



RICCARTON HOUSE & BUSH
PŪTARINGAMOTU



RICCARTON BUSH TRUST ANNUAL REPORT 2020

FOR THE YEAR ENDED 30 JUNE 2020



OUR VISION

Riccarton Bush / Pūtarīngamotu, 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 / Pūtarīngamotu is the primary consideration

MANAGEMENT GOALS

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

RICCARTON BUSH TRUST ANNUAL REPORT 2020

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REPORT FROM THE CHAIRMAN AND MANAGER

It was a year of two parts. Pre Covid and since Covid.

Prior to March the Trust was performing well, visitor numbers were healthy and income from the café was steadily increasing. The various levels of lock down saw everything close at Alert Level 4 with the Bush not reopening until we returned to Alert Level 1 in late June. With the borders still closed we have lost almost 40% of our house tour customers.

Despite the restrictions we all learnt new ways of doing things whether it be contactless welcomes or coming to grips with virtual meetings. We kept our community updated through Facebook and the Trust provided support to the Café to help them bounce back once we had returned to Alert Level 1. The Government Wage Subsidy certainly provided a support as our income dropped by over 30%.

It has been a relief to see the “supporting local “ mindset that has evolved. Visitor numbers are again steadily increasing.

The big project for the year was the renovation of the downstairs toilets. They have been completed to a very high standard and are now fitting of a house of this grandeur.

With the ups and downs of the year, the Board and staff have had to be nimble in responding to the rapid changes in the trading environment. As mentioned above, the wage subsidy allowed the Board to retain all staff through the lockdown period and beyond. The Board is also appreciative of our onsite café operators, Sam and Amanda Marchant who also have been able to weather the Covid storm and

“It has been a relief to see the ‘supporting local’ mindset that has evolved. Visitor numbers are again steadily increasing”

now continue to offer great food and coffee experiences.

To fellow Board members, all staff and contractors, the Board Chair Bob Shearing offers his sincere thanks for the commitment everyone has made to get us through this very difficult period. Thanks to this commitment and along with our traditional support from the Christchurch City Council, we end the year in a strong financial position. While recognising we still have a way to go with the current pandemic, we look forward to continuing to offer local and wider New Zealand residents the opportunity to take some time out to enjoy Riccarton House and Bush which is seen as an important part of New Zealand’s history.



Bob Shearing
Chairman



Shona Willis
Manager

THE YEAR IN REVIEW

The Riccarton Trust Board's 2019/20 Statement of Intent set nine performance targets.

- 1 Bush and Ground Interpretation
 - complete a full upgrade by 30 June 2020
- 2 Bush Enhancements
 - Boardwalk - Develop a fund-raising strategy by 30 December 2019
- 3 Monitor Health and Safety practices in accordance with adopted policy to meet the requirements of the Health and Safety at Work Act 2015
- 4 Refit and upgrade the external public toilets
- 5 Replace the carpet in hallway/drawing room and fine dining room
- 6 Installation of sun-filters throughout house
 - Protect the wallpaper and linings in the morning room from sun damage by 30 June 2020
- 7 Visitor numbers to the House, Bush and Grounds are increasing annually.
 - Visitor Numbers to the Bush increase by 2% on previous year
 - Increase Independent and Group Tours by 2% of previous year
- 8 There is no reduction in the percentage of ordinary income from sources other than CCC and Capital Grants.
- 9 Monitor and manage rodent activity in Riccarton Bush.
 - Observable decrease in activity by effective management of bait stations

1. Bush and Ground Interpretation

This year the new Deans Cottage signs were installed as well as the sign at the Ngahere Street entrance and the house end of the driveway. The large sign on the Kahu Road frontage was also replaced as the posts had rotted out and the sign needed upgrading. The new sign has been installed and is looking great. The rear of the sign has a large image of the Riccarton House to deter graffiti and roses have been planted underneath. Note the two large support posts are Australian blackwood and their earlier life was spent as pier supports at Lyttelton Port. The full upgrade of signs is now completed.

2. Bush Enhancements – Boardwalk

The performance target to develop a fund-raising strategy by 30 December 2019 was not met. Instead the Board engaged Matapopere Charitable Trust to develop a Cultural Design Strategy. The purpose was to ensure that interpretation of Maori values and history as well as respecting and monitoring existing Ngai Tahu mahinga kai and taonga species were integral to Bush enhancements.

Funding from the Christchurch City Council Metropolitan Discretionary Fund made this work possible. Once working drawings are developed to ascertain costings the hard work of fund raising will begin.

3. Health and Safety

A Health and Safety Committee comprising Trust Staff and Café Staff report monthly to the Board.

4. Refit and upgrade the external public toilets

This project was deferred until 2020/21 and the monies reallocated to the water supply renewal and water tower repair. In September the main water supply pipe to the house burst. During the repair it was noted that the pipe had severely corroded and an uninterrupted supply could not be guaranteed. At around the same time the Trust engaged a structural engineer to review the structural integrity of the water tower which was showing signs of rot. The report showed that the tower was a risk and needed to be emptied before structural repairs could be carried out. The new water supply was installed in June and the repairs on the water tower will be completed in the spring.

