

13 October 2022

F16/1072-D22/39634

NOTICE OF MEETING

Notice is hereby given that the meeting of the Percy Thomson Trust will be held at the Council Chambers Stratford District Council, 63 Miranda Street, Stratford on **Thursday 20 October 2022**.

If you are unable to make it please notify myself no later than Monday 17 October 2022 on (06) 765 6099 or by email to creynolds@stratford.govt.nz.

Yours faithfully
B Ellis
CHAIRMAN

Per: Carissa Reynolds
HR and Governance Administrator

2022 - Agenda - Percy Thomson Trust - AGM

20 October 2022 03:30 PM



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PERCY THOMSON TRUST
ANNUAL GENERAL MEETING
THURSDAY 20 OCTOBER 2022

Held at the Stratford District Council, Chambers at 3.30pm

F16/1072- D22/39435

AGENDA

1. **ANNOUNCEMENTS**

2. **APOLOGIES**

3. **CONFIRMATION OF MINUTES**

Meeting - Thursday 28 October 2021

The minutes of the meeting are attached.

RECOMMENDATION

THAT the minutes of the Meeting of the Percy Thomson Trust Annual General Meeting held on Thursday 28 October 2021 be confirmed.

4. **ANNUAL REPORT**

The Annual Report for the year ended 30 June 2022 is attached.

RECOMMENDATION

THAT the Annual Report for the year ended 30 June 2022 be adopted.

5. **TRUSTEE APPOINTMENTS**

As per clause 2.11 of the Percy Thomson Trust Deed:

“2.11A *person appointed as a Trustee who remains eligible to be appointed as a Trustee may be reappointed as a trustee for a further period or periods provided that:*

2.11.1 each further term of appointment does not exceed three years;

2.11.2 the ‘Trustees’ terms are staggered so that not all of the terms end in the same Financial Year.”

The terms of Trustees Mrs Helen Cloke, Mrs Deborah Clough and Mr Bruce Ellis will expire at this AGM. Mrs Helen Cloke, Mrs Deborah Clough and Mr Bruce Ellis have confirmed that they wished to be reappointed for a further term.

The Council has endorsed the appointments of Mrs Helen Cloke, Mrs Deborah Clough and Mr Bruce Ellis on Tuesday 13 September 2022 as per the attached minutes.

RECOMMENDATIONS

THAT Mrs Helen Cloke, Mrs Deborah Clough and Mr Bruce Ellis be reappointed as trustees for a further term expiring at the 2025 AGM.

6. **ELECTION OF CHAIRMAN**

The Trust deed states that:

“2.15 *The Trustees shall appoint one of the Trustees to be chairperson of the Trust. The chairperson of the Trust shall hold that office for a term determined by the Trustees, provided that term does not exceed the Trustee's term of appointment and provided the term does not exceed three years. The chairperson shall be eligible for reappointment.*”

The Trustees shall give consideration to the election of a Chair of the Trust.

7. **MEETING SCHEDULE 2022**

A suggested meeting schedule is attached for Trustee’s consideration.

RECOMMENDATION

THAT the trust adopt the meeting schedule for the 2022 year.

8. **GENERAL BUSINESS**



Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.

MINUTES OF THE ANNUAL GENERAL MEETING OF THE PERCY THOMSON TRUST HELD IN THE CHAMBERS, STRATFORD DISTRICT COUNCIL ON THURSDAY 28 OCTOBER 2021 AT 3.30PM

PRESENT

Chairman Bruce Ellis and Trustees - Helen Cloke, Christine Craig, Jim Clarkson, Keryn Walsh and Councillor Gloria Webby.

IN ATTENDANCE

The Committee Secretary - Rhonda Vanstone (Minute Taker).

ANNOUNCEMENTS

The Chair welcomed Trustees to the 20th Annual General Meeting of the Percy Thomson Trust.

APOLOGIES

There were no apologies.

1. **CONFIRMATION OF MINUTES**
Meeting - Thursday 15 October 2020

Recommendation

THAT the minutes of the meeting of the Percy Thomson Trust Annual General Meeting held on Thursday 15 October 2020 be confirmed.

WEBBY/CLARKSON
Carried

No amendments were necessary.

2. **TRUSTEE APPOINTMENTS**

As per clause 2.11 of the Percy Thomson Trust Deed:

“2.11A *person appointed as a Trustee who remains eligible to be appointed as a Trustee may be reappointed as a trustee for a further period or periods provided that:*

2.11.1 each further term of appointment does not exceed three years;

2.11.2 the ‘Trustees’ terms are staggered so that not all of the terms end in the same Financial Year.”

The terms of Trustees Ms Keryn Walsh and Mr Jim Clarkson will expire at this AGM. Mr Clarkson has confirmed that he wishes to be reappointed for a further term. Ms Walsh’s resignation was noted.

The Trust thanked Ms Walsh for the two terms served as a Trustee. She was initially appointed to the trust as an elected member but stayed on for a further term due to her interest in the gallery and the arboretum. She looks forward to the plan for the arboretum coming to fruition.

