

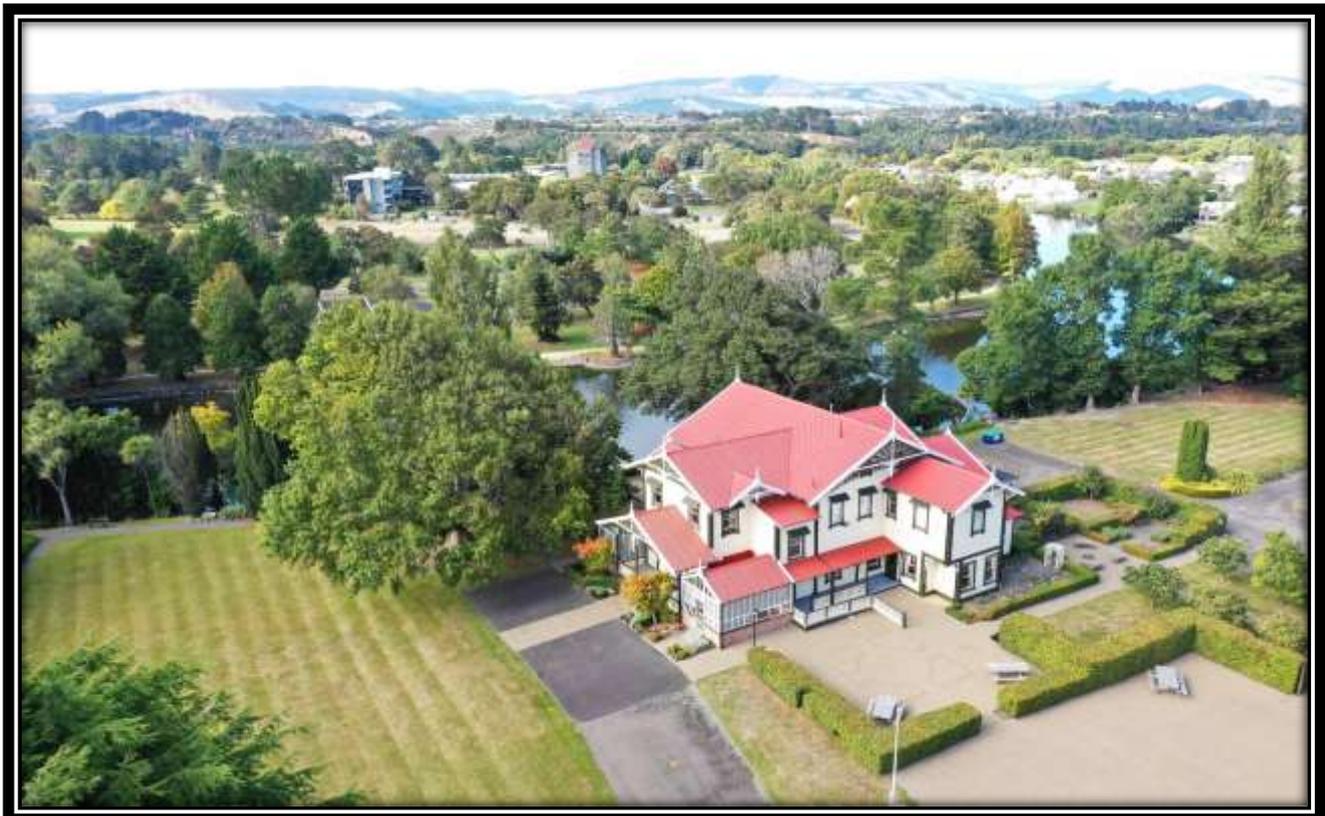
CACCIA BIRCH TRUST BOARD

STATEMENT OF INTENT

2019 – 2020

2020 – 2021

2021 - 2022



FINAL 24th May 2019

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2.CONTACT DETAILS	
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Trustees 2019 to 2020	Grant O'Donnell, Patricia Keiller, Jireeth Soni, Cushla Scrivens and Roderick McKenzie.
Legal Status:	<i>Caccia Birch Trust Board is a Council-Controlled Organisation (CCO) for the purposes of the Local Government Act 2002 and operates as a Charitable Trust under the Charitable Trust Act 1957 and Charities Act 2005.</i>
Charities Registration Number	CC38431

Chairperson's Introduction 2019

This Statement of Intent sets out, among other things, the Board's plans and projects to achieve the goals and aspirations contained in the Board's "Vision and Mission" statements.

