

2023 - Agenda - Percy Thomson Trust - August 2023



17 August 2023 04:00 PM

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AGENDA

PERCY THOMSON TRUST

- Percy Thomson Gallery
- Percy Thomson Herbarium
- Percy Thomson Arboretum



F16/1072 - D23/34296

Date: Thursday 17 August 2023 at 4pm
Venue: Percy Thomson Gallery, Stratford

Opening Karakia

1. Announcements
2. Apologies
3. Confirmation of Minutes

3.1 Meetings - Thursday 15 June 2023
The minutes of the Ordinary Meeting are attached.

Recommendation

THAT the minutes of the Percy Thomson Trust Ordinary Meeting held on Thursday 15 June 2023 be confirmed.

/
Moved/Seconded

4. Correspondence

4.1 Inwards
None

4.2 Outwards
None

Recommendation

THAT the inwards correspondence be received.

/
Moved/Seconded

5. Percy Thomson Complex - Roof Repairs

Sara Flight (Property Officer) will present an update on the Percy Thomson Complex Roof.

6. Financial Statements

The financial statement for the months of May and June 2023 are attached.

Recommendation

THAT the financial statement for the months of January and February 2023 as presented, be received.

/
Moved/Seconded

7. Draft Annual Report

The Draft annual report up to 30 June 2023 is attached.

Recommendation

THAT Percy Thomson Trustees approve the accounts to be released to Audit NZ for audit purposes.

/
Moved/Seconded

THAT the Trustees authorise the Chair and one other Trustee to sign the accounts on behalf of the trust once Deloitte's have given their clearance.

/
Moved/Seconded

8. Arboretum & Herbarium Report

A verbal report will be presented.

Recommendation

THAT the arboretum and herbarium updates be received.

/
Moved/Seconded

9. Gallery Director's Report

The Gallery Director's report will be presented.

Recommendation

THAT the report Gallery Director's report be received.

/
Moved/Seconded

10. Matters Outstanding

The Matters outstanding are attached.

11. General Business

11.1 Any other business
- Gallery Door unlocked and flimsy

11.2 Next Meeting
The next meeting of the Percy Thomson Trust is to be held on Thursday 19 October 2023 at 4pm.

Closing Karakia



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.

PERCY THOMSON TRUST

- Percy Thomson Gallery
- Percy Thomson Herbarium
- Percy Thomson Arboretum



MINUTES OF MEETING OF THE PERCY THOMSON TRUST HELD AT THE STRATFORD DISTRICT COUNCIL ON THURSDAY 15 June 2023 AT 4PM

PRESENT

Chairman Bruce Ellis and Trustees - Jim Clarkson, Deborah Clough, Councillor Ellen Hall, Christine Craig and Helen Cloke.

IN ATTENDANCE

The HR and Governance Administrator – Carissa Reynolds, The Property Officer – Sara Flight and The Gallery Director – Laura Campbell.

Opening Karakia

The opening Karakia was read.

1. Announcements

The Chairperson welcomed to Councillor Ellen Hall to her first meeting.

There were no announcements.

2. Apologies

An apology was received from Doug Robinson.

CRAIG/HALL
Carried

3. Confirmation of Minutes

Meetings – Thursday 13 April 2023

The minutes of the Ordinary Meeting 13 April 2023 were attached.

Recommendation

THAT the minutes of the Percy Thomson Trust Ordinary Meeting held on Thursday 13 April 2023 be confirmed as a true and accurate record.

CLOUGH/CLOKE
Carried

Matters Arising

- It was noted the air conditioning is now fixed and insurance is covering the cost less the \$5,000 excess.