The Chair thanked Ms Walsh for her service.

Mr Douglas Robinson, a former Percy Thomson Trustee has indicated that he wishes to be appointed to the trust. Mr Robinson is a retired former Principal

of Avon School. He is the current chair of Stratford's Community House. The District Mayor is in agreement of the appointment in principle.

Recommendations

THAT Mr Jim Clarkson be reappointed as a trustee for a further term expiring at the 2024 AGM.

ELLIS/CRAIG
Carried

THAT Mr Douglas Robinson be appointed as a trustee for a term of three years, expiring at the 2024 AGM.

ELLIS/CRAIG
Carried

3. ELECTION OF CHAIRMAN

The Trust deed states that:

"2.15 The Trustees shall appoint one of the Trustees to be chairperson of the Trust. The chairperson of the Trust shall hold that office for a term determined by the Trustees, provided that term does not exceed the Trustee's term of appointment and provided the term does not exceed three years. The chairperson shall be eligible for reappointment."

Mr Ellis vacated the chair while Trustees gave consideration to the election of a Chairperson for 2021/22. No other nominations were received and Mr Ellis was re-elected.

Recommendations

THAT Mr Bruce Ellis be elected as Chair for a term expiring at the 2022 AGM.

WEBBY/CRAIG
Carried

4. MEETING SCHEDULE 2022

A suggested meeting schedule was attached.

Recommendation

THAT the trust adopt the meeting schedule for the 2022 year, without alteration.

ELLIS/CRAIG
Carried

5. GENERAL BUSINESS

No other business was discussed.

Meeting closed at 3.39pm.

B Ellis
CHAIRMAN



PERCY THOMSON TRUST

• Percy Thomson Gallery • Percy Thomson Arboretum • Percy Thomson Herbarium

DRAFT

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2022

PERCY THOMSON TRUST

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PERCY THOMSON TRUST – BOARD

Chairman: Bruce Ellis

Trustees: Jim Clarkson
Helen Cloke
Deborah Clough
Christine Craig
Doug Robinson
Gloria Webby

PERCY THOMSON TRUST – STAFF

As at 30 June 2022

Gallery Director – Laura Campbell

Part-time Gallery Assistants

- Bill Davies
- Donna Hitchcock
- Carina McQueen
- Gayleen Schrider
- Amy Taunt
- Jacqueline McCluggage

PERCY THOMSON TRUST – CHAIRMAN'S REPORT

For the year ended 30 June 2022

On behalf of the Trust, it is my pleasure to present the report for the twelve months ended 30 June 2022. The period was again dominated by the effects of the Covid-19. The 2021 year saw a resurgence from the Covid effects in the 2020 year however this wasn't sustained into 2022. Further comments are made below.

The year was also significant for the transition from Rhonda Bunyan to Laura Campbell as Gallery Director. Laura has picked up the legacy left by Rhonda and is making her own mark in taking the Gallery forward.

Work is continuing on enhancing the visitor experience to the arboretum and on refocusing the remit for a herbarium in our remit.

Financials

The overall operating position was affected by the reduced visitor numbers, affecting commissions from art sales and from shop takings, and by lower interest rates affecting investment returns. Grant income was at the same level as 2021 although below more traditional levels.

One of the Trust's investments was sold which saw the realisation of its capital gain. This offset the lower than budgeted grant income and left an overall cash surplus of \$4,000 combined with the cash deficit of \$11,000 in 2021.

The Financial Position as shown in the "Statement of Financial Position" shows the total Trust Equity of \$2,798,000 – a decrease of \$76,000 being \$80,000 in depreciation partially offset by the \$4,000 cash surplus.

Gallery Operations

As noted above, visitor numbers were significantly reduced as a result of the effects of Covid-19 in the community. In particular we were not able to hold opening events for new exhibitions. These are generally an important promotion activity giving each exhibition an important fillip. As part of an antidote to do additional effort has been put into promoting the gallery, exhibitions and individual art works through social media and the web site. We are seeing direct benefits from this and are expecting for this to be sustained into the future.

The exhibition programme has continued to be innovative and thought provoking and offering a valuable outlet for local artists.

Investment Funds and Cash Balances

The Investment portfolio of the Trust is summarised as follows:

Category	Book Value @ 30/6/22	Book Value @ 30/6/21
Bank Balances	275,000	132,000
Trading Bank Term Deposits	250,000	250,000
Bonds	55,000	155,000
Commercial Property through Proportionate Ownership Schemes and Property Investment Funds	397,000	447,000
Total	\$977,000	\$984,000

The reduction in bonds is from the maturity of two bond holdings. We also began to review the property investment holdings and sold one investment to start rebalancing the portfolio and to crystallise a capital gain. The funds from these maturities/sales is reflected in the funds in our bank accounts.