While it may be thought that the principal goal of a heritage focussed entity is maintaining the status quo the second limb of the Board's Vision requires a creative and innovative approach to maximise the benefit of the asset to the community.

The Board is committed to ensuring that the management and operation of Caccia Birch House achieves a balance between status quo, Council's vision for the entity and the pragmatic day-to-day development, usage and enjoyment of the property.

This requires a constant juggling of fiscal, legal and resource "balls" in an evolving environment. There is a clear tension between maintaining the heritage 'characteristics' while developing the range and extent of activities in the House and Grounds.

The House and Grounds are in excellent condition and the business is operating as best it can be expected to in a competitive environment.

On most counts the Board, management and staff, in close co-operation with the Council, have successfully kept the balls aloft but to continue doing so without an increase in funding will mean, as shown in the budget, that the Board will be insolvent by 2021.

The Board struggles to service the increasing demand for free or discounted community access in our drive to contribute to Council's strategic direction as fully as we can.

An increase of \$30,000 a year would address the solvency issue and allow us to continue our work of managing and developing this listed Category 1 heritage building along with the gardens, grounds and embankment, growing the educational and tourism resource by further developing the archives with its local history 'story' of Caccia Birch House, and ensuring that access is available for all.

These additional funds will help pay for the increased costs associated with accounting and auditing fees as well as the wages of an extra person who will assist with the increasing public use of the building and grounds provide managerial support and ensure that a succession plan is in place.

The Board, management and staff are committed to meeting the challenges facing them.

Grant O'Donnell
Chairperson
26th March 2019

Supplementary Report of Caccia Birch Trust Chairperson

This is a supplementary report arising from Council's rejection of the Board's submission for funding for additional staffing to meet the future requirements of the operation of Caccia Birch House.

The flow on effect of the Board's inability to fund the extra staff member will result in the Board restricting its operational capacity to existing levels. The Board however is, and will continue, reviewing its operations with a view to optimising outcomes.

The Board, will keep in mind the desirability of effecting its role within the Council's Vision, but it is anticipated that achieving those goals will be challenging.

Time has not allowed the Board to carry out a wholesale review of this SOI in light of the failed submission, but clearly there will be adjustments to Key Performance indicators and other matters.

The budget has been adjusted back to a basic manageable level. It must be kept in mind that costs, particularly wages, will continue to increase and it is likely that simple CPI increases over the next two years will be insufficient.

The Board adopted an approach based on the Council's new vision that Council would wish the Board to be more pro-active in achieving mutual goals.

The Board has previously sought clarification as to how Council wishes Caccia Birch House to be operated and developed.

The Board now accepts that it appears to be Council's wish that the Board operate within the existing funding limits and existing levels of service.

Grant O'Donnell.

Caccia Birch Trust Chairperson

23rd May 2019

4. Purpose of this Statement of Intent

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

Caccia Birch Trust Board, while currently exempted as a CCO pursuant to s 7(3) of the Local Government Act 2002, (IMPLEMENTATION PENDING) is still required to produce a Statement of Intent (SOI) that complies with the requirements of section 64(1) of the Local Government Act 2002.

Through the SOI the Trust Board shows Council how it will apply the annual grant provided by Council in managing the maintenance, preservation and community usage of and access to Caccia Birch House and grounds.

5. About Caccia Birch Trust Board

Caccia Birch House is a listed Category 1 Heritage Status property under section 35(1)(b) of the Historic Places Act 1980 and is a Category 1 listed property under Cultural Heritage in the Palmerston North City Council District Plan.

