The office of Riccarton Bush Trust is 16 Kahu Road, Christchurch.

Contact details for both the Chairman and the Manager are as follows:

	Chairman - Bob Shearing	Manager - Shona Willis	
Address	16 Kahu Road	16 Kahu Road	
Phone no.	021 320967	03 341-1018	027 5440462
Email	bob@bobshearing.co.nz	manager@riccartonhouse.co.nz	

2. Our Vision

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

3. Value Statement

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

4. Management Goals

- Goal 1** Protect and enhance the indigenous flora, fauna and ecology of Pūtaringamotu /Riccarton Bush; including mahinga kai and taonga species.
- Goal 2** Protect and conserve Riccarton House and Deans Cottage and their Grounds.
- Goal 3** Encourage public interest, use and participation and promote the natural and cultural heritage values of the site.

5. Nature and Scope of Activities

The Riccarton Bush Trust administers a 7.8-hectare native bush remnant gifted by the Deans family to the people of Canterbury in 1914. The Trust also administers Riccarton House (built from 1856-1900) and its 5.41 hectares of grounds which includes Deans Cottage being the oldest house on the Canterbury Plains built in 1843. The House and grounds were purchased by the Trust from the Deans family in 1947. Incorporated under a 1914 Act of Parliament, the Riccarton Bush Trust is a Council Controlled Organisation (CCO) with operating funds provided by the Council in accordance with the Riccarton Bush Amendment Act 2012 and which are used to maintain and operate the Riccarton Bush, Riccarton House, Deans Cottage, and the grounds.

Part of Riccarton House is licensed to a commercial caterer and is used as a restaurant and event centre including wedding receptions and corporate functions. The Caterer also operates a weekly “Farmers” market which is very popular.

Much of Riccarton House is refurnished in 1900’s Victorian style and guided Heritage Tours are available twice daily and by request.

Deans Cottage is open daily to the public at no charge, displaying life at Riccarton in the 1840s.

Riccarton Bush, the sole remnant of Kahikatea alluvial floodplain forest on the Canterbury Plains, has a predator proof fence and is open daily to the public at no charge. The Trust charges for organised eco-tours involving Riccarton Bush.

6. Governance

The Riccarton Bush Trust Board currently comprises nine members. The Christchurch City Council appoints five members, and the other three members are appointed by the Deans family (x 2) and the Canterbury Branch of the Royal Society NZ (x 1). A ninth member has been appointed by the Board.

The functions of the Board are to:

- a) Appoint a chief executive officer
- b) Reappoint or replace a chief executive officer
- c) Specify the functions of the chief executive officer
- d) Establish broad lines of policy consistent with the Riccarton Bush Act (and amendments) for the guidance of the Chief Executive Officer
- e) Ensure that the Board’s assets are maintained in good order and condition:
- f) Ensure that the Riccarton House and Bush are run effectively and efficiently.

The board has established three working parties to overview more closely the work of the Trust and report back to the Board with recommendations. These working parties are:

- Bush and Grounds
- House and Promotions
- Finance

7. Ratio of Shareholders’ funds to total assets:

This ratio is not applicable as the total assets of the Riccarton Bush Trust are vested in the Trust and cannot be transferred. There is currently no debt.

The forecast capital structure for the next three years is:

	2023/2024 \$M	2024/25 \$M	2025/26 \$M
Equity	17.108	16.889	16.647
Debt	Nil	Nil	Nil

8. Performance Targets

(a) Financial performance Targets

	2023/24 \$ (000)	2024/25 \$ (000)	2025/26 \$ (000)
Revenue	621	633	645
Operating Expenses	621	633	645
Operating surplus/deficit before depreciation	0	0	0

The above amounts exclude capital grant received from Christchurch City Council and depreciation. Schedule 12 Prospective financial statements provide detailed information of these targets.

(b) Non- Financial Performance Targets

1. Monitor Health and Safety practices in accordance with adopted policy to meet the requirements of the Health and Safety at Work Act 2015	
Community Outcomes	Community facilities and public places are safe, healthy, and welcoming
Performance Measure	<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
2. Monitoring and management of rodent activity in Riccarton Bush	
Community Outcomes	Unique landscapes and indigenous biodiversity are valued and stewardship exercised.
Performance Measure	Effective management resulting in observable decrease in activity