4. Correspondence

Inwards

- Ardern Peters Report was tabled

Outwards

Nil

ELLIS/CLARKSON
Carried

5. Percy Thomson Complex – Property Officer Update

The Property Officer Noted:

- Currently Fulton Hogan are completing monthly inspections at the gallery. Their latest report states:
 - The roof is leaking
 - The entrance glass foyer doors are leaking
 - They suggested installing stop bars on the ground so cars are less likely to hit the building.
 - The Gallery slider door track needs repairing as it is sliding and getting stuck with dirt.
- The Gallery Director has requested that the cupboards/window in the kitchen be removed.
- The Gallery director advised the shelving units inside the gallery store room are not fit for purpose. The Property Officer will look at how the current cupboards could be utilised in a different way e.g if they are rotated.
- Bruce Ellis outlined a meeting held between some committee members, the Property Officer, Ardern Peters and South Coast Construction, who has presented the estimate for the roof repairs. The meeting concentrated on the real problem which is the internal guttering which gets blocked and the gutter fills up.
- It was questioned if a current roof could be put over top of the current roof. The Chairman requested the Property Officer to get a quote from Central Roofing to put a roof over top of the current roof.
- The Property Officer noted there is now a scheduled monthly cleaning of the Gallery guttering. She noted the CCTV inspection found the guttering on the Miranda Street side of the Gallery has two exit points, but one of them turns around and goes nowhere.
- Mr Clarkson noted the exterior of the building needs some work e.g. a repaint and cladding is coming off in a corner. He questioned if some of the trees in the area were trimmed, if this would help with the blocking of the guttering. The Property Officer advised she would look into this.
- It was agreed the Trust would hold a Strategic meeting to discuss the future of the trust.
- Funding options to fix the roof were discussed. It was agreed that Bruce and another Trust member (undecided who) would go to TOI to discuss any potential funding options.

Resolution

THAT two Trustees will arrange a meeting with TOI to discuss funding options for the Percy Thomson Gallery roof repairs.

CRAIG/CLOKE
Carried

6. Financial Statements

The payment list for the months of March and April 2023 is attached.

Recommendation

THAT the payment list for the months of March and April 2023 as presented, be received.

CLARKSON/CLOUGH
Carried

Points Noted:

- The Chairman noted the finances were tight, before depreciation a deficit will be made.
- Mrs Craig noted the funding from TET came through on Thursday.
- The Gallery Director questioned the Art Gallery expenditure budget of \$20,000 and the issue of when funded money is raised for exhibitions e.g. the emergence exhibition, this is not on top of the Gallery's exhibition budget. The costs for the emergence exhibition went over and above what would be spent on a normal exhibition due to prizes and judging etc.

- The Chairman will review the Gallery budget with the Gallery Director and bring findings back to the next meeting.
- It was noted the energy costs for gallery are \$5,000 behind budget and depending on when the next invoice come through it may still come under budget.
- The Auditors advised that the Trust needs to look at and monitor its investments. The Chairman advised the advice on at least 2 or 3 investments is that interest received from them has been reduced. He advised the Henderson shares interest percentage will drop from 6.5% to 5%. Bush road shares interest rate will also drop to approximately 5%. The Chairman will give a full report back at the next meeting, as there will be end of year reports available then.
- It was discussed putting some of the \$221,576 into a term investment. Mrs Craig advised she would be reluctant to do this depending on what budget will be required for the roof repair in the near future. She advised a 3 month term deposit could be safe.

Resolution

THAT Mrs Craig and the Chairman will investigate interest rates to deposit some of the core money into a term deposit with TSB Bank.

ELLIS/CLARKSON
Carried

7. Arboretum and Herbarium Report

A verbal report was presented.

Points Noted:

- Mrs Cloke advised the landscapers should be finished tomorrow, they are putting down the las of the mulch and need to clear the safety netting.
- Mr Clarkson noted that 10-15 more plants may be needed in front of the main sign.
- The landscaper has advised once the mulch sets in the bird will not be able to kick it onto the path as much.
- Mrs Cloke advised the sign at the from of the Arboretum has made a huge impact, and visitors will be able to see it clearly.
- Mrs Cloke is getting the maintenance and oil notes from the newly installed seats, she will inform the HR and Governance Administrator of the maintenance schedule. The oil for the seat and the key for the water tap will be stored at the Gallery for easy access to whoever needs it.
- Mrs Cloke requested the Trustees meet at the Arboretum before the next meeting so everyone is aware of the work required from here forward.
- Mr Clarkson requested that the back two entranced have two smaller signs, so people along the walkway know that it is. He will discuss the Parks and Reserves Officer about possible signs to be put on the Council owned land.