The Caccia Birch Trust Board is made up of people from various backgrounds who have a passion to ensure this 'jewel' remains one of the city's most significant assets and well utilised and loved by the community.

The Board guides and monitors the affairs of Caccia Birch House, in accordance with the Trustee Act 1956, the Charities Act 2005, the Local Government Act 2002, the Board's Trust Deed and this Statement of Intent.

The first objective of the Trust, as described in the Trust Deed, is:

“To develop, promote, enhance and maintain the land and buildings described in the Schedule of property hereto known as Caccia Birch House, in recognition of the heritage status of the building, so that it may be utilised and enjoyed by the community” (p1).

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

VISION

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

MISSION

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

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

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

The Board employs a Manager who is responsible for the day-to-day operations of Caccia Birch, engaging with the community and clients, oversight of staff, contractors and day to day administration. The Manager reports to the Board on performance against Caccia Birch Trust Board objectives.

Caccia Birch House History Background.

Formerly called “Hokowhitu”, the residence known as Caccia Birch House was built in 1895 for Norwegian sawmiller & businessman Jacob Nannestad, who was co-owner of the town's largest sawmill Richter, Nannestad, Jenssen & Co located on Broadway and Albert St (then called Scandia St).

In 1903 ‘Hokowhitu’ was sold to English businessman John Strang who developed it to what we see today and renamed it “Woodhey”.

During 1908 the Governor General Lord Plunket and his family resided at the property, vacating in 1910 when the Strang's returned from their trip to England.

William and Maud Caccia Birch (nee Keiller) purchased the property in 1921 and occupied the House until William's death in 1936.

The property was gifted to the Government in 1941 and was called Caccia Birch House in recognition of their donation.

Since its gifting in 1941, Caccia Birch House has fulfilled many roles:

- Army accommodation for Home Guard officers during World War II
- PN Hospital Board Convalescence home for war veteran nurses until the late 1950s.
- Victoria University annex 1961
- Massey University 1963
- PN Teachers College 1970

In 1975 Massey University found they could not develop the property and handed it back to the Government. By 1977 the building stood empty, vandalised and derelict.

Much debate about its future took place and former PNCC planner Ken Tremaine, Mayor Brian Elwood, Councillors Paul Rieger and Dr Bernard Forde felt it important to preserve local history and petitioned the government to gift the property to the city.

A Deed of Agreement with a purchase price of 10 cents gifted Caccia Birch House to PNCC and community. It took a further ten years to find a way to fund the expensive restoration project.

By 1989, PNCC created the Caccia Birch Trust Board to oversee the restoration and preservation. The Trust Deed was created to ensure that Caccia Birch House would be preserved by the city for future generations.

The restoration of the dilapidated buildings was largely funded from the sale of surrounding land and additional money from a large community house group, the Lottery funds and the PNCC.

Restoration of the ground floor was completed in 1992, upper floor in 1993 and the CoachHouse in 1994.

The Trust needed to find a sympathetic use for the property. It was agreed that making the house available to the community for meeting and function hire was seen as a compatible use for the grand old homestead and a manager was employed to administer this activity in 1993.

During the last twenty-six years additional financial assistance has been received from PNCC, Central Energy Trust, Eastern & Central Community Trust, The Lion Foundation, Pub Charities and Earle Trust enabling numerous projects to be completed on the property.

The house has been well-utilised for meetings, family functions, weddings, community events and promotion of local history to the visitor industry, contributing to the city's vibrant cultural facilities. Continuing with these activities will ensure future generations can continue to enjoy this iconic property.

6. THE VISION FOR PALMERSTON NORTH: “Small city benefits, big city ambition.”

Palmerston North is the heart of the Manawatū region servicing the lower and central North Island of New Zealand.

Palmerston North is a small city that has a lot to offer its residents and visitors. We are ambitious about developing the city.

Council's Culture and Heritage Plan supports Priority 2 of the Creative and Liveable Strategy: "to celebrate the city's history and diversity, and build on the strength of being a city of many cultures and languages".