The property investments continue to perform well, despite the challenges presented by the pandemic. The decision to participate in the various schemes and funds has the following objectives:

- To increase the cash investment returns of the overall invested funds given the reducing returns available from Bank Term Deposits and other fixed interest bonds;
- The opportunity for capital growth in these investments.

Further, in seeking such investments particular criteria included:

- The quality of the respective buildings
- The quality and security of the tenancies within each property
- The quality and experience of the managers of the respective properties

The breakdown of these investments is:

Property	Original Investment (as per Statement of Financial Position)	Market Value (as at Balance Date of the investments of 31 March 2022)	Market Value (as at Balance Date of the investments of 31 March 2021)	Cash Income Return on Original Investment	Summary of Tenancies
Bush Road, Albany, Auckland – light industrial	125,000	330,420	288,284	7.80%	- Thermo Fisher Scientific – 100%
Osterley Way, Manukau, Auckland – office building	50,000	75,319	79,282	9.25%	- IRD – 98% - Other – 2%
Todd Park, Porirua, Wellington – light office/industrial complex	72,000	130,678	104,371 (Net of sale proceeds in 2022 year)	7.58%	- Placemakers 15.4% - Hannah's 10.9% - Hexatronic 17.6% - Anderson & Flowers 10.9% - Mitsubishi Motors 13.3% - Fusion Interiors 12.3% - Conroy Removals 6% - Downer NZ 4.7% - NZ Post 4.5% - Free Kindergarten Association 4.2% - Other 0.2%
Cameron Road, Tauranga – Office building and retail	50,000	59,398	58,694	7.80%	- Tauranga City Council 49.8% - IRD 40.0% - Other (3) – retail & office 10.2%
Centuria NZ Industrial Fund – light industrial mainly in Auckland (Name change from Augusta Industrial Fund)	100,000	176,385 (Net tangible asset backing)	133,000	6.50%	The 48 tenants in 11 properties across three cities but weighted 73% to Auckland include Toll, Repco, Linfox, Fujitsu, Fletcher Building Steel Group, Macpac, Vulcan Steel, and Halls Refrigeration Transport (Icepak), D&H Steel Construction, Graphic Packaging, and TCI NZ. Overall occupancy is 96%.
Total	\$397,000	\$772,200	\$663,361	Average 7.61%	
		(16.4% increase)	(33.3% increase)		

The returns reflect a strong increase over the year. This reflects the strength of the property market and the rental profile of individual properties. With recent renewals of tenancies there is a notable reflection of this in the property values. However, rising interest rates generally should show a slowing in future medium term growth rates.

The Trustees have sought input from Craigs Investment Partners to review the Investment Portfolio and to chart an ongoing strategy. Recommendations from this review will be brought forward in due course for consideration.

Building Works

We continue to have some annoying issues with the roof, although the major leaks have been remedied. Consultation on whether or not substantive work is required will be sought in the current year.

Other Responsibilities

- **The Arboretum.** This has been maintained to a good standard. Work is currently underway with a view to enhancing the visitor experience, especially in conjunction with the Council and its development of the Discovery Trail and visitor reserves.
- **The Herbarium.** Work has commenced to enhance this part of the bequest with the New Zealand Plant Conservation Network.

Summary

I particularly acknowledge the work of the trustees, Laura, our Gallery Director, Amy, the Gallery assistant, Christine Craig and her team at the Council for administrative support, and the volunteers without whom the operation of the gallery would become most difficult.

The Trust continues to make an important contribution to the life and culture of the District. Our stewardship of Percy Thomson's legacy is our key role and we acknowledge the support of the Council and the TET and Toi Community Trusts in making this happen.



Bruce Ellis
Chairman

PERCY THOMSON TRUST – AUDIT REPORT

PERCY THOMSON TRUST – PERFORMANCE

STATEMENT OF SERVICE PERFORMANCE

NATURE AND SCOPE OF ACTIVITIES

The Percy Thomson Trust covers three activities, the Art Gallery, the Arboretum, and the Herbarium.

The Thomson Gallery is located in Prospero Place, the arboretum on Cloten Road near the intersection with Ariel Street, and the herbarium at the website www.taranakiplants.net.nz.

The Thomson Gallery is Stratford's public art gallery and was opened in June 2002. The gallery contains both exhibition areas and work areas for use by local artists and community art groups. The gallery provides an active programme of exhibitions and events that is both internally generated and toured from other art collections.

The gallery's main display area totals 178 m² which can be comfortably partitioned into two areas of 116 m² and 62 m² respectively.