Recommendation

THAT the report be received.

CLOUGH/HALL
Carried

8. Gallery Director's Report

The Gallery Director's Report was tabled.

The Gallery Director noted the following points:

- Dwayne Duthie, a local artist who help a previous exhibition at the gallery, is currently going to another gallery with his exhibition, this is bringing in \$1,800 to the gallery.
- The Abroad exhibition is set for August, if this exhibits elsewhere the gallery will receive a finders fee. Once the exhibition is set up and open photos will be taken which will be sent to other galleries to gage interest.

- The gallery has been approached by businesses for funding opportunities for things like podcasts and artist talks.
- The Credit Card facilities are up and running since the writing of the report.
- The Gallery Director met with Strategy Collective who gave a good pitch for the new strategy. They have quoted brand identity as \$10,000 and website at \$6,500. The Gallery Director will email these quotes to the Trustees.

Points Noted:

- Mrs Clough suggested looking towards Pelorus Trust if the Gallery Director is having issues finding funding.

Recommendation

THAT the Gallery Director's report be received.

ELLIS/CLOUGH
Carried

9. Matters Outstanding

- Revenue of lease building, blind installation and bench installation were removed.
- The Legal Agreements – Abroad Exhibition was updated to reflect progress would be made once the exhibition is underway.
- Mrs Craig advised that Mr Ellis would need to sign the Trust up as members of the New Zealand Plant Conservation Network by 30 June 2023.
- Investment Performance and Review of Investment Policy were updated to be presented at the August meeting.
- Mrs Cloke to find information required for the newly installed bench plaques has been added to matters outstanding.

10. General Business

10.1 Any other business
None

10.2 Next Meeting

The next meeting of the Percy Thomson Trust is to be held on Thursday 17 August 2023 at 4pm at the Stratford District Council.

Closing Karakia

The closing Karakia was read.

Meeting closed at 5.35pm.

B Ellis
CHAIRMAN

MATTERS OUTSTANDING

ITEM OF MATTER	MEETING RAISED	RESPONSIBILITY	CURRENT PROGRESS	EXPECTED RESPONSE
Strategy Meeting	April 2023	Bruce		
Legal agreements – Aboard Exhibition - Confirmation of 30% of commission for sales - \$1,000 per venue showing exhibition fee	March 2023	Laura / Bruce	Finalising after exhibition at Percy Thomson Gallery	
The trust becoming members of the New Zealand Plant Conservation Network	Unknown	Bruce	To be done by 30 June	2022
New roof/ roof repair to be completed	October 2022	Assets Department	Tenders closed – Exploring options The Property Officer going to Central Roofing to enquire about a new roof over old roof.	
Trees close to Gallery Trimming	June 2023	Sara		
Investment Performance	Raised in Deloitte's Management Report	Bruce	For August Agenda	June 2023
Review of Investment Policy	Raised in Deloitte's Management Report	Bruce	For August Agenda	June 2023
Bench Plaques	June 2023	Helen		
Funding meeting with TOI - roof	June 2023	Bruce		
Smaller Signs for Arboretum	June 2023	Jim		

PERCY THOMSON TRUST

- Percy Thomson Gallery
- Percy Thomson Herbarium
- Percy Thomson Arboretum



Percy Thomson Gallery Director's Report - Tabled June 2023

General Comments

- Present report for Visitor Numbers for the financial year:
May 2022 to 7th June 2022 = \$17,825.
- Total sales this financial year = \$51084.60. Gallery Commission Total for exhibitions with agreement of 30% = \$9291.48.
- Total commission from the store at 35% = \$12,275.90. Payment to Artists = \$22,798.10.

Currently on at PTG

- 5 May – 23 June ----- 'Don't Judge a Book by its Cover; It may take you on another journey'. 8-week exhibition from the Arts House Trust, Auckland (formerly known as the Wallace Art Collection).
- Excellent exhibition result – visitor numbers to date are 1700.

Exhibitions Up Next are:

This exhibition has been developed over the last 2 years. It has works from New Zealand, Australia and the United States of America on display. All created by Indigenous women from these countries and celebrates womanhood. An exceptional exhibition to share with the community.