The Actions within the Culture and Heritage Plan that Caccia Birch Trust Board make a crucial contribution towards are:

- A. "Facilitate and enable local history and
- B. make use of, and invest in, Heritage Buildings to provide Council and community facilities".

Caccia Birch Trust Board plays a critical part in contributing to this vision by the following actions:

An innovative and growing city

The Board maintains and provides access to one of the few publicly accessible Category 1 heritage buildings in Palmerston North.

Additional opportunities to grow this activity for the local visitor and tourism industry, include the increasing ethnic and cultural diversity within the region.

A creative and exciting city

The Board's vision to be an attractive and entertaining place to visit or utilise when in Palmerston North requires smart signage, increased marketing and new technology to entice the younger generation.

The Board will promote the local history and further develop the CoachHouse archive as a permanent educational site, improve the gardens, accessibility to the grounds and add features. It will facilitate local and regional public events.

A connected and safe community:

The connections between the location of Caccia Birch House and its pre-European history embraces the Iwi heritage and involves a partnership of information sharing through the development of the CoachHouse archive.

Connecting with the City's past and celebrating its history and heritage through encouraging contributions from groups that have past connections with CBH, holding Open Days and other events facilitating free access to the venue.

An eco-city:

The day to day operations consider the environment through recycling, green-waste, rubbish reduction, being smart about energy consumption with lighting upgrades, heating upgrades and investigating solar power options.

A driven and enabling Council

The Caccia Birch Trust Board will work collaboratively with PNCC to ensure Caccia Birch House reflects and contributes to the City's future – focused plans.

7. Strategic objectives

HERITAGE RESPONSIBILITY:

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

8. What we will do:

A. Heritage Buildings

i) Work to keep this heritage property exceptionally well maintained and secure.

In the next three years we will:

- Oversee the 10-year exterior maintenance schedule that includes annual building wash and quarterly gutter clean. Exposed timber will be painted and any damaged areas noted and repaired.
- Ensure the buildings comply with Building Warrant of Fitness and Health and Safety requirements.

ii) Work to make Caccia Birch House environmentally responsible and eco-friendly.

In the next three years we will:

- Construct a new waste recycling area and waste storage space.
- Replace lights to LED fittings.
- Work to reduce carbon emissions by improving pedestrian access and bicycle parking facilities.
- Investigate other eco opportunities including the use solar energy.

iii) Develop the venue facilities.

In the next three years we will:

- Investigate provision of a covered pergola linking the carpark to the courtyard for an all-weather access towards the front of the house.
- Install an efficient central heating system and restoring the old fireplaces.

B. Heritage – Natural

i) The listed notable trees are preserved and maintained.

In the next three years, we will:

- Oversee the maintenance of the listed Notable Trees and Manawatu Tree Trust Memorial trees with regular health checks and a schedule of maintenance.

ii) Enhancement of the grounds.

In the next three years, we aim to:

- Review and update our map of the gardens and the plan for future development, including:
 - In conjunction with Council, clear and develop the Lagoon embankment to improve the visual link between Caccia Birch House, Hokowhitu Lagoon, the Manawatu River and restore the outlook towards Te Motu-O-Poutoa Pa.
 - Create various types of focal points in the grounds.
 - Improve the footpath network on the property.
 - Provide better signage in the grounds to enhance visitor experience.

C. Heritage – Cultural

i. We will make the community more aware of the heritage value of Caccia Birch House.

In the next three years, we will:

- Promote the CoachHouse Archive and Gardens to the local visitor and tourism industry.
- Develop new history displays and use modern technology for information sharing to engage the younger community.
- Provide greater visitor engagement through well trained and knowledgeable staff.

ii. Utilising Caccia Birch House as an income earning venue underpins our ability to provide community access and contribute financially to the outcomes. Providing excellent guest services and knowledgeable staff will ensure the property remains a popular focal point for all types of events including conferences, family events, weddings and tours. Staffing and other resources are also required to cope with the increasing numbers of informal visitors and free public events.