OBJECTS OF THE TRUST

The objects for which the Trust is established are, to the extent that they are a Charitable Purpose within New Zealand, as follows:

- to receive the Thomson Arboretum, the Thomson Herbarium and the Thomson Gallery and to be responsible for the on-going establishment and maintenance of an arboretum, herbarium and art gallery in Stratford;
- to manage the Trust Facilities and to create, acquire, promote, exhibit and manage the collections for the benefit of the inhabitants of the Stratford District and the public generally;
- to endeavour to achieve the objectives the Council sets for the delivery of services in respect of the Trust Facilities as negotiated and set out in the Statement of Intent;
- to implement the Council's policy as revised from time to time for the development and enhancement of the Trust Facilities with an emphasis on Stratford and in accordance with the Charter, Business Plan and Strategic Plan;
- to provide advice to the Council on the Council's long term policy for the development of gallery services in Stratford;
- to establish exhibition programmes and education policies for the Trust Facilities;
- to develop acquisition, de-accession and collection development policies for the Trust;
- to provide all financial, administration, marketing, technology and services required for the Trust Facilities;
- to determine charges for viewing or using any of the Trust Facilities and the Collections with a view to generating appropriate revenue and encouraging public enjoyment and utilisation of the Trust Facilities and Collections;
- to house and care for any art collections, antiquities or other articles acquired by, loaned, created or otherwise made available to the Trust and particularly to preserve and maintain the Collections (subject to any de-accession policies developed by the Trustees);
- to lease land or other assets where the Trustees determine that such land or other assets can be used in conjunction with the Trust Facilities or to promote the objectives of the Trust;
- to solicit and raise funds and carry out such activities as are necessary or conducive for the carrying out and giving effect to the objects of the Trust.
- to encourage and foster liaison and co-operative activities with related facilities, particularly those in the Stratford district; and
- generally to do all acts, matters and things that the Trustees consider may advance the objects of the Trust.

For the avoidance of doubt, the objects of the Trust expressed above are set out in no particular order or priority and do not include an intention or purpose that the Trust operates a trading undertaking with the intention or purpose of making a profit, but rather that the Trustees fairly and efficiently manage the Trust Fund, the Trust Facilities and the Collections for the benefit of the people of Stratford District.

The Trust's objects shall only be carried out in, or to benefit people in the Stratford District. The Trustees may carry out activities outside the Stratford District to promote the Trust or the Trust's activities but only if they believe that such activities will be for the ultimate benefit of people in the Stratford District.

PERCY THOMSON TRUST – PERFORMANCE

Level of Service	Performance Measures	Actual 2021/22	Target 2021/22
Delivery of art exhibitions	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	<p><i>Achieved:</i> All exhibitions were able to be delivered during Covid-19 restrictions, however there was a reduction in visitor numbers.</p> <p>Art exhibitions that were delivered throughout the year included the following:</p> <p>National –</p> <ol style="list-style-type: none"> 1. Looking Forward PCANZ 2. Marti Friedlander <p>Regional –</p> <ol style="list-style-type: none"> 1. Town and Country – Embroidery Exhibition 2. Anthony Davies – Printmaking, a passage of time series 3. Nga Aho – Toi o Taranaki Ki te Tonga Collective 4. We all think we're good people <p>Local –</p> <ol style="list-style-type: none"> 1. Stratford Art Society 2. The Art of Resilience – Celebrating 20 years of Percy Thomson Gallery 3. Shakespeare – Experience the Bard 4. Super 18 Day Pop up exhibition <p>(2020/21) – Achieved)</p>	Deliver proposed art exhibitions which will include local, regional and at least 1 National.
	Number of visitors to the Gallery to be not less than 20,000 per year.	<p><i>Not Achieved:</i> There were 14,646 visitors for the year, primarily due to the restrictions on social gatherings and peoples' reluctance to attend these spaces.</p> <p>(2020/21 – Achieved – 24,314)</p>	>20,000
Development and maintenance of arboretum	Develop and maintain the arboretum to the standards in the facilities management contract	<p><i>Achieved:</i> The arboretum has been maintained by Stratford District Council on behalf of the Trust, and meets the standards as set out in the Facilities Management Contract. The planting programme was also maintained, and continued on in conjunction with the plantings/replacement of native trees.</p> <p>(2020/21) - Achieved)</p>	Develop and maintain the arboretum to the standards in the Facilities Management Contract
Delivery of Herbarium	Explore alternative options to achieve this measure	<p><i>Not Achieved:</i> The trust has just reviewed the arboretum, in conjunction with the Windsor Park Reserve Management Plan, and an alternative method of delivery of the herbarium will be undertaken in 2022/23 as a result of the arboretum review.</p> <p>(2020/21 – Not achieved – The trust continue to look for an alternative arrangement to deliver the herbarium via a third party, it is expected that the herbarium will be delivered online in the 2021/22 year)</p>	To be reset following the conclusion of the 2021/22 review.

PERCY THOMSON TRUST – PERFORMANCE

PERCY THOMSON TRUST – PERFORMANCE



PERCY THOMSON TRUST – PERFORMANCE



PERCY THOMSON TRUST – FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 30 JUNE 2022

	Note	Actual 2021/22 \$000	Budget 2021/22 \$000	Actual 2020/21 \$000
Revenue				
Council Funding - Grant		50	50	50
Sale of Goods and Services		60	63	82
Interest, Dividends and Other Investment Revenue		40	54	49
Other Grants, Subsidies and Donations Received	1	13	45	13
Total Revenue		163	212	194
Expenses				
Employee-related Costs	2	117	104	111
Depreciation of Property, Plant and Equipment	3	80	80	80
Other Expenditure	4	91	107	94
Total Expenses		288	291	285
Surplus/(Deficit) from operations		(125)	(79)	(91)
Gain on sale of financial assets		49	-	-
Net Surplus/(Deficit) for the year		(76)	(79)	(91)

Explanations of significant variances against budget are detailed in note 14.