5. Carpet in hallway/drawing room and fine dining room replaced

The carpet was manufactured and installed in the early 1990s with the design being reproduced from photos taken during the Deans' ownership of the house. Lotteries Community Facilities funding provided \$23,000 with the remaining \$23,000 coming from Christchurch City Council Project Funding.

The installation was to have been in March however there were delays due to Covid-19 and difficulties in obtaining a colour match.

6. Installation of sun-filters throughout house

This project is ongoing with the Morning Room being the priority for 2019/20. A film was installed on all the windows in the morning room to protect the wallpaper and linings from UV damage.

7. Visitor numbers to the House, Bush and Grounds are increasing annually.

Visitor numbers to the Bush were 46,572, a 61.4% drop on last year. Due to Covid-19 the Bush was closed during

Alert Level 2, Level 3 and Level 4 (approx. 4 months) and only opened during Alert Level 1.

Visitors on Independent and Group Tours were 3,504 (30% drop on 2018/19.) Due to Covid-19 tours were suspended in April and May and there were only domestic visitors in June.

8. There is no reduction in the percentage of ordinary income from sources other than CCC and Capital Grants.

41% of revenue came from sources other than CCC (up from 35% 2018/19)

9. Monitor and manage rodent activity in Riccarton Bush

An independent audit showed that the monitoring and management of rodent activity was effective.

“We really appreciate the bathrooms being attended to - we realize it was at great cost but what has been created is just perfect and so fitting for the house and the standard of events we are presenting.”

Sam and Amanda Marchant



Kahū Road Sign



New bathroom



New grounds sign



Front Row L-R: Pippa Ensor, Bob Shearing
 Back Row L-R: Shirish Paranjape, Shona Willis, David Norton, Mike Mora, Jimmy Chen, Bob Linehan, Tim Deans

Board Constitution (as prescribed by Riccarton Bush Amendment Act 2012)			
APPOINTED BY	NUMBER	TERM	CURRENT APPOINTEES
Christchurch City Council	3	3 years	Bob Lineham (Since 2016 - reappointed June 2019) Jimmy Chen (Since 2010 - reappointed Dec 2019) Bob Shearing (Since 2005 - reappointed March 2018)
Christchurch City Council - Community Board Members	2	3 years	Mike Mora (Since 1998 - reappointed Dec 2019) Shirish Paranjape (Since 2016 - reappointed Dec 2019)
Family of John Deans II	2	5 years	Pippa Ensor (Since March 2017) Tim Deans (Since 2013 - reappointed May 2018)
Royal Society of New Zealand Canterbury Branch	1	5 years	Prof. David Norton (Since 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 reviewed 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. To also ensure the organisation's financial statements and reports are accurate, 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. The Working Party met once this year with the focus being on the development of Collections Management Policies.

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. The Working Party met once this year with the focus being on interpretation and signage and also the cultural design strategy for the board walk replacement.



VISITORS TO THE GROUNDS, HOUSE & BUSH

Visitor numbers were tracking close to the 2018 and 2019 numbers at the end of the third quarter but with the closure of the grounds during the lockdown there was a 30% decrease in overall numbers for 2020.

With an increase in our rating on Trip Advisor international visitors increased on last year's total with Australians the highest of these visitors. This was despite the loss of international visitors due to Covid-19 in the last quarter.

Recommendations from locals/family and friends continues to be the main way that people are finding out about the House tours followed by the internet. We had a 35% increase of online bookings.

Signage, café, market, staff, and advertising within the house represented the third highest reason visitors went on a tour and visited the grounds and bush. Groups represented 78% of the total number of people who had guided tours. Schools were the highest groups representing 36% of this

total, followed by senior groups at 30%, international groups and tour operators were highest in the 2nd and 3rd quarters cancellations affecting the 4th quarter.

Advertising to visitors included an increased relationship with ChristchurchNZ, Local Café, and Christchurch Holiday Homes through advertising opportunities, combined promotions, mentoring and webinars. With restrictions for overseas visitors a marketing shift to the domestic market was necessary and we are now seeing visitors from many areas around New Zealand.

Due to the Bush closure because of Covid 19 visitor numbers are significantly lower than last year. (see page 8)

We have considerable diversity in our tour groups which range from American travel groups, scouts and guides, schools – year 1-13, preschools and ecology groups. Several schools visited the Bush either directly through us or with Canterbury Museum as part of their education program

Visitor Numbers – Riccarton House

	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Totals
Groups	23	55	41	209	195	38	317	270	86			53	1287
Schools	89	75	31	174	189	48		458	232			156	1452
Individuals	68	42	60	83	112	65	140	123	48		3	21	765
2019/2020	180	172	132	466	496	151	457	851	366	Nil	3	230	3504
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

Bush & Grounds - Visitor Numbers

2019/2020	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Totals
2019/20	5002	6760	5467	6907	6136	7948	N/A	8352	Covid	Covid	Covid	Covid	46572
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

run through the Ministry of Education. They included Burnside, Riccarton, Harewood, Kirkwood Intermediate, Fendalton Open Air, Wairakei, Canterbury Home Educators, CBHS, Rangiora High, Hillmorton High, Springston and Ilam schools.