In the next three years, we aim to:

- Ensure that the house is well utilised all year.
- Increase the number of people using and hiring the facility.
- Develop a program of 'shared-risk' events to engage with the community.
- Encourage more ethnic, multi-cultural and non-profit community groups to experience this heritage facility.
- Ensure that the operation is appropriately staffed to meet the changing outcomes.

D. Heritage – Governance

i. The Board will manage the balance between maintenance of heritage integrity and the development of the property to meet evolving Council and community demands.

- The Trust will continue to review all of its Governance Policies.

9. Performance measures

Objective	Performance Measure	Actual	Target		
		2018 /19	2019/20	2020/21	2021/22
A) Palmerston North's Category 1 listed heritage property of Caccia Birch House and CoachHouse are to be preserved and protected for future generations. These Heritage buildings will only be developed in keeping with the heritage status.	<i>i. The main house and CoachHouse buildings have scheduled exterior maintenance – completed annually.</i>		100%	100%	100%
	<i>ii. Scheduled internal maintenance – completed annually.</i>		100%	100%	100%
	<i>iii. Environmentally Eco friendly development.</i>		<i>Build Waste recycle and storage unit</i>	<i>Install Central Heating.</i>	<i>Fireplace restoration.</i>
B) The grounds are preserved and developed, enhancing Palmerston North's natural heritage.	<i>i. Notable Heritage Trees receive maintenance.</i>		2 trees	4 trees	2 trees
	<i>ii. New features installed in grounds.</i>		<i>Embankment footpath.</i>	<i>Signage for Notable and memorial trees.</i>	<i>Covered access and seating in grounds.</i>
C) Palmerston North residents and visitors can access and appreciate the heritage value of Caccia Birch. Caccia Birch House is available for the residential and business community to utilise.	<i>i. Free public open days for whole property.</i>		14	15	16
	<i>ii. Number of visitors to Open days.</i>	<i>new</i>	560	750	960
	<i>iii. Accessible days for CoachHouse archive and grounds.</i>	<i>new</i>	120	140	160
	<i>iv. Number of casual visitors to CoachHouse & grounds.</i>	<i>new</i>	720	840	960
	<i>v. Number of Trust / Council and stakeholder operated publicly accessible events.</i>	3	4	5	6
	<i>vi. Percentage of respondents satisfied with visitor experience?</i>	100 %	100%	100%	100%
	<i>vii. Number of Conference / Meeting hires.</i>	360	370	380	390
	<i>viii. Number of Social Function Hires.</i>	52	53	54	55

	ix. <i>Percentage occupancy based on daily usage.</i>	72%	73%	74%	75%
	x. <i>Website / Social Media engagements. (annual).</i>	New	5500	6000	6500
D) The Board will manage the balance between maintenance of heritage integrity and the development of the property to meet evolving Council and community demands.	i. <i>Review Governance policies. (32 Policies at the time of writing)</i>		10 policies	11 policies	11 policies.

10. How we operate

The Board:

- a) The Trust Board meets once a month and members are in regular email or phone contact. There are four working committees comprising Building and Grounds, Marketing, Governance, Finance, and meetings are scheduled regularly and discussion and planning.
- b) The Board reviews annually its own strategic work plan for all aspects of the facility for a 5- year period.
- c) The Board attempts to operate within the budget which is developed jointly by the council and the Board. The Board takes responsibility in its budget for the day to day property maintenance costs and ensures that all maintenance work is carried out in a timely and appropriate manner.
- g) The Board and Management manage the competing requirements of providing a freely accessible Heritage property for tourism, operating a “venue hire business” within the well-documented constraints of a residential neighbourhood. Increasing revenue while taking into account the heritage nature of the property also provides fiscal challenges.
- h) The Board works to fully embrace the visitor / tourism industry for the benefit of Palmerston North as the property and location are ideal for this activity. However, the potential of further increasing non-revenue generating activities may not be met within the current budget.