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	Actual 2021/22 \$000	Budget 2021/22 \$000	Actual 2020/21 \$000
Assets				
Current Assets				
Bank Accounts and Cash	5	275	34	132
Investments		250	250	250
Other Financial Assets	6	25	-	50
Debtors and Prepayments	7	4	10	3
Total Current Assets		554	294	435
Non-Current Assets				
Property, Plant and Equipment	3	1,832	1,897	1,907
Other Financial Assets	6	427	727	552
Total Non-Current Assets		2,259	2,624	2,459
Total Assets		2,813	2,918	2,894
Liabilities				
Current Liabilities				
Creditors and Accrued Expenses	8	9	5	14
Employee Costs Payable	9	6	2	6
Total Current Liabilities		15	7	20
Total Liabilities		15	7	20
Trust Equity				
Accumulated Surpluses	10	1,590	1,704	1,666
Contributed Capital	10	0.1	0.1	0.1
Revaluation Reserve	10	1,207	1,207	1,207
Total Equity		2,798	2,911	2,874
Total Liabilities & Equity		2,813	2,918	2,894

The accompanying notes form part of these financial statements.

The Trust Board is approved and authorised to issue the financial statements on XX XXXX 2022.

B Ellis
CHAIRMAN

TRUSTEE

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Note	Actual 2021/22 \$000	Actual 2020/21 \$000
Cash Flows from Operating Activities			
Receipts of Council Funding		50	50
Receipts from Sale of Goods and Services		57	74
Interest, Dividends and Other Investment Revenue		40	48
Receipts of Other Grants and Donations		13	13
Payments to Suppliers and Employees		(213)	(203)
Goods and Services Tax (net)		2	(1)
Net Cash flow from Operating Activities		(51)	(20)
Cash Flows from Investing and Financing Activities			
Receipts from Sale of Investments		199	125
Payments to Acquire Property Plant and Equipment		(5)	(15)
Payments to Acquire Investments		-	-
Net Cash flow from Investing and Financing Activities		194	110
Net (Decrease)/Increase in Cash for the year		144	90
Add opening bank accounts and cash		131	41
Closing bank accounts and cash	5	275	131

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

PERCY THOMSON TRUST ENTITY INFORMATION FOR THE YEAR ENDED 30 JUNE 2022

Legal name

Percy Thomson Trust (the Trust).

Type of entity and legal basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is controlled by Stratford District Council and is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

The Trust's purpose or mission

The primary objectives of the Trust are to provide the Percy Thomson Gallery, Percy Thomson Arboretum and Percy Thomson Herbarium in accordance with the bequest left by the late Percy Thomson, and to be responsible for the ongoing maintenance of these assets.

Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of 7 Trustees who oversee the governance of the Trust, including a Chairman who is responsible for the day-to-day operations of the Trust and reporting to the Trustees, and six other voluntary members who support the Chairman in delivering against the Trust's objectives. At least 50% of the Trustees shall not be current elected members of the Stratford District Council.

Main sources of the Trust's cash and resources

An operating grant received from the Stratford District Council, investment income, and other forms of grant revenue are the primary sources of funding to the Trust.

Outputs

The Trust owns and maintains the building in which the gallery is situated and all expenses relating to this are incurred by the Trust. The Trust also promotes and exhibits various forms of art works in the gallery, and exhibition costs are also a major output for the Trust.

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2022

ACCOUNTING POLICIES APPLIED

Basis of Preparation

The Board has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* 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.

The financial statements are presented in NZ dollars, and all values are rounded to the nearest thousand dollars, as per paragraph A22 and A17 c of PBE tier 3 presentation and disclosure, unless stated otherwise.

Goods and Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Grants

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

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

Sale of services

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.

Interest revenue

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

Employee related costs

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

Advertising, marketing, administration, and other costs

These are expensed when the related service has been received.

Bank accounts and cash

Bank accounts and cash comprise a cheque account and deposits held at call with banks.

Debtors

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

Investments

Investments are comprised of term deposits with banks, listed bonds, listed shares, short term promissory notes issued by companies and Local Authorities, real estate, and professionally managed portfolios of investments.

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.

Listed bonds and shares are initially recorded at the amount paid. If the market price of the investment falls below cost, the carrying value of the investment is reduced to the current market price. If the market price of the investment subsequently increases, the carrying amount of the investment is increased but limited to the original cost of the investment.

Property, plant, and equipment

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses.

Donated assets are recognised upon 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.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

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:

Furniture and fittings	10 to 20 years (5% to 10%)
Office Equipment	4 to 10 years (10% to 25%)
Buildings	10 to 80 years (1.25% to 10%).