Gallery Operations:

Assessment of Gallery and its operational standards.

- Urgent attention by Trust needed in consideration of increasing annual exhibitions budget. With rule changes to a lot of funding agencies, with acknowledging us as CCO of Stratford District Council – Creative NZ, Toi Foundation, etc have made it clear we are limited or ineligible for funding rounds. Only good relationship we currently have is with Taranaki Foundation. A need to look into budgets with increasing costs to host exhibitions, Gallery maintenance and transit costs. Strategy needed to go forward i.e. Private companies sponsorship.
- Attention to the sales generated by Percy's Place – dedicated budget allocated to the store for each financial year. Total: \$35,074. Amy and I believe the store need some attention i.e. an annual budget allocated to i.e. upgrade furniture/ new coat of paint to keep it looking fresh. Can the Trust approve this course of action for the annual financial budgets?
- Air Conditioning unit – seems to be working well. Te Papa were very pleased we upgraded the system before Rita Angus.
- Blind for the foyer looks great and fit for purpose.
- Received debit card from TSB. This will enable the Gallery to now make payments for ads on Facebook, make payments for online orders. It will also enable us to investigate better methods making it easier for people to purchase artworks online using their debit/credit cards, ticketed events or renew their Friends of the Gallery membership. I.e. Use of Stripe app and Joint membership platforms to better improve the manoeuvrability of membership sign ups. It is currently all manual and too difficult for Amy or me to keep a track of. Pricing of this will be investigated for every 12 months, from 1 July.
- Credit card facilities – ASB. Urgent need for this, as staff have been receiving abuse for not having this available, especially for international visitors.
- Amy has been improving the Friends of the Gallery database. But it needs to be easier to join – at present it isn't working – only method is staff taking payments via Eftpos.
- Call for a separate out-of-committee meeting in July to discuss strategic direction of Percy Thomson Trust, and how the Gallery brands itself. I have met with Idyllic, Strategy Collective, The Collectives RE: website design/re-brand.
- Street appeal – need to find a way of updating the street sign. It makes the image of the Gallery look neglected and old. Far from the truth! How to action, with the help of council – we have been told multiple times to wait for the LTP – but it is something that needs action for our public image. I.e. It was on Seven Sharp during the Shakespeare Festival promo – national viewership.

PAYMENT LISTING - MAY AND JUNE 2023

<i>Payee</i>	<i>Description</i>	<i>Amount</i>
Masters Mitre 10	Supplies	\$89.92
Masters Mitre 10	Supplies	\$439.81
Paper Plus Stratford	Supplies	\$71.19
Stratford District Council	Meridian May 2023	\$1,269.61
Stratford District Council	Meridian	\$1,694.93
Stratford District Council	Fire Security Services	\$131.86
Stratford District Council	Meridian - December 2022	\$1,979.42
Five Star Liquor	Beverages	\$81.94
Live Magazine	Advertising	\$1,604.25
AHI Carrier (NZ) Limited	Upgrade HVAC	\$24,543.93
Mediaworks Radio Limited Taranaki	Advertising	\$348.80
Abstract Signs	Logo/Signage	\$2,593.25
Dimocks 100%	Vacuum cleaner	\$758.00
Dimocks 100%	Lead	\$37.89
Harris Store Limited	Groceries	\$196.30
Harris Store Limited	Groceries	\$347.34
Justin Morgan	Curation of Exhibition	\$1,000.00
Jack Moser	Pianist	\$350.00
Hannah Doherty	May Exhibition	\$130.81
Empson Publishing Ltd	Advertising	\$917.70
Paul J Landscaping	Progress Payment	\$7,360.00
Paul J Landscaping	Landscape Property as per plans	\$17,983.13
H F Bethell Photography	Photography	\$250.00
Ethan Design & Production Limited	Curved Garden Bench	\$8,170.00
Idea Services Limited	Plants	\$372.60
NZ Native Plant Nursery Limited	Plants	\$79.40
Prices Packers & Movers Limited	Postage	\$865.83
K N Rickard	Transport Artworks	\$966.00
Blindz Direct Limited	Blinds	\$3,840.00
David Hill	Books	\$150.00
Landscape Essentials Limited	Plants	\$180.00
Warehouse Stationery	Stationery	\$65.75
About Image Limited	Design Work	\$596.85
About Image Limited	Booklets	\$107.53
Inland Revenue	PAYE	\$3,049.20
Inland Revenue	PAYE	\$2,232.06
TOTAL		\$84,855.30