3. Bush Enhancements – Replace Board Walk and Improved Interpretation	
Community Outcomes	<ul style="list-style-type: none"> • Our heritage is a taonga and should be collectively valued and protected, celebrated and shared. • Sites and places of cultural significance are respected and preserved • Arts, cultural, sporting and recreational opportunities are available to all our communities. • People have equitable access to open and green spaces across the city and district. • Unique landscapes and indigenous biodiversity are valued and stewardship exercised.
Performance Measure	Works Completed by June 2024
4. Encourage public interest, use and participation and promote the natural and cultural heritage values of the site.	
Community Outcomes	<ul style="list-style-type: none"> • Our heritage is a taonga and should be collectively valued and protected, celebrated and shared. • Sites and places of cultural significance are respected and preserved. • Arts, cultural, sporting and recreational opportunities are available to all our communities. • People have equitable access to open and green spaces across the city and district. • Unique landscapes and indigenous biodiversity are valued and stewardship exercised. • Celebration of our identity through arts, culture, heritage, sport and recreation.
Performance Measure	<p>Inform the public and relevant interest groups about on-going activities of the Trust.</p> <p>Provide a quarterly report to the Board that detail the number of visitors that come to Riccarton Bush and Grounds. The reports will include marketing and social media summaries as well as year to date comparisons.</p> <p>Include in the 6-monthly and annual reporting to Council information on numbers of participants across the variety of Riccarton House and Bush offerings and provide comparisons over time as that information is compiled.</p>
5. Commit to meeting the goal of becoming net carbon neutral by 2030	
Community Outcome	Each person and organisation acts to reduce their impacts on the environment and minimise greenhouse gas emissions and waste.
Performance Measure	Work with Council staff to identify what is required to enable this outcome.

9. Information to be provided to the Council

An Annual Report will be submitted to the Council. The Annual Report will include audited financial statements, including the report of the auditor, and such other details as are necessary to permit an informed assessment of the Trust's performance and financial position during the reporting period provided.

Half yearly reports will also be provided to the Council. These reports will contain unaudited information and comply with NZ IAS 34.

The Trust will include within its half year and year end reporting to Council details of the expenditure against the capital grant approved by Council.

The Annual report will outline the Trust's objectives and performance in terms of: Financial and non-Financial targets.

The Statement of Intent will be submitted to the Council for consultation annually, as required by the Local Government Act 2002. The Trustees will include any other information they consider appropriate. Where appropriate, revised forecasts will be submitted to the Council.

The Trust will operate on a "no surprises" basis in respect of significant "Council interest" related matters, to the extent possible in the context of commercial sensitivity and confidentiality obligations.

The Trust will provide information requested by the Council in accordance with the requirement of the Local Government Act 2002 and the Riccarton Bush Amendment Act 2012.

10. Compensation sought from local authority

For the next three financial years the Trust is seeking funding from the Council in accordance with the Riccarton Bush Amendment Act 2012 to assist with the operation and management of the Riccarton Bush. The 2022 Valuation increased the insured value of Riccarton House from 9M to 21M. This has not been budgeted for and projected increases in income and tightening of the budget will not cover the increased insurance costs.

The operational levy proposed below are increased from last SOI to reflect the increased insurance levy.

	2023/2024	2024/2025	2025/26
CCC Operational Levy	409,214	416,838	425,175

Capital grants are also sought from the Council in the sums shown below:

	2023/2024	2024/2025	2025/26
CCC Capital grants	\$115,000	\$52,500	\$27,500

For financial year 2023/24 Capital grants are also sought from the Council to assist with the funding of the following projects:

- Bush Enhancements (New Boardwalk and path upgrade and improved interpretation)
- Ground Landscaping/Planting
- New Furniture and Fittings
- New antiques and furnishings
- Kitchen & Restaurant (Plant & Equipment)

11. General Information

Distributions:

The Riccarton Bush Trust was registered as a charitable entity under the Charities Act 2005 on 26 May 2008 and as such, there will be no distributions.

Acquisition or Disposal of Shares or Assets:

The Riccarton Bush Trust has no intention to acquire shares or dispose of any of the core assets.

Commercial Value:

Given the charitable status of the Riccarton Bush Trust, the concept of the Trust having a commercial value is not applicable.