Revaluation

The Trust has adopted tier 2 standards regarding the revaluation of its land and buildings in accordance with PBE IPSAS 17.

Unless stated, valuations are carried out or reviewed by independent qualified valuers and are carried out at least on three yearly cycles. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, land or equipment within a class has a carrying value that is materially different from its fair value.

Land and buildings were valued as at 1 January 2020 by Telfer Young (Taranaki) Ltd, independent valuers. Telfer Young have advised that COVID-19 had no impact on their assessment of valuations.

Revaluation increases and decreases will be transferred to equity.

Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

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.

Income tax

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax.

Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

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.

Tier 2 PBE Accounting Standards applied

The Trust has applied tier 2 accounting standards for asset revaluations only, in preparing its financial statements. This was to bring consistency in property revaluations between the Trust and its parent, the Stratford District Council.

CHANGES IN ACCOUNTING POLICIES

There have been no changes to the accounting policies during the year.

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. Other Grants Received

	Actual 2021/22 \$000	Actual 2020/21 \$000
Grant - Taranaki Electricity Trust	-	3
Grant - TSB Community Trust	-	10
Creative Funding	12	-
Wages subsidy	1	-
Total Other Grants Received	13	13

There are no unfulfilled conditions and other contingences attached to government grants recognised.

2. Employee-related Costs

	Actual 2021/22 \$000	Actual 2020/21 \$000
Salaries and Wages	115	109
Kiwisaver Contributions	3	3
Increase/(Decrease) in Employee Entitlements	(1)	(1)
Total Employee-related Costs	117	111

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

3. Property, Plant and Equipment

2022	Buildings	Land	Furniture and Fittings	Office Equipment	Arboretum	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Carrying amount 1 July 2021	1,555	235	61	7	48	1,907
Additions	-	-	2	3	-	5
Transfers	-	-	-	-	-	-
Depreciation expense	(72)	-	(5)	(1)	(2)	(80)
Carrying amount at 30 June 2022	1,483	235	58	9	46	1,832

2021	Buildings	Land	Furniture and Fittings	Office Equipment	Arboretum	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Carrying amount 1 July 2020	1,618	235	66	5	48	1,972
Additions	10	-	-	3	2	15
Depreciation expense	(73)	-	(5)	(1)	(2)	(80)
Carrying amount at 30 June 2021	1,555	235	61	7	48	1,907

4. Other Expenses

	2021/22	2020/21
	\$000	\$000
Fees to Principal Auditor		
<i>Audit Fees for Financial Statement Audit</i>	7	8
Operating Expenses		
<i>Property expenses</i>	18	20
<i>Art Gallery expenses</i>	43	43
<i>Other operating expenses</i>	23	22
Total Other Expenses	91	94

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

5. Bank Accounts and Cash

Current Assets

	Actual 2021/22 \$000	Actual 2020/21 \$000
Cheque Account	275	132
Net Bank Accounts and Cash for the purposes of the Statement of Cash Flows	275	132

6. Other Financial Assets

	Actual 2021/22 \$000	Actual 2020/21 \$000
Current Portion		
Financial Assets Available for Sale		
Auckland International Airport - 4.28% - matures 09/11/2022	25	-
Fonterra Co-op Group - 4.33% - mature 20/10/2021	-	50
Total Current Portion	25	50
Non-current Portion		
Financial Assets Available for Sale		
<u>Bonds</u>		
ASB Bank Ltd - 4.20% - matures 24/02/2022	-	50
Meridian Energy Ltd - 4.88% - matures 20/03/2024	30	30
Auckland International Airport - 4.28% - matures 09/11/2022	-	25
<u>Other Investments</u>		
Proportionate Ownership - Albany, Auckland	50	50
Proportionate Ownership - Manukau, Auckland	50	50
Proportionate Ownership - Porirua, Wellington	72	122
Proportionate Ownership - Albany, Auckland	75	75
Proportionate Ownership - Tauranga	50	50
Proportionate Ownership - Henderson, Auckland	100	100
Total Non-current Portion	427	552
Total Other Financial Assets	452	602

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

7. Debtors and Prepayments

	Actual 2021/22 \$000	Actual 2020/21 \$000
GST Refundable	-	1
Debtors	4	2
Total Debtors and Prepayments	4	3

8. Creditors and Accrued Expenses

	Actual 2021/22 \$000	Actual 2020/21 \$000
Creditors	1	3
Income received in advance	-	1
Accrued Expenses	8	11
Total Creditors and Accrued Expenses	9	14

9. Employee Costs Payable

	Actual 2021/22 \$000	Actual 2020/21 \$000
Annual Leave	6	7
Total Employee Costs Payable	6	7