“Thank you very much for providing such a rich learning opportunity for our children. We really appreciate your time and effort.”

We also have several individuals and groups that regularly visit. Edith, an 86-year-old, catches the bus from her home and spends a good part of the day in the Bush. She tells us she gets strength and wellbeing by sitting with the Kahikatea.

Highlights of the Year

We were awarded the 2019 Trip Advisor Certificate of Excellence and our highest rating reached 5 of 225 things to do in Christchurch, up from 7 the previous year.

NO Productions Theatre Company, in collaboration with Riccarton House, presented two special performances of the award-winning play “Dear Jane” as part of the Beca Heritage Festival. Audiences travelled back in time to hear a different take on the story of Jane’s move to New Zealand. Both sessions were fully booked, the performances were superb.

“The many Heritage Festival activities of the Riccarton Bush Trust over the years have provided the community with a variety of often innovative opportunities to connect with Riccarton House and Bush/Pūtarangamotu in meaningful ways.”

CCC Heritage Team

We were thrilled to be awarded “The Heritage Ambassador Award” at the opening event at Turanga. This award recognised the services of individuals and groups who have made a significant contribution to heritage education and advocacy through Heritage Festival events.



Heritage Festival Award

A visit from the Early Ford V8 Club during their Nationals Meet in January saw the grounds come alive with classic models of early Ford vehicles. Members spent a part of their day viewing the grounds and being taken on guided House tours.

“thank you on behalf of the National Club members for what was regarded by them as a great experience and learning of the significance of the estate to the region of Canterbury. Thank you for making the morning a special part of the day and a special part of the weeklong National meeting in Christchurch.”

Combined promotions with Local Restaurant saw several of our senior citizens groups enjoy a tea or lunch combo with a guided tour of the House. The experience and historical stories were new for some and for others a lovely return to see the many changes from when they were last here.

“Our visit to Riccarton House went way beyond our expectations of a good day, thanks to your excellent care & communication skills.

Please pass on our grateful thanks to the guides for the interesting family history & stories.”



Early Ford V8 Club visitors

“Well worth it. The guided tour was memorable. Only a modest cost, but the history, the Dean’s family stories and the opportunity to inspect Christchurch’s oldest heritage house was truly worth the visit. The grounds, bush walk and all the beautiful gardens were a bonus. In the heart of Riccarton and not something you would expect to find. I’m glad we saw it online and decided it was a place to visit in our short time in Christchurch.”



RICCARTON HOUSE

“The hour passed rapidly as we moved around one of the grandest houses of the period we have ever come across, on travels or back in the UK. The scale and proportion of the rooms is wonderful, and the innovations and foresight put into the development of the house were truly stunning, as was the amazingly beautiful use of wood and timber.”

Trip Advisor

Great progress on the cataloguing and photographing of heritage items within the House continued this year along with establishing Collection Management Policies. The policies provide the direction and the requirements for staff when accepting items. It includes the process for the receipt and cataloguing of these items, insurance, care, protection and a deaccession process if no longer suitable or required for display purposes.

We continue to gratefully receive wonderful items and this policy now provides surety to donors that their gifts will be cared for, protected and catalogued.

A video of the house was commissioned, and this details all the room measurements and contents which will be a great

reference point for the future. Maintenance on the house included the annual wash down in November, cleaning of all the downpipes and gutters and replacing the main water cylinder.

The Trust applied for funding to commission a condition report and cyclical maintenance plan so that work could be scheduled more effectively. Both the Hornby-Halswell-Riccarton Community Board and the Fendalton-Waimairi-Harewood Board provided funding and the report is underway.



HOUSE GROUNDS



HOUSE GROUNDS

“The grounds of Riccarton House have been extensively and intelligently planted – a labour of love by Jane Deans who kept complete records of plantings and growth. Nearly 100 years later, these records were still being kept by her grandson, John Deans”

Riccarton Bush Reserve Booklet 1950

The area to the north side of the driveway has been planted with camelias, rhododendrons and perennials and provide a beautiful approach to the House.

Tree maintenance was carried out throughout the grounds during the year. Two large branches snapped off the English Oak (Tree 1) during a very localised freak wind event on the 18th November.





DEANS COTTAGE



DEANS COTTAGE

The cottage is accessible when the grounds are open. This museum site provides an insight into life in the 1840s and remains the oldest dwelling in Canterbury. Visitor numbers to it remain high.

All the items within the Cottage are on loan from The Canterbury Museum. This loan is renewed every four years. In order to preserve these precious artefacts regular fumigation and cleaning is carried out.