PERCY THOMSON TRUST

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

PERFORMANCE REPORT
FOR THE YEAR ENDED
30 JUNE 2023

PERCY THOMSON TRUST

Performance report for the year ended 30 June 2023

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PERCY THOMSON TRUST – CHAIRMAN'S REPORT

Chairman's report not yet received

PERCY THOMSON TRUST – ENTITY INFORMATION

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 – BOARD

Chairman: Bruce Ellis

Trustees: Jim Clarkson
Helen Cloke
Deborah Clough
Christine Craig
Doug Robinson
Gloria Webby resigned 16 March 2023
Ellen Hall appointed 9 May 2023

PERCY THOMSON TRUST – STAFF

As at 30 June 2023

Gallery Director – Laura Campbell

Gallery Assistant – Amy Hill

Part-time Gallery Assistants

- Donna Hitchcock
- Carina McQueen
- Gayleen Schrider
- Jacqueline McCluggage
- Justin Morgan
- Michelle Rowland

PERCY THOMSON TRUST – PERFORMANCE

Statement of Service Performance

Nature and Scope of the 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.

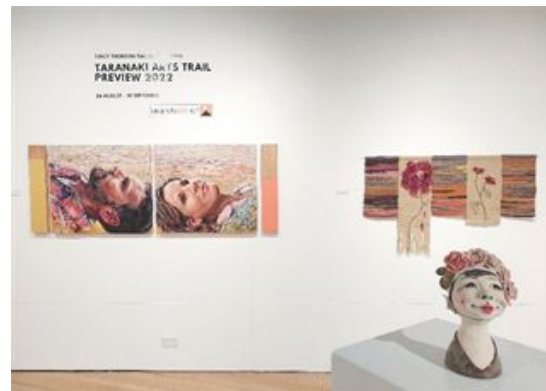
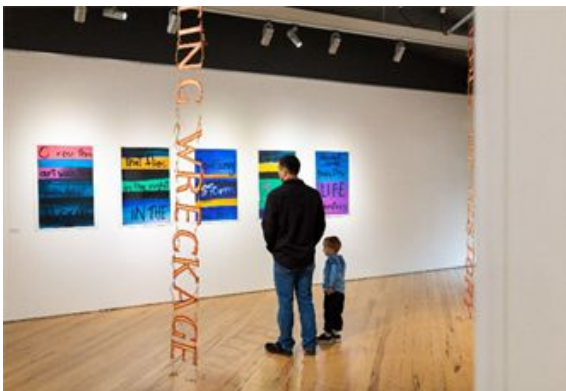
For the avoidance of doubt, the objects of the Trust expressed above are set out in no particular order or priority and do not include an intention or purpose that the Trust operates a trading undertaking with the intention or purpose of making a profit, but rather that the Trustees fairly and efficiently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

PERCY THOMSON TRUST – PERFORMANCE

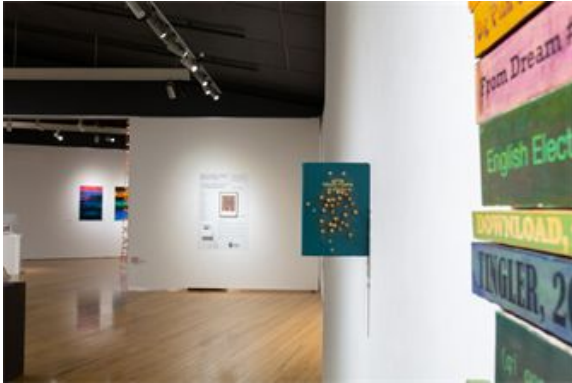
The Trust's objects shall only be carried out in, or to benefit people in the Stratford District. The Trustees may carry out activities outside the Stratford District to promote the Trust or the Trust's activities but only if they believe that such activities will be for the ultimate benefit of people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

