

RICCARTON BUSH TRUST

STATEMENT OF INTENT FOR YEAR ENDING 30 JUNE 2013

1.0 Introduction

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

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

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

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

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

The office of Riccarton Bush Trust is 16 Kahu Road, Christchurch. Contact details for both the Chairman and the Manager are as follows:

	Chairman	Manager
Address	9 Rhyll Place, CHCH	16 Kahu Road,
Telephone no.	03 351-6928	03 341-1018
Email	charles.deans@deansandsmart.co.nz	mail@riccartonhouse.co.nz

2.0 Objectives

- a) The Riccarton Bush Trust Vision is "That Riccarton Bush, House and Grounds is the premier natural and cultural heritage site in Christchurch and Canterbury."
- b) The Riccarton Bush Trust's key objectives are:
 - To protect and enhance the indigenous flora, fauna and ecology of Riccarton Bush.
 - To conserve Deans Cottage, Riccarton House and their grounds with Riccarton Bush and the Deans family history.
 - To encourage public use and participation of the reserve and to inform visitors about the natural, Maori, and colonial heritage of Christchurch.

3.0 Nature and Scope of Activities

The Riccarton Bush Trust administers a 6.373 hectare native bush remnant gifted by the Deans family to the people of Canterbury in 1914. The Trust also administers Riccarton House (built from 1856-1900) and its 5.41 hectares of grounds, including Deans Cottage the oldest house on the Canterbury Plains, built in 1843, purchased by the Trust from the Deans family in 1947.

Incorporated under a 1914 Act of Parliament, the Riccarton Bush Trust is a Council Controlled Organisation (CCO) with powers to levy the Christchurch City Council for funding to maintain and operate the Riccarton Bush, Riccarton House, Deans Cottage and the grounds.

Part of Riccarton House is licensed to a commercial caterer and is used as a restaurant and event centre including wedding receptions.

Riccarton House is currently closed for earthquake repairs which are scheduled to be completed during the term of this SOI. Once repairs have been completed, much of Riccarton House will be refurnished in 1900's Victorian style and paid guided Heritage Hours Tours will be available on a daily basis except Saturdays and Public Holidays.

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

Riccarton Bush, the sole remnant of Kahikatea alluvial floodplain forest on the Canterbury Plains, has a predator proof fence and is open daily to the public at no charge; a Kiwi Crèche is currently being run in the Bush in conjunction with the Department of Conservation. The Trust reserves the right to charge for organised eco-tours involving Riccarton Bush.

4.0 Governance

The Christchurch City Council appoints six of the nine member Trust Board. The other three members are appointed by the Deans family (x2) and the Canterbury Branch of the Royal Society NZ (x1). (The Board is promoting an Amendment to the Act which will provide for the Council to appoint five of a future nine member Board.)

The functions of the Board are:

- a) To appoint, and whenever necessary reappoint or replace, a Chief Executive Officer, who shall be responsible to the Board for employing on behalf of the Board, all staff, and for negotiating the terms of their employment.
- b) To establish for the guidance of the Chief Executive Officer broad lines of policy consistent with the Riccarton Bush Act.
- c) To ensure that the assets of the Board are maintained in good order and condition.
- d) To ensure that The Riccarton Bush is run effectively and efficiently and safely.

Ratio of Shareholders' funds to total assets:

This ratio is not applicable as the total assets of the Riccarton Bush Trust are vested in the Trust.

The forecast capital structure for the next three years is:

	2012/13\$m	2013/14\$m	2014/15\$m
Equity	6.380	6.373	6.38
Debt	----	-----	-----

5.0 Accounting Policies

The Riccarton Bush Trust has adopted accounting policies that are consistent with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with New Zealand International Financial reporting standards (NZIFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Differential Reporting

The Riccarton Bush Trust is a qualifying entity within the Framework of Differential Reporting. The differential reporting option is available to the Trust as it is not large within the meaning of this term as set out in the Framework.

The Trust has taken advantage of all differential reporting concessions available to it.

The financial statements are prepared on the basis of historical cost, except for the revaluation of certain non-current assets.

6.0 Performance Targets

α) Financial performance Targets

The financial performance targets for the Trust are as follows:

	2012/13 \$(000)	2013/14 \$(000)	2014/15 \$(000)
Revenue	*360	423	421
Operating Expenses	375	430	414
Operating surplus/deficit before depreciation	(15)	(7)	7

Note:

1. The figures shown are a slight departure from the LTCCP in order to recognise the current economic situation.
2. Building asset insurance excess payments of approximately \$47,000 will be capitalised.

β) Project Performance Targets

Target	Performance Measure 2012/2013
1. Management Plan for Riccarton House and Bush as required by the new amendment to the Riccarton Bush Act.	<ul style="list-style-type: none"> • Draft Management Plan available for public consultation by December 2012.

2. Upgrade of heating for Riccarton House.	<ul style="list-style-type: none"> • New heating plant installed and operating in Riccarton House by June 2013.
3. Upgrade of commercial kitchen.	<ul style="list-style-type: none"> • Upgraded commercial kitchen operational by June 2013.
4. Replace on site waste bins with eco-friendly system allowing for separation of rubbish /recycling/ doggie do's.	<ul style="list-style-type: none"> • Eco-friendly waste collection system in place by June 2013.

χ) Environmental and Social Performance Targets

Target	Performance Measure 2012/2013
1. Continue the successful partnership with DOC and Operation Nest Egg and the Kiwi Crèche in Riccarton Bush.	<ul style="list-style-type: none"> • 5 Juvenile Great Spotted Kiwi crèched in Riccarton Bush during the 2012 Winter/Spring.
2. Resolve non-performing Council administered Asset Waterways in and adjacent to Riccarton Bush.	<ul style="list-style-type: none"> • Council administered asset waterways in and adjacent to Riccarton Bush providing adequate drainage to the bush by June 2013.
3. Qualified survey of Bush conditions and trends.	<ul style="list-style-type: none"> • Qualified survey of Bush and trends completed by June 2013.
4. To provide a record of the response by the Trust to the seismic events of 2010/2011.	<ul style="list-style-type: none"> • A record of the Riccarton Bush Trust response to the 2010/2011 seismic events being available for future generations as part of the social history of the site by June 2014.

7.0 Information to be provided to the Council

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

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

Annual reports will outline the Trust's objectives and performance in terms of:

- Financial)
- Operational) inputs, outputs and outcomes

- Environmental, and)
- Social)

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

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

The Trust will provide information requested by the Council in accordance with the requirement of the Local Government Act 2002.

Compensation sought from local authority:

For 2012/2013 the Trust will receive a statutory levy from the Council in the sum of \$108,310 p.a. in accordance with the Riccarton Bush Act, and an unconditional grant in the sum of \$167,520 p.a. to assist with the operation and management of the Riccarton Bush.

Capital grants are also negotiated with the Council.

For 2009/10-	\$110,000 for IDP
For 2010/11-	82,000 comprising \$10,000 grounds landscaping; \$5000 sewer upgrade; \$25,000 downstairs carpet; \$2000 bush interpretation; \$40,000 I.D.P.
For 2011/12	\$70,000 comprising \$10,000 morning room finish; \$50,000 morning room; \$10,000 truck.
For 2012/13	\$60,000 driveway and parking improvements
For 2013/14	Not yet approved.

Note: The Capital Grants in the published LTCCP have been re-prioritised so as to complete elements of the Integrated Development Project (I.D.P.) which have a higher community benefit.

8.0 General Information

Distributions:

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

Acquisition or Shares:

The Riccarton Bush Trust has no intention to acquire shares.

Commercial Value:

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