Improvements this year included updated signage and upgraded lighting within the cottage.

OUR COMMUNITY

Our newsletter "The Bush Telegraph" is circulated to immediate neighbours, to Deans family members and to the Riccarton Bush Kilmarnock Residents' Association, who circulate it 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.

The Manager regularly attends the Riccarton Liaison Group meetings. This group was established by the Hornby-Halswell-Riccarton Community Board and is a good way to keep in touch with other community groups.



“It must be emphasised that the Bush is the last portion on the globe of a special type of forest. But do those to whom it belongs – not the people of the district alone but all New Zealanders – recognise how beyond price is this piece of ancient forest?”

Dr Leonard Cockayne: 1920



RICCARTON BUSH / PŪTARINGAMOTU

The Bush was closed from 24 March to 8th June. We couldn't ensure social distancing on the tracks and adequate sanitizing of the entrance gates, so we closed the Bush at Alert Level 3 and reopened when the country was back at Alert Level 1.

Feral or rock pigeon numbers have increased significantly. Culling was carried out during the lock down but has had little impact. The Trust is part of a city-wide group established to discuss the problems faced by various stakeholders around the city regarding the financial, health and environmental impact of the pigeons.

Bush work included vine clearance to prevent young trees from being smothered and removing bramble and ivy from the Bush floor.

Additional surveillance was carried out to determine if there were rodent or mustelids present in the Bush. A few mice were detected but no rats or stoats. The surveillance affirmed that our current practice was effective. We have over a 100 bait stations throughout the bush and these are regularly checked for activity.

Irrigation was expanded in the northern sector of the Bush to increase coverage.

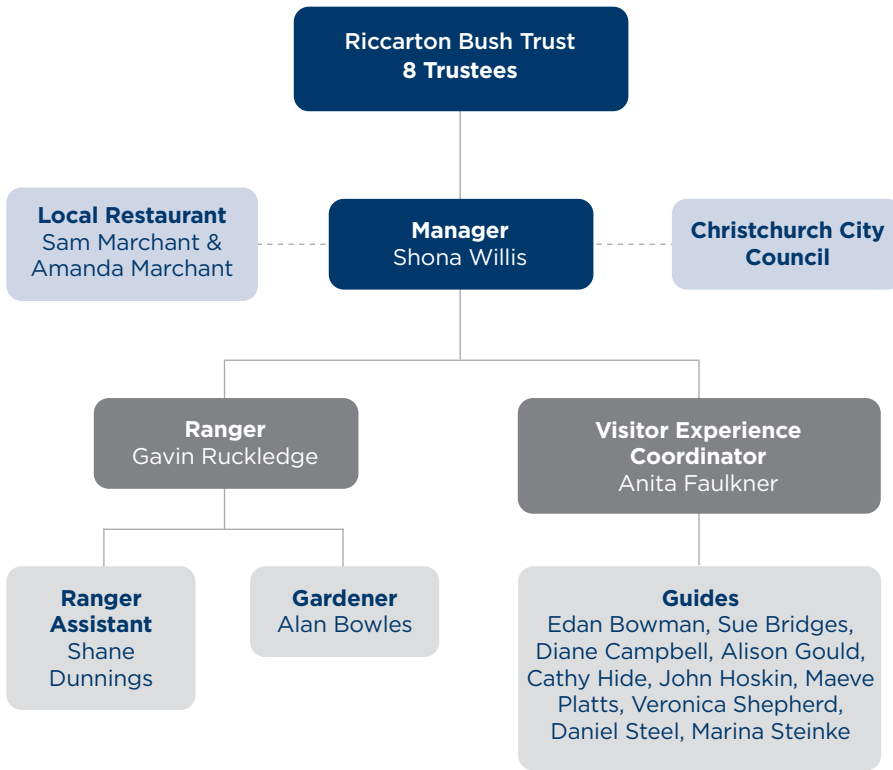
We have had two Canterbury University Students carrying out their studies in the Bush – one on insect movement and the other on gecko habitats.

Seven large rotten tree stumps were removed from the inside boundary of the Bush (Totara St side). These stumps were remnants of the English Beech and Oak trees that were cut down in the 1970's. The stumps were removed as the decaying roots had created tunnels under the predator fence and had the potential to create entry routes for rats. The holes and tunnels were filled in and compacted utilising a clay/soil/stone mix.



“The real gem here is the Riccarton Bush. The sign says 30 minute walk -that’s because you take your time to soak up the exquisite calm, enjoy the cool fresh air and marvel at the complex beauty of the entwined plants. If you just want to rush through you could probably do the 30 minute walk in less than 20 minutes - but why would you bother.”

Riccarton Bush Trust - Organisation Chart



With input from our tour guides a new resource manual was developed. We wanted to ensure our visitors were being given correct and consistent information with the guides still being able to impart their own individual flavour.

Shona Willis attended a refresher first aid course. Through the generosity of the Canterbury Museum, Shona was able to complete a Level 4 Certificate in Museum Studies along with museum staff.