Level of Service	Performance Measures	Actual 2022/23	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.</p> <p>Art exhibitions that were delivered throughout the year included the following:</p> <p>National –</p> <ol style="list-style-type: none"> 1. The Adam Portraiture Award 2. Don't Judge a Book by its Cover <p>Regional –</p> <ol style="list-style-type: none"> 1. Freed up in lockdown – Ewan McDougall/ Double Edge Sword – Dwayne Duthie 2. Professional Weavers Network – Daughters of Eve 3. Kahui Mareikura – Indigenous Sisters <p>Local –</p> <ol style="list-style-type: none"> 1. Emergence – Award for Young Taranaki Artists 2. Taranaki Arts Trail – Preview exhibition 3. Stratford Art Society 4. Creative Fibre <p>((2021/22) – 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 18,684 visitors for the year. This an increase on the previous year as people are note attending more events, and the New Zealand boarders have opened, which brings in international visitors once again.</p> <p>(2021/22 – Not Achieved – 14,646)</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	Develop and maintain the relationship with the New Zealand Plant Conservation Network.	<p><i>Not Achieved:</i> The Trust are in the process of becoming a member of the New Zealand Plant Conservation Network, and this will be completed in 2023/24.</p> <p>(2021/22 – Not achieved – 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>	Develop and maintain the relationship with the New Zealand Plant Conservation Network.

PERCY THOMSON TRUST – PERFORMANCE



PERCY THOMSON TRUST – PERFORMANCE



PERCY THOMSON TRUST – FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 30 JUNE 2023

	Note	Actual 2022/23 \$000	Budget 2022/23 \$000	Actual 2021/22 \$000
Revenue				
Funding from central or local government	1	50	90	50
Revenue from non-governmental sources for providing goods or services		46	99	44
Donations, fundraising and other similar revenue	1	47	-	13
Interest, dividends and other investment revenue		44	40	40
Other revenue	1	29	-	66
Total Revenue		216	229	212
Expenses				
Employee related costs	2	122	107	117
Costs related to providing goods or services	2	104	112	84
Other expenses	2	109	91	87
Total Expenses		335	310	288
(Deficit) from operations		(119)	(81)	(76)
Gain on revaluation of property, plant and equipment		702	-	-
Surplus (Deficit) for the year		583	(81)	(76)

Explanations of significant variances against budget are detailed in note 9.

B Ellis
CHAIRMAN

C Craig
TRUSTEE

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	Actual 2022/23 \$000	Budget 2022/23 \$000	Actual 2021/22 \$000
Assets				
Current Assets				
Bank accounts and cash	3	77	128	275
Debtors and prepayments	3	24	10	4
Investments	3	380	250	275
Total Current Assets		481	388	554
Non-Current Assets				
Property, plant and equipment	4	2,539	1,930	1,832
Non-current investments	3	397	502	427
Total Non-Current Assets		2,936	2,432	2,259
Total Assets		3,417	2,819	2,813
Liabilities				
Current Liabilities				
Creditors and accrued expenses	3	29	5	9
Employee costs payable	3	8	2	6
Total Current Liabilities		37	7	15
Total Liabilities		37	7	15
Total Assets less Total Liabilities (Net Assets)		3,381	2,812	2,798
Accumulated Funds				
Capital contributed by owners or members	5	0.1	0.1	0.1
Accumulated Surpluses or (deficits)	5	1,472	1,423	1,591
Reserves	5	1,909	1,389	1,207
Total Accumulated Funds		3,381	2,812	2,798

The Trust Board is approved and authorised to issue the financial statements on 30 November 2023.