10. Equity

	Actual 2021/22 \$000	Actual 2020/21 \$000
Opening Equity		
Contributed Capital	0.1	0.1
Revaluation Reserve	1,207	1,207
Accumulated Surpluses	1,666	1,757
Total Opening Balance	2,874	2,965
Movements during the year		
Surplus (Deficit)	(76)	(91)
Revaluation during the year	-	-
Total	(76)	(91)
Closing Equity		
Contributed Capital	0.1	0.1
Revaluation Reserve	1,207	1,207
Accumulated Surpluses	1,590	1,666
Total Closing Equity	2,798	2,874

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

11. Commitments and Leases

	Actual 2021/22 \$000	Actual 2020/21 \$000
Financial Commitments		
* Percy Thomson Trust will provide building space in the Complex for Sgt Peppers to operate, for the period to 1 June 2022, to 31 May 2023, with two further rights of renewal of one year each.	14	13
* Percy Thomson Trust will provide building space in the Complex for Juffermans Surveyors Ltd to operate, for the period to 12 April 2026, with two further rights of renewal of three years each.	68	86
* Percy Thomson Trust will provide land outside the Complex for NZ Post to use as a box lobby, for the period to 31 May 2024.	2	1
Total	84	100
Operating Leases as a Lessor		
Not later than one year	33	32
Later than one year and not later than five years	51	68
Later than five years	-	-
Total operating leases as a lessor	84	100

12. Related Party Transactions

The Trust is a subsidiary of Stratford District Council and receives an operating grant from the Council to deliver its objectives as specified in the Trust Deed. The Stratford District Council is the ultimate controlling party.

Trustees that have a relationship with Stratford District Council:

- Gloria Webby, Deputy Chairman, is a Councillor
- Christine Craig, Trustee, is an employee of Stratford District Council

The following transactions were carried out with related parties at normal commercial terms:

	Actual 2021/22 \$000	Actual 2020/21 \$000
Stratford District Council		
Grant received from the Council	50	50
Rent received from Council for the Information Centre (lease terminated February 2021)	-	12
Fees paid to Council for administration services	21	21

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

13. Events After the Balance Sheet Date

There were no significant events after balance date.

14. Explanations of major variances against budget

Explanations for major variances from the Trust's budgeted figures in the 30 June 2022 Statement of Intent are as follows:

Statement of Financial Performance

- Revenue from gallery hire and commissions was slightly less than budget, however given the restrictions around Covid, this was expected.
- Revenue from interest income is less than budget, due to the very low market rates, also affected by the economy and Covid.
- Revenue from grants was less than budget due to the current market situation, however the Trust are pro-actively seeking alternative sources of grant funding.
- During the year the Trust sold a share in the Proportionate Ownership investment, which resulted in a net gain of \$49,000.

Statement of Financial Position

- The cash balance was higher than budget due to the maturity of bonds, and the sale of a share in the Porirua Proportionate Ownership investment.

MINUTES

Ordinary Meeting of Council



F19/13/05 – D22/30023

Date: Tuesday 13 September 2022 at 3.30 PM
Venue: Council Chambers, 63 Miranda Street, Stratford

Present

The District Mayor N C Volzke (the Chairman), the Deputy Mayor A L Jamieson, Councillors G W Boyde, R W Coplestone, P S Dalziel, J M S Erwood, A K Harris, V R Jones, M McKay, W J Sandford and G M Webby.

In attendance

The Acting Chief Executive and Director – Community Services – Ms K Whareaitu, the Director Assets – Mrs V Araba, the Director – Corporate Services – Mrs T Radich, the Director Environmental Services – Mr B Sutherland, the Committee Advisor and Executive Assistant – Mrs E Bishop, two members of the public and two members of the media (Stratford Press and Taranaki Daily News)

1. Welcome

The District Mayor welcomed the Acting Chief Executive, Councillors, staff, members of the public and the media to the meeting. In acknowledgement of *Te Wiki o Te Reo Māori* this welcome formed part of his full pepeha.

1.1 Opening Karakia D21/40748 Page 4

The opening karakia was read.

All those in attendance were asked to stand and a minutes silence was held to acknowledge the passing of Queen Elizabeth II.

1.2 Health and Safety Message D21/26210 Page 5

The District Mayor reiterated the health and safety message and emergency procedures.

2. Apologies

An apology was noted from the Chief Executive – Mr S Hanne.

Recommendation

THAT the apology be noted.

VOLZKE/HARRIS
Carried
CL/22/88

3. Announcements

The District Mayor noted that as part of Te Wiki O Te Reo Māori all elected members had been invited to present their pepeha at the start of the Ordinary Meeting. Councillors Erwood, Harris and Boyde presented their pepeha.

4. Declarations of Members' Interest

The District Mayor requested Councillors to declare any real or perceived conflicts of interest relating to items on this agenda.

The declaration of members' interest was circulated for updating.

5. Attendance Schedule

The Attendance Schedule for Ordinary and Extraordinary Council meetings was attached.

6. Confirmation of minutes

6.1 Ordinary Meeting of Council – 9 August 2022
D22/30023 Page 8

Recommendation

THAT the minutes of the Ordinary Meeting of Council held on Tuesday 9 August 2022 be confirmed as a true and accurate record.