The Trust's accounting is contracted out to the City Council and Henry Poynter provides the support to the Trust and Shona.



Anita Faulkner



Shona Willis



Gavin Ruckledge



Henry Poynter



Alan Bowles



LOCAL AT RICCARTON HOUSE & CHRISTCHURCH FARMERS MARKET

Like everyone else, in the world, what a year 2020 has been for us.

From our results in December 2019 we were on track to have our busiest year yet with the cafe and our events but come January we saw that this was not going to be and events started cancelling and eventually we had to close.

Prior to the lock down and looking back over the last 12 months we have been very happy with the way things had been going. Our focus has been on the events side of the business, both Private and Corporate. We have such a unique offering and the team of people that we have had in place over the last 12 months has been amazing and this has led to many repeat clients and outstanding feedback from others. We also reviewed our pricing structure and this provided an easier way to quote on events and a clearer understanding of cost per person for clients.

A very targeted sales plan for the year was worked on by our events team. We focused on retirement homes, walking groups, Probus groups etc for morning tea/tour packages. This was presented in a clear easy format to each organiser and this resulted in a good number of bookings for day events. This is something that we will continue to promote over the coming 12 months and post lock down we have

seen that groups from these markets have been some of the first to get back out and about.

The Farmers Market for us has always been solid as a rock and still provides such a great launching pad for new ideas and a place for the community to be able to catch up, socialise and support.

The focus for us and the market is not growth but continually creating more awareness within the community of the importance of supporting the locals especially the farmers and growers.

Difficulties for the market this year have been the opening of Riverside Market and some good stalls leaving us to set up there. We are still unsure if this will continue to make an impact but there is room for all.

Covid being the other difficulty, stalls holders have commented on the drop in sales due to the lack of tourists, so we are working on a local awareness campaign to do all we can to mitigate the loss. Sam has taken over the role as Market Manager which he is enjoying and really helps keep a close eye on the operations.

Amanda and Sam Marchant





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

Christchurch City Council
Christchurch City Council - Metropolitan Discretionary Fund
Hornby-Halswell-Riccarton Community Board
Fendalton-Waimairi-Harewood Board
Lotteries Community Facilities
Christopher Deans
Canterbury Museum
Stephen Phillips
Robyn Lambie
Sarah Mankelow
Jenny May
The Estate of Betty Gill
The Estate of Evelyn Harding
Jacqueline Ballard



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; Ash from Christchurch Pest Control and Gareth Painter (Asplundh). A special thanks also to Neil MacBeth for his very talented photography.

RICCARTON BUSH TRUST
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

RICCARTON BUSH TRUST

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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

Statement of comprehensive revenue and expense

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Revenue from operations	1	124,034	145,531
Other revenue	1	<u>636,278</u>	<u>494,476</u>
		<u>760,312</u>	<u>640,007</u>
Employee benefits expense	2	315,908	289,699
Depreciation and impairment	2	162,999	158,474
Other expenses	2	<u>229,236</u>	<u>247,224</u>
		<u>708,143</u>	<u>695,397</u>
Net profit (deficit) for period		<u>52,169</u>	<u>(55,390)</u>
Other comprehensive revenue and expense		<u>-</u>	<u>-</u>
Total comprehensive revenue and expense		<u>52,169</u>	<u>(55,390)</u>

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

Statement of changes in net assets/equity

For the year ended 30 June 2020

	Retained earnings \$	Other reserves \$	Total equity \$
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
Transfers	50,015	(50,015)	-
Profit for the period	52,169	-	52,169
Balance at 30 June 2020	1,198,883	15,074,400	16,273,283

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

RICCARTON BUSH TRUST

Statement of financial position

As at 30 June 2020

	Note	2020 \$	2019 \$
Current assets			
Cash and cash equivalents	4	322,431	249,366
Receivables from non-exchange transactions	6	3,925	73
Receivables from exchange transactions	6	19,676	34,863
Inventories	5	1,709	2,030
Total current assets		<u>347,741</u>	<u>286,332</u>
Non-current assets			
Property, plant and equipment	7	<u>15,981,860</u>	<u>15,992,998</u>
Total non-current assets		<u>15,981,860</u>	<u>15,992,998</u>
Total assets		16,329,601	16,279,330
Current liabilities			
Taxes and transfers payable	8	-	401
Payables under exchange transactions	8	19,248	28,854
Finance lease liability	11	1,782	1,461
Income in advance		336	201
Provisions	9	<u>29,878</u>	<u>20,443</u>
Total current liabilities		<u>51,244</u>	<u>51,360</u>
Non-current liabilities			
Finance lease liability	11	<u>5,074</u>	<u>6,856</u>
Total non-current liabilities		<u>5,074</u>	<u>6,856</u>
Total liabilities		56,318	58,216
Net assets		<u>16,273,283</u>	<u>16,221,114</u>
Equity			
Reserves	10	15,074,400	15,124,415
Accumulated comprehensive revenue and expense		1,198,883	1,096,699
Total equity		<u>16,273,283</u>	<u>16,221,114</u>