B Ellis
CHAIRMAN

C Craig
TRUSTEE

PERCY THOMSON TRUST – FINANCIAL STATEMENTS

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Note	Actual 2022/23 \$000	Actual 2021/22 \$000
Cash Flows from Operating Activities			
<i>Cash was received from:</i>			
Funding from central or local government		50	50
Receipts from non-governmental sources for providing goods or services		46	44
Donations, fundraising and other similar receipts		47	13
Interest, dividends and other investment revenue		43	40
Other revenue		19	17
Net GST		(8)	(2)
<i>Cash was applied to:</i>			
Payments to Suppliers and Employees		(234)	(213)
Net Cash Flows used in Operating Activities		(37)	(51)
Cash Flows from Investing and Financing Activities			
<i>Cash was received from:</i>			
Receipts from the sale of investments		-	199
<i>Cash was applied to:</i>			
Payments to acquire property, plant and equipment		(161)	(5)
Net Cash flow from Investing and Financing Activities		(161)	194
Net Increase in Cash		(198)	143
Add opening bank accounts and cash		275	132
This is presented by : Bank Accounts and Cash	3	77	275

PERCY THOMSON TRUST

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2023

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.

Commission on Sales

Commission on exhibition sales and Percy Place sales is retained by the Trust, with the remaining proceeds passed on to the seller of the artworks. Revenue includes only amounts received and receivable by the Trust on its own account, not the amounts collected for the principal. Revenue is recognised when receivable.

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 initially recorded at cost or valuation, less accumulated depreciation and impairment losses. The fair value of the freehold land was determined based on the market comparable approach that reflects recent transaction prices for similar properties. The fair value of the buildings was determined from market based evidence using the cost approach, reflecting the cost to construct assets of comparable utility and age, adjusted for obsolescence.

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 30 June 2023 by Telfer Young (Taranaki) Ltd, independent valuers.

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 – NOTES TO THE PERFORMANCE REPORT

1. Analysis of Revenue

	Actual 2022/23 \$000	Actual 2021/22 \$000
Funding from central or local government		
- Stratford District Council	50	50
Donations, fundraising and other similar revenue		
Grant - Taranaki Electricity Trust	30	-
Grant - Toi Foundation	-	-
Grant - Taranaki Foundation	10	-
Other grants	6	-
Creative New Zealand Funding	-	12
Wages subsidy	1	1
Total donations, fundraising and other similar revenue	47	13
There are no unfulfilled conditions and other contingences attached to grants recognised.		
Other Revenue		
- Commission Sales	19	17
- Insurance proceeds	10	-
- Gain on sale of financial assets	-	49
Total Other Revenue	29	66

2. Analysis of Expenses

	Actual 2022/23 \$000	Actual 2021/22 \$000
Employee related costs		
Salaries and Wages	116	115
Kiwisaver Contributions	3	3
Increase (Decrease) in Employee Entitlements	3	(1)
Total employee related costs	122	117
Costs related to providing goods or services		
Property expenses	29	18
Art Gallery expenses	52	43
Other operating expenses	23	23
Total costs related to providing goods or services	104	84
Other expenses		
Audit Fees for Financial Statement Audit	25	7
Loss on disposal of assets	3	-
Depreciation	81	80
Total other expenses	109	87

PERCY THOMSON TRUST – NOTES TO THE PERFORMANCE REPORT

3. Analysis of Assets and Liabilities

Current Assets

	Actual 2022/23 \$000	Actual 2021/22 \$000
Bank Accounts and Cash		
Cheque Account - TSB	77	275
Debtors and Prepayments		
GST Refundable	8	-
Sundry Debtors	16	4
Total Debtors and Prepayments	24	4
Investments		
<u>Bonds</u>		
Auckland International Airport - 4.28% - matures 09/11/2022	-	25
Meridian Energy Ltd - 4.88% - matures 20/03/2024	30	
<u>Other Investments</u>		
Term Deposit TSB Bank - 4.35% - mature 20/09/2023	50	-
Term Deposit TSB Bank - 5.30% - mature 4/12/2023	250	250
Term Deposit TSB Bank - 5.65% - mature 20/12/2023	50	-
Total Investments	380	275
Non-current Investments		
<u>Bonds</u>		
Meridian Energy Ltd - 4.88% - matures 20/03/2024	-	30
<u>Other Investments</u>		
Proportionate Ownership - Albany, Auckland	50	50
Proportionate Ownership - Manukau, Auckland	50	50
Proportionate Ownership - Porirua, Wellington	72	72
Proportionate Ownership - Albany, Auckland	75	75
Proportionate Ownership - Tauranga	50	50
Proportionate Ownership - Henderson, Auckland	100	100
Total Non Current Investments	397	427
Creditors and Accrued Expenses		
Creditors	2	1
Income received in advance	2	-
Accrued Expenses	25	8
Total Creditors and Accrued Expenses	29	9
Employee Costs Payable		
Annual Leave	8	6
Total Employee Costs Payable	8	6