Operations:

- a) The Board is currently reviewing its business operation model and budget, as part of its Governance obligations and in part as a result of limitations of the resources needed to carry out the full potential of its activities.
- b) The Trust Board employs only one full time person - the Manager. This role currently includes; overseeing the day-to-day facility operation including the bookings and co-ordination of all events, taking tours, the coordination of maintenance work and planning of property development work, all business administration (invoicing, quotes, staff etc) and some governance-associated tasks. This is a demanding role for one sole charge person.
- c) The Board employs a part time gardener, mowing contractor, a secretarial contractor, a part time housekeeper and four part-time after-hours venue / function staff, working as required.
- d) There is a growing need to provide more staff to look after the non-income generating visitor related activities.
- e) A new person to assist with managerial and related activities is required. This, it is hoped, will also assist with meeting succession requirements.

11. Working together

Long Term Objectives :

Developing the grounds further:

- a. Creating a new footpath alongside the entrance driveway, to improve pedestrian safety by moving them away from the narrow and often busy driveway and also lowering carbon emissions.
- b. Creating more focal points in the gardens.

People:

- c. Improved visitor services such as covered courtyard seating to protect visitors from the sun and rain, amenities like a coffee / drink kiosk contractor located in or near (mobile) the CoachHouse Archive.
- d. Develop a program of 'shared-risk' events to assist in providing exciting public events with potentially water-based activities on the Lagoon, like a punt or rope tow across the lagoon.
- e. Publication of a Caccia Birch House history book (for sale).
- f. Further investment in facility infrastructure and complementary services for facility users.

Half-yearly report

By the end of February each year, Caccia Birch Trust Board will provide the Council with a half-yearly report complying with section 66 of the Local Government Act 2002. The report will include the following information:

- Manager/Chief Executive's commentary on operations for the relevant six-month period.
- Comparison of Caccia Birch Trust Board's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Un-audited half-yearly financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity and statement of cashflows.

Annual report

By 30 September each year, Caccia Birch Trust Board will provide the Council with an annual report complying with sections 67–69 of the Local Government Act 2002.

Financial statements and audit clearance will be required in early August to ensure timely availability of PNCC's annual report.

The annual report will contain the information necessary to enable an informed assessment of the operations of Caccia Birch Trust Board and will include the following information:

- Commentary on operations for the year.
- Comparison of Caccia Birch Trust Board's performance to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Financial statements incorporating a statement of financial performance, statement of financial position, statement of changes in equity, statement of cashflows, statement of accounting policies and notes to the accounts.
- Auditor's report on the financial statements and the performance targets.
- Any other information that the trustees consider appropriate.

Assumptions for SOI budget.

The budget has been prepared on the following basis:

- a) The Board plans to continue trading and pursuing growth where possible within heritage and other constraints and embracing the tourism industry to support the PNCC's vision of an exciting city.
- b) The general operating expenses are based on previous year's activities and occupancy and also take into consideration the current six-months expenditure to date. These figures include a CPI adjustment.
- c) The proposed wages and salaries budget for 2019 to 2020 and beyond are based on the number of hours worked by all staff in the preceding year. These staff are 'part time / as required' to service the needs of the venue / property.
- d) The need to attract and retain well-trained staff. This necessitates an increase in the current staff hourly pay rate to at the very least meet the living wage hourly rate. An annual CPI adjustment contributes to the increased expense over the 3-year forecast.
- e) The budget does not include provision for additional operational staff.
- f) The proposed budget forecasts a small cash deficit in year one and two, covered by the reserves.
- g) The timing of Councils 10-year plan, the new City vision encouraging this CCO to grow its activities and the 17A findings has not helped the Trust plan a meaningful and successful course of action and budget for the future.
- h) Additional funding is required to support the growth of activities, especially those of a passive tourism activity that are unlikely to generate revenue, but which will contribute to the success of the City's vision.