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 23rd September 2020

Chairman 

Trustee 

Statement of cashflows

For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from customers		206,923	219,196
Donations and sundry revenue		100,958	-
Contributions from Christchurch City Council		449,850	413,313
Interest revenue		1,857	4,110
Payments to employees and suppliers		(527,527)	(543,214)
GST (Payable / Receivable)		(5,674)	(1,902)
Net cash inflow from operating activities	13	<u>226,387</u>	<u>91,503</u>
Cash flows from investing activities			
Sale of Assets		-	16,234
Purchase of fixed assets		(151,861)	(203,880)
Net cash outflow from investing activities		<u>(151,861)</u>	<u>(187,646)</u>
Cash flows from financing activities			
Advances received		-	8,317
Repayment of loans		(1,461)	(3,202)
Net cash outflow from financing activities		<u>(1,461)</u>	<u>5,115</u>
Net inflow (outflow) of cash		73,065	(91,028)
Opening bank and short term investments		249,366	340,394
Represented by:			
Bank and short-term deposits		<u>322,431</u>	<u>249,366</u>

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

Statement of Objectives and Performance

For the year ended 30 June 2020

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

Financial Performance Targets

	Jun 20 Target \$	Jun 20 Actual \$	Jun 20 Variance \$
Revenue	560,000	533,992	(26,008)
Operating Expenses	560,000	545,144	14,856
Operating surplus before depreciation	-	(11,152)	(11,152)

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

Capital grant – Christchurch City Council	\$89,250
Work and Income COVID-19 Wage subsidy	\$43,548
Bequest	\$34,255
Lottery Community Grant	\$20,000
Southern Trust Grant	\$15,000
Metropolitan Fund	\$12,410
Halswell Hornby Riccarton Community Board	\$7,000
Fendalton, Waimairi, Harewood Community Board	\$3,000
Interest Income	\$1,857

Operating expenses above do not include depreciation (\$162,999).

Operating revenue:

Operating revenue was slightly lower than the target.

As a result of the COVID-19 lock down, the house, bush and café were closed during lockdown level 4. This negatively impacted the revenue received from commission, rent, book sales and guided tours.

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 savings on grounds tree maintenance, fence maintenance and promotions. Overspends were made bush and grounds salaries as a result of increased hours. This overspend was partially offset by decreased hours and savings in historic house wages.

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. 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. <ul style="list-style-type: none"> ○ Serious Harm incidents = 0 ○ Accident = 0 ○ Near Misses = 0
2. Refit and upgrade the external public toilets.	Work Completed 30 June 2020.	Target not met Deferred due to urgent structural repairs to water tower replacement water supply.
3. Carpet in hallway/drawing room and fine dining room replaced	Completed by 30 December 2019.	Target not met Project Underway. Carpet ordered but delayed due to Covid-19 and difficulties in colour matching.
4. Installation of sun-filters throughout house	The wall paper and linings in the morning room are protected from sun damage by 30 June 2020	Target met UV filter installed on the Morning Room windows.
5. Visitor numbers to the House, Bush and Grounds are increasing annually.	Visitor Numbers to the Bush increase by 2% on previous year 2018/19: 75,819 Riccarton House increase by 2% on Independent and Group Tours of previous year 2018/19: 4,542	Target not met Visitor numbers were 46,572, a 61.4% drop on last year. Due to Covid-19 the Bush was closed During L2, Level 3 and Level 4 (approx. 4 months) and only opened during level 1. Target not met 2019/20: 3,504 (30% drop) Due to Covid-19 Tours were suspended in April and May and there were only domestic visitors in June.
6. There is no reduction in the % of ordinary income from sources other than CCC and Capital Grants.	Ordinary income from sources other than CCC does not reduce 2018/19: 35%	Target Met 41% of revenue was sourced externally from CCC.

Environmental and Social Performance Targets

Target	Performance Measure	Actual
1. Monitoring and management of rodent activity in Riccarton Bush.	Effective management of bait stations resulting in observable decrease in activity.	Target met Minor activity noted at bait stations. Independent audit completed.
2. Bush and Ground Interpretation	The full upgrade has been completed by 30 June 2020	Target met Full upgrade completed.
3. Bush Enhancements - Boardwalk	Develop a fund-raising strategy by 30 December 2019	Target not met Project Underway. Cultural Narrative Strategy Completed. Initial discussions with Funders has commenced

RICCARTON BUSH TRUST

1. Revenue

	2020 \$	2019 \$
Revenue from operations		
Rents and commission - Riccarton House	93,893	110,554
Heritage income - Riccarton House	27,365	30,939
Sale of plants	435	30
Book sales	2,341	4,008
	<u>124,034</u>	<u>145,531</u>
Other revenue		
Rents - dwelling	23,544	24,507
Donations and sundry income	59,979	27,274
Levy - Christchurch City Council	360,600	353,563
Grant - Christchurch City Council	89,250	59,750
Grant - Others	57,500	24,371
Covid 19 - Wage Subsidy	43,548	-
Interest received	1,857	4,110
Gain on sales of assets	-	901
	<u>636,278</u>	<u>494,476</u>
Total revenue (excluding insurance recoveries)	<u>760,312</u>	<u>640,007</u>