12. Prospective Financial Statements

Riccarton Bush Trust
Prospective statement of comprehensive revenue and expense

	2024 Plan \$	2025 Plan \$	2026 Plan \$
Revenue from operations	156,320	159,446	162,635
Capital grant - Christchurch City Council	115,000	52,500	27,500
Other revenue	464,564	473,295	482,761
	<u>735,884</u>	<u>685,241</u>	<u>672,896</u>
Employee benefits expense	339,000	345,780	352,696
Depreciation and impairment	270,869	270,869	270,869
Other expenses	281,884	286,961	292,700
	<u>891,753</u>	<u>903,610</u>	<u>916,265</u>
Net surplus/(deficit) for the year	<u>(155,869)</u>	<u>(218,369)</u>	<u>(243,369)</u>
Property, plant and equipment revaluation gain/(loss)	-	-	-
Total comprehensive revenue and expense	<u>(155,869)</u>	<u>(218,369)</u>	<u>(243,369)</u>

Riccarton Bush Trust
Prospective statement of changes in net assets/equity

	2024 Plan \$	2025 Plan \$	2026 Plan \$
Balance at 1 July	17,264,197	17,108,328	16,889,959
Reserves			
Revaluation reserves			
Accumulated comprehensive revenue and expense			
Surplus (Deficit)	(155,869)	(218,369)	(243,369)
Balance at 30 June	17,108,328	16,889,959	16,646,590

Riccarton Bush Trust
Prospective statement of financial position

	2024 Plan \$	2025 Plan \$	2026 Plan \$
Current assets			
Cash and cash equivalents	360,384	358,183	355,982
Receivables from non-exchange transactions	8,335	8,335	8,335
Receivables from exchange transactions	24,225	24,225	24,225
Inventories	1,667	1,667	1,667
Total current assets	<u>394,611</u>	<u>392,410</u>	<u>390,209</u>
Non-current assets			
Property, plant and equipment	16,767,154	16,548,785	16,319,346
Total non-current assets	<u>16,767,154</u>	<u>16,548,785</u>	<u>16,319,346</u>
Total assets	17,161,765	16,941,195	16,709,555
Current liabilities			
Payables under exchange transactions	23,496	23,496	23,496
Finance lease liability	2,201	2,201	2,689
Provisions	25,172	25,172	25,172
Total current liabilities	<u>50,869</u>	<u>50,869</u>	<u>51,357</u>
Non-current liabilities			
Finance lease liability	2,568	367	11,608
Total non-current liabilities	<u>2,568</u>	<u>367</u>	<u>11,608</u>
Total liabilities	53,437	51,236	62,965
Net assets	<u>17,108,328</u>	<u>16,889,959</u>	<u>16,646,590</u>
Equity			
Reserves	16,074,167	16,074,167	16,074,167
Accumulated comprehensive revenue and expense	1,034,160	815,791	572,423
Total equity	<u>17,108,328</u>	<u>16,889,959</u>	<u>16,646,590</u>

Riccarton Bush Trust
Prospective statement of cash flows

	2024 Plan \$	2025 Plan \$	2026 Plan \$
Cash flows from operating activities			
Receipts from customers	209,670	213,863	218,141
Contributions from Christchurch City Council	524,214	469,338	452,675
Interest revenue	2,000	2,040	2,081
Payments to employees and suppliers	(619,684)	(631,517)	(644,147)
Net cash inflow from operating activities	116,200	53,724	28,749
Cash flows from investing activities			
Purchase of fixed assets	(115,000)	(52,500)	(27,500)
Net cash outflow from investing activities	(115,000)	(52,500)	(27,500)
Cash flows from financing activities			
Repayment of loans	(3,401)	(3,425)	(3,450)
Net cash outflow from financing activities	(3,401)	(3,425)	(3,450)
Net inflow (outflow) of cash	(2,201)	(2,201)	(2,201)
Opening bank and short term investments	362,585	360,384	358,183
Represented by:			
Bank and short-term deposits	360,384	358,183	355,982

Riccarton Bush Trust

Notes to the prospective financial statements

Statement of significant accounting policies

a. 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 grant received annually from the Council, and from other 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 prospective financial statements of the Trust are for years ending 30 June 2024 to 30 June 2026. The prospective financial statements were approved for issue by the Board of Trustees on 28 June 2023.

b. Basis of preparation

It is a requirement of the Local Government Act 2002 for council-controlled organisations that are not trading to present prospective financial statements for the financial year to which the statement of intent relates.

The prospective financial statements 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. These statements comply with the Tier 2 Public Benefit Entity Standards (PBE Standards).

The prospective financial statements have been prepared on the basis of best estimate assumptions of future events which the Trust expects to take place. The Trust has considered factors that may lead to a material difference between information in the prospective financial statements and actual results.

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

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.

c. 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.

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.

d. 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.

e. Trade and other receivables

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

f. 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.

g. 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.

h. 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.

i. 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.

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.

j. Creditors and other payables

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

k. 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.

l. 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.

m. 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.

n. 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.