Caccia Birch Trust Board			<u>23.5.19</u>			
Forecast Statement of Financial Performance						
For Years Ended 30 June 2020, 2021 and 2022						
		2018-19	2019-2020	2020-2021	2021-2022	
Revenue			\$	\$	\$	
Catering Revenue		91,800	93,636	92,500	93,000	
Event Revenue - Bridal Fair		6,150	6,300	6,400	6,400	
Facilities Hireage		83,640	88,000	90,000	92,000	
Interest Received		526	546	566	566	
PNCC Operations and Audit Grant		98,775	100,948	103,168	103,168	
PNCC Audit Grant		4,750	4,875	5,000	5,000	
PNCC Meeting Grant - Trustees		6,120	6,120	6,120	6,120	
Recoveries from Hireage		6,120	6,250	6,400	6,400	
Total Revenue		297,881	306,675	310,154	312,654	
Expenses						
Accounting Technician		6,600	7,200	7,380	7,380	
Accounting CA		1,560	1,720	1,763	1,807	
Accounting Audit		9,500	9,750	9,994	10,244	
Advertising / Marketing		5,600	5,700	5,843	5,989	
Total Bank Charges		650	680	697	714	
Catering Expense		87,210	88,594	90,809	93,079	
Total Cleaning Costs		4,050	4,150	4,254	4,360	
Governance Expense		1,050	1,100	1,150	1,200	
Governance - Secretarial		0	3,500	3,600	3,700	
Grounds - Lawn Mowing		8,000	8,160	8,364	8,573	
Insurance		3,800	3,900	4,000	4,100	
Kitchen Expenses		2,000	2,150	2,204	2,259	
Light Power & Heating		10,000	10,100	10,353	10,611	
Minor Asset Replacement		3,100	2,700	2,754	2,809	
Payroll Administration Fees		600	615	630	646	
Printing, Stamps & Stationery		4,100	4,200	4,305	4,413	
Total Repairs and Maintenance		9,850	9,300	9,486	9,676	
Security		6,000	6,150	6,200	6,355	
Staff-Related Expenses		550	600	650	666	
Telephone, Tolls & Internet		2,150	2,200	2,250	2,306	
Trustee Remuneration		6,120	6,120	6,367	6,526	
Wages and Salaries incl. kiwisaver, ACC		125,835	129,015	132,240	135,546	
Xero Fees		600	620	636	651	
Total Operating Expenses		298,925	308,224	315,927	323,611	
Surplus (Deficit) Before Depreciation		(1,044)	(1,549)	(5,773)	(10,957)	
Depreciation of Property, Plant, and Equipme		19,100	17,200	17,000	17,000	
Total Expenses		318,025	325,424	332,927	340,611	
Surplus (Deficit)		(20,144)	(18,749)	(22,773)	(27,957)	

Caccia Birch Trust Board				
Forecast Statement of Cash Flows				
For Years Ended 30 June 2020, 2021, and 2022				
	2019	2020	2021	2022
	\$	\$	\$	\$
Cash Flows from Operating Activities				
Receipts from Council Operating Grants	98,775	100,948	103,168	103,168
Interest Receipts	526	546	566	566
Receipts from Other Revenue	208,482	205,181	206,170	208,668
Payments to Suppliers and Employees	(298,532)	(307,792)	(315,491)	(323,171)
GST(net)	20	20	20	20
Net Cash Flow from Operating Activities	9,271	(1,097)	(5,567)	(10,749)
Cash Flows from Investing and Financing Activities				
Receipts from Sale of Investments	13,700	13,944	13,900	13,900
Payments to Acquire Property, Plant & Equipment		-	-	-
Payments to Acquire Investments	(12,000)	(13,900)	(13,900)	(13,900)
Net Cash Flow from Investing and Financing Activities	1,700	44	-	-
Net Increase(Decrease) in Cash for the Year	10,971	(1,053)	(5,567)	(10,749)
Add Opening Bank Accounts and Cash	20,900	31,871	30,818	25,250
Closing Bank Accounts and Cash	31,871	30,818	25,250	14,502
		-	-	-
Operating Surplus	-20,144	-18,749	-22,773	-27,957
Depreciation	19,100	17,200	17,000	17,000
Accounts Receivable Decrease/(Increase)	0	0	-250	-253
Accounts Payable Increase/(Decrease)	393	432	436	440
Net GST Increase/(Decrease)	20	20	20	20
Total	8,461	-1,097	-5,567	-10,749
Total per above	8,461	(1,097)	(5,567)	(10,749)
Difference	0	(0)	0	0