2. Expenses

	2020 \$	2019 \$
Employee benefits expenses	315,908	289,699
Depreciation	162,999	158,474
Administration expenses	80,097	81,634
Historic Houses expenses	94,950	94,544
Bush and Ground expenses	33,823	46,944
Ranger's House expenses	1,360	4,334
Project and other expenses	17,467	18,065
Finance lease interest	1,539	1,703
	<u>708,143</u>	<u>695,397</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.

	2020 \$	2019 \$
Audit of financial statements	12,876	12,677
	<u>12,876</u>	<u>12,677</u>

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4. Cash and cash equivalents

	2020 \$	2019 \$
Cash at bank and on hand	322,431	249,366
	<u>322,431</u>	<u>249,366</u>

5. Inventories

	2020 \$	2019 \$
Book stock on hand - at net realisable value	1,709	2,030
	<u>1,709</u>	<u>2,030</u>

6. Receivables

	2020 \$	2019 \$
Recoveries from non-exchange transactions	3,925	73
Receivables from exchange transactions	19,676	34,863
	<u>23,601</u>	<u>34,936</u>
Comprising of:		
Debtors and accruals	19,749	34,936
GST receivable	3,852	-
	<u>23,601</u>	<u>34,936</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.

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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. disposals	Net On movement in WIP	Depreciation	Revaluation movement	Cost/ valuation	Accumulated depreciation/ impairment	Carrying amount
2020												
Land	7,000,000	-	7,000,000	-	-	-	-	-	-	7,000,000	-	7,000,000
Land improvements	308,342	(55,023)	253,319	-	-	-	-	(8,566)	-	308,342	(63,589)	244,753
Buildings	8,470,790	(175,787)	8,295,003	127,767	-	-	-	(135,231)	-	8,598,557	(311,018)	8,287,539
Furniture and fittings	61,607	(61,603)	4	2,035	-	-	-	(232)	-	63,642	(61,835)	1,807
Plant & equipment	560,008	(398,905)	161,103	46,154	-	-	-	(18,965)	-	606,162	(417,870)	188,292
Antique furniture	214,691	-	214,691	-	-	-	-	-	-	214,691	-	214,691
Work in progress/AUC	68,878	-	68,878	-	-	-	(24,100)	-	-	44,778	-	44,778
Total	16,684,316	(691,318)	15,992,998	175,956	-	-	(24,100)	(162,994)	-	16,836,172	(854,312)	15,981,860

	Opening balances			Current year movements					Closing balances			
	Cost/ valuation	Accumulated depreciation/ impairment	Carrying amount	Additions	Net disposals/ Transfers	Acc. Depr. disposals	Net On movement in WIP	Depreciation	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

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 2020 and did not warrant a review of the revaluation programme. The next valuation is planned prior to 30 June 2021.

Land Improvement

There were no land improvements during the 2020 financial year.

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

	2020 \$	2019 \$
Taxes and transfers payable	-	401
Payables under exchange transactions	19,248	28,854
	<u>19,248</u>	<u>29,255</u>
Comprising of:		
GST	-	401
Trade payables	6,372	16,177
Audit fee	12,876	12,677
	<u>19,248</u>	<u>29,255</u>

9. Current provisions

	2020 \$	2019 \$
Employee benefits	29,878	20,443
	<u>29,878</u>	<u>20,443</u>

10. Reserves

	Special funds \$	Asset revaluation \$	Capital reserve \$	Total \$
Balance at 1 July 2018	50,015	13,993,234	1,081,166	15,124,415
Balance at 30 June 2019	50,015	13,993,234	1,081,166	15,124,415
Transfer from retained earnings	(50,015)	-	-	(50,015)
Balance at 30 June 2020	<u>-</u>	<u>13,993,234</u>	<u>1,081,166</u>	<u>15,074,400</u>

Special Funds

In 2002 Mr Christopher Deans donated a sum of \$57,145 exclusively for the purchase of antique furniture. The final funds were spent in the 2020 financial year and the remaining balance of \$50,015 has transferred from the special fund to retained earnings.

11. Finance lease liability

	2020 \$	2019 \$
Current finance lease liability	1,782	1,461
Long term finance lease liability	5,074	6,856
	<u>6,856</u>	<u>8,317</u>

The finance lease liability relates to the lease of a digital photocopier/printer. The lease commenced in August 2018 and runs to July 2023.