SANDFORD/WEBBY
Carried
CL/22/89

6.2 Extraordinary Meeting of Council – 23 August 2022
D22/32186 Page 14

Recommendation

THAT the minutes of the Extraordinary Meeting of Council held on Tuesday 23 August 2022 be confirmed as a true and accurate record.

BOYDE/JAMIESON
Carried
CL/22/90

6.3 Policy & Services Committee – 23 August 2022
D22/32840 (Open) D22/32305 (PE) Page 17

Recommendations

1. THAT the unconfirmed minutes of the Policy & Services Committee meeting, including the public excluded section, held on Tuesday 23 August 2022 be received.
2. THAT the recommendations in the minutes of the Policy & Services Committee meeting, including those in the public excluded section, held on Tuesday 23 August 2022 be adopted.

JONES/DALZIEL
Carried
CL/22/91

7. District Mayor's Report
D22/33902 Page 26

Recommendations

1. THAT the report be received.

VOLZKE/ERWOOD
Carried
CL/22/92

2. THAT Council endorses the appointments of Mr Bruce Ellis, Mrs Helen Cloke and Mrs Deborah Clough as trustees of the Percy Thomson Trust for a three (3) year term expiring at the 2025 Annual General Meeting.

BOYDE/DALZIEL
Carried
CL/22/93

The District Mayor noted the following points:

- The second recommendation relates to three trustees of the Percy Thomson Trust who have now completed their three year term and are seeking a renewal period of a further three years. The Trust has recommended that these trustees remain on the trust but a council endorsement is required.
- It was noted that the statistics within the letter from the Mayoral Forum to the Minister of Transport, Honourable Michael Woods, were obtained from Waka Kotahi through a LGOIMA request and show the lack of maintenance across the whole roading network. A delegation of Mayors from across New Zealand are meeting with Waka Kotahi tomorrow to discuss the issue of the roading network.

Points noted in discussion:

- The Deputy Mayor requested that future letters from the Mayoral Forum clearly state they are from the forum and not from council, as the individual councils had not had the opportunity to receive or endorse the letters before they are sent. The District Mayor agreed and noted that the administration for the Mayoral Forum would be undertaken by the Stratford District Council for the next triennium.
- Councillor McKay asked if the Member of Parliament for Stratford had attended the recent meetings. The District Mayor clarified that the first meeting had been a visit from National Members of Parliament who had visited the region as a group and confirmed that she had not joined the meeting with the Minister Kieran McAnulty. He noted Mrs Lewis had recently been on parental leave.
- Councillor Dalziel noted that the letter to the Minister of Transport stated the average seal life for the roading network was down to 1.23 years and questioned if that puts a lot of the roads in deficit for the average to be so low. The District Mayor noted he would suggest Taranaki roads were in a deficit along with Northland and the East Coast from Napier through to Gisborne.

8. Public Forum Response

Speaker: Philip Macey, Stratford Park Project Update

Response:

- An acknowledgement of the presentation will be sent.

Questions/Points of Clarification:

- Councillor Dalziel noted his concern that the cost forecast for the Stratford Park project must have risen compared to the initial projections three years ago. The District Mayor noted that the income that is being generated through the farm with grazing and selling grass and hay was above their projections and are doing well with that. The group has held their costs to what they have expected at this stage and are meeting the terms and conditions of their loan with council. In terms of development there will be additional funding and investment sought, but he noted that a number of the projects were not being undertaken by the steering group and potentially built by another party, for example the museum is being built by another group who is funding the project and will pay a ground lease for the space used.

9. Questions

- It was noted that the pool complex was progressing and work is being undertaken to open it as soon as possible. An open day for the public was suggested as an opportunity for the public to look through the whole facility while not in use.

10. Closing Karakia

D21/40748 Page 34

The closing karakia was read.

The meeting closed at 3.55pm.

N C Volzke
Chairman

Confirmed this 4th day of October 2022.

N C Volzke
District Mayor

PERCY THOMSON TRUST

MEETING SCHEDULE

January - December 2023

All meetings will be held at 4.00 pm in the Committee Room
at the Stratford District Council
(unless otherwise notified)

Meeting Date:

Thursday 16 February 2023
Thursday 20 April 2023
Thursday 15 June 2023
Thursday 17 August 2023
Thursday 19 October 202. *AGM*
Thursday 14 December 2023

Reports/Agenda Items Due By:

Wednesday 8 February 2023
Wednesday 12 April 2023
Wednesday 7 June 2023
Wednesday 9 August 2023
Wednesday 11 October 2023
Wednesday 6 December 2023



Our reference
F19/13/03-D21/40748

Karakia

Kia uruuru mai
Ā hauora
Ā haukaha
Ā haumāia
Ki runga, Ki raro
Ki roto, Ki waho
Rire rire hau Paimārire

I draw in (to my being)
The reviving essence
The strengthening essence
The essence of courage
Above, Below
Within, Around
Let there be peace.