Caccia Birch Trust Board				
Forecast Statement of Financial Position				
As At 30 June 2020, 2021 & 2022.				
	2,019	2020	2021	2022
		\$	\$	\$
Assets				
Current Assets				
Bank Accounts and Cash	31,061	30,818	25,250	14,502
Debtors and Prepayments	15,098	25,000	25,250	25,503
Investments	12,000	13,900	13,900	13,900
Total Current Assets	58,159	69,718	64,400	53,904
Non-Current Assets				
Property, Plant & Equipment	102,647	70,980	53,980	36,980
Total Assets	148,078	148,727	126,409	98,913
Liabilities				
Current Liabilities				
Creditors	13,130	13,130	13,261	13,394
Accrued Expenses	11,110	13,888	14,026	14,167
ANZ Credit Card	222	202	204	206
Secure Venue Fee	2,222	2,222	2,244	2,267
GST	2,020	2,020	2,040	2,061
Accrued Salaries and Wages	2,767	3,953	3,993	4,033
Accrued Leave	10,201	10,201	10,303	10,406
Total Current Liabilities	41,673	45,616	46,072	46,533
Total Liabilities	41,673	45,616	46,072	46,533
Total Assets Less Total Liabilities	106,405	103,111	80,338	52,381
Trust Equity				
Accumulated Surpluses	106,405	103,111	80,338	52,381
Total Trust Equity	106,405	103,111	80,338	52,381

1. STATEMENT OF ACCOUNTING POLICIES

Basis of Preparation

The Board has elected to apply PBE SFR-A Public Sector Entity Simple Format Reporting - Accrual on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

Changes in Accounting Policies: There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

(a) Tier 2 PBE Accounting Standards Applied

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

(b) Presentation Currency and Rounding

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

(c) *Property, Plant & Equipment*

Property, plant and equipment are recorded at cost, less accumulated depreciation and impairment costs.

Donated assets are recognised on receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

Donated Artwork had not been recognised because the values of the artwork are not readily available. For an asset to be sold, the asset is impaired if the market price of an equivalent asset falls below the carrying amount.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

<i>Plant & Equipment</i>	<i>10 years (10%)</i>
<i>Leasehold Improvements</i>	<i>10 years (10%)</i>

(d) *Goods & Services Tax*

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

(e) *Income Tax*

The Trust is exempt from taxation due to the charitable nature of its activities via the operation of Section CW 35 of the Income Tax Act 2004.

(f) *Revenue*

Grants

Grants received from the Palmerston North City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust Deed. The Trust also receives other government assistance for specific purposes, and these grants usually contain restrictions on their use.

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Sale of Goods and Services

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Donated Goods or Services Not Recognised

The Trust receives volunteer services at no charge.

Interest Revenue

Interest income is recorded as it is earned during the year.

(g) *Employee Related Costs*

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries, & leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted. Superannuation contributions are recorded as an expense as staff provide services.

(h) *Advertising, Marketing, Administration, and Fundraising Cost*

These are expensed when the related service has been received. This does not include staff time spend on marketing activities.

(i) *Bank Accounts and Cash*

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

Bank overdrafts are presented as a current liability in the statement of financial position.

(j) *Investments*

Investments comprise investments in term deposits with banks.

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

(k) *Lease Expenses*

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

(l) *Debtors & Prepayments*

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

(m) *Creditors & Accrued Expenses*

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

(n) *Employee Costs Payable*

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

(o) *Budget Figures*

The budget figures are derived from the statement of intent as approved by the board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the board in preparing these financial statements.

CACCIA BIRCH TRUST BOARD

CHAIRPERSON

GRANT O'DONNELL

DATE: 24th May 2019

