

8. RICCARTON BUSH TRUST – REQUEST FOR ADDITIONAL FUNDING - 2003/04

The Director Strategic Investment reported that Riccarton Bush Trust had approached the Council seeking additional funding support of \$50,000 in 2003/04 and \$60,000 in 2004/05 and subsequent years. The latter request was the subject of a report from the Annual Plan Subcommittee to the 30 June meeting of the Council.

In March 2004 the resident caterer at Riccarton House withdrew after allowing the business to slide downhill over the preceding year. The RBT had budgeted to receive a significant revenue flow from catering (based on the conservative forecasts of the original caterer) with the result that RBT revenues from catering have fallen short of target by \$10,000 and a significant sum remains owing to RBT.

A recent assessment of the financial position of the trust indicated that at 30 June 2004 the trust was likely to be overdrawn by \$17,000 after allowing for known commitments including the completion of the predator fencing project (\$36,000) for which the Council made available a \$50,000 capital grant in 2003/04.

The assessment indicated that a solution to this immediate cash need could be achieved by allowing the unallocated balance of the capital grant (\$14,000) to be applied to ordinary operations and by providing an additional grant of \$20,000 for the 2003/04 year.

The Committee **resolved**:

1. That approval be given to Riccarton Bush Trust to apply any unexpended capital grant for operating purposes in 2003/04.
2. That an additional \$20,000 grant be made to the Riccarton Bush Trust from the contingency fund for 2003/04.