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	2020 \$	2019 \$
Minimum lease payments payable		
Not later than one year	3,000	3,250
Later than one year and not later than five years	6,250	9,250
	<u>9,250</u>	<u>12,500</u>
Future finance charges	<u>(2,394)</u>	<u>(4,183)</u>
Present value of minimum lease payments	<u>6,856</u>	<u>8,317</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- (2019: 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

	2020 \$	2019 \$
Operating surplus/(deficit)	52,169	(55,390)
Add non cash items		
Depreciation	162,999	158,474
Add/(less) items classified as investing or financing		
(Gain) on Sale of assets	-	(901)
Add/(less) movements in working capital items		
Accounts receivable	11,335	(4,569)
Accounts payable	(437)	(6,008)
Inventory	321	(103)
Net cash outflow from operating activities	<u>226,387</u>	<u>91,503</u>

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14. Commitments for expenditure

	2020	2019
	\$	\$
Not later than one year	-	18,846
Later than one year and not later than five years	-	25,127
	<u>-</u>	<u>43,973</u>

The Trust has ended the maintenance contract with Programmed Maintenance Services Ltd for ongoing painting of Riccarton House. As at 30 June 2020 there are no commitments for expenditure.

15. Contingencies

There are no contingent assets and liabilities as at 30 June 2020. (2019: 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 \$360,600 (2019: \$353,563) from the Council. The Trust also received a one off grant from Council of \$89,250 (2019: \$59,750) for funding the capital projects.

The Council also provided accounting services to the Trust at a total cost of \$35,993 (2019: \$35,993) for accounting and \$Nil (2019: \$Nil) 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 2020, the Trust had a balance owing to Council of \$ Nil (2019: \$ Nil).

As at 30 June 2020, the Council had a balance owing to the Trust of \$ Nil (2019: \$ Nil).

17. Key management personnel

Remuneration of key management personnel

	2020	2019
	\$	\$
Salaries and other short-term benefits	<u>81,334</u>	<u>81,813</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 2020 (2019: 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 2020. The financial statements were approved for issue by the Board of Trustees on 23 September 2020.

(a) Basis of preparation

The financial statements for the year ended 30 June 2020 have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with the Tier 2 PBE standards for periods beginning on or after 1 July 2014.

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.

Wage subsidy

Wage subsidy revenue has been received from the Government as part their economic response to Covid-19 to secure and retain jobs for New Zealand businesses. The subsidy revenue is initially recorded as revenue received in advance as there is an obligation to return the funds if the conditions of the subsidy are not met. The subsidy is recognised as revenue in line with the individual employee wage and salary cost expense that the wage subsidy pertains to.

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.

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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.

(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.

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

The following new standard has been issued but not yet effective as at 30 June 2020. 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.

(q) COVID-19

The coronavirus (COVID-19) – Accounting Implications

The rapid outbreak of COVID19 has impacted the operations of Riccarton Bush Trust. Travel restrictions and worsening local economic conditions have reduced the number of visitors to Riccarton Bush and House. We have looked at the impact of COVID-19 on the financial statements in the following areas:

Liquidity risk management

Riccarton Bush Trust currently holds \$322,431 in cash as at 30 June 2020. With a guaranteed operating levy from Christchurch City Council for the indefinite future liquidity risk is low. Decreased revenues as a result of the level 4 lockdown were generously offset by the wage subsidy. A total of \$43,548 was received from the Government.

Revenue impact

During quarter 4 commission revenue was down by \$6,190 (40%), door sales were down \$2,982 (92%), rent was down \$9,499 (83%) due to a rent holiday, and tour revenue decrease \$1,788 (100%) compared to quarter 4 of 2019. These lost revenues impacted the financial performance targets 3 and 6 discussed on pages 8 and 9. The impact moving from alert level 4 down to level 3 was minimal, with a 50% rent holiday being provided in level 3 compared to 100% in level 4.

Going Concern

With a current ratio of 6.79 Riccarton Bush can comfortably cover its obligations in the foreseeable future. The risk of Riccarton Bush not being able to operate into future is very low.

Independent Auditor's Report

To the readers of Riccarton Bush's financial statements and performance information for the year ended 30 June 2020

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 21 to 24 and 27 to 37, that comprise the statement of financial position as at 30 June 2020, 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 25 and 26.

In our opinion:

- the financial statements of Trust on pages 21 to 24 and 27 to 37:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2020; 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.
- the performance information of the Trust on pages 25 to 26 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 2020.

Our audit was completed on 23 September 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to the effects of COVID-19 on the Trust. In addition, we outline the responsibilities of the Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Emphasis of matter – COVID-19

Without modifying our opinion, we draw attention to Note 20 (q) to the financial statements on page 37, which explains the impact of the COVID-19 pandemic on the Trust.

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 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 also responsible for preparing the performance information for the Trust.

The Trustees responsible for such internal control as they determine is necessary to enable the preparation of 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 responsible on behalf of the Trust for assessing the Trust’s ability to continue as a going concern. The Trustees also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Trustee’s responsibilities arise from the Local Government Act.

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 financial statements and 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 Trust 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 responsible for the other information. The other information comprises the information included on pages 1, 3 to 17 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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