PERCY THOMSON TRUST – NOTES TO THE PERFORMANCE REPORT

4. Property, Plant and Equipment

Cost or Valuation	Buildings at revalued amount	Land at revalued amount	Plant and Equipment at Cost	Total
	\$000	\$000	\$000	\$000
As at 1 July 2022	1,749	235	120	2,104
Additions	63	-	26	89
Disposals	-	-	(3)	(3)
Revaluation increase	260	150	-	410
As at 30 June 2023	2,072	385	143	2,600

Accumulated Depreciation	Buildings at revalued amount	Land at revalued amount	Plant and Equipment at Cost	Total
	\$000	\$000	\$000	\$000
Balance at 1 July 2022	217	-	55	272
Eliminated on disposals of assets	-	-	-	-
Depreciation expense	75	-	6	81
Depreciation reversed on revaluation	(292)	-	-	(292)
Balance at 30 June 2023	-	-	61	61

Balance as at 30 June 2023	2,072	385	82	2,539
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Balance as at 30 June 2022	1,532	235	65	1,832
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5. Accumulated Funds

	Actual 2022/23 \$000	Actual 2021/22 \$000
Opening Equity		
Contributed Capital	0.1	0.1
Revaluation Reserve	1,207	1,207
Accumulated Surpluses	1,591	1,681
Total Opening Balance	2,798	2,889
Movements during the year		
Surplus (Deficit)	(119)	(76)
Revaluation during the year	702	-
Total	583	(76)
Closing Equity		
Contributed Capital	0.1	0.1
Revaluation Reserve	1,909	1,207
Accumulated Surpluses	1,472	1,591
Total Closing Equity	3,381	2,798

PERCY THOMSON TRUST – NOTES TO THE PERFORMANCE REPORT

6. Commitments and Contingencies

	Actual 2022/23 \$000	Actual 2021/22 \$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
* 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.	50	68
* 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.	1	2
Total	51	84
Operating Leases as a Lessor		
Not later than one year	19	33
Later than one year and not later than five years	32	51
Later than five years	-	-
Total operating leases as a lessor	51	84

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (last year – nil).

7. 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 (resigned March 2023)
- Ellen Hall, Trustee, is a Councillor (appointed May 2023)
- Christine Craig, Trustee, is an employee of Stratford District Council

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

	Actual 2022/23 \$000	Actual 2021/22 \$000
Stratford District Council		
Grant received from the Council	50	50
Fees paid to Council for administration services	21	21

PERCY THOMSON TRUST – NOTES TO THE PERFORMANCE REPORT

8. Events After the Balance Sheet Date

There were no significant events after balance date.

9. Explanations of major variances against budget

Explanations for major variances from the Trust's budgeted figures in the 30 June 2023 Statement of Intent are as follows:

Statement of Financial Performance

- Revenue from gallery hire and commissions was on budget, as the number of visitors increased, and sales continued.
- 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.
- Audit fees are considerably higher than budget, as Deloitte's are now doing a full cost recovery.
- Land and buildings were revalued at 30 June 2023, resulting in a gain on the revaluation.

Statement of Financial Position

- The cash balance was less than budget as additional funds were placed on short term deposits. Also, some additional funds were used to complete the development work at the arboretum, after receiving a grant of \$30,000 from Taranaki Electricity Trust.

10. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year layout.

PERCY THOMSON TRUST – AUDIT REPORT

MATTERS OUTSTANDING

ITEM OF MATTER	MEETING RAISED	RESPONSIBILITY	CURRENT PROGRESS	EXPECTED RESPONSE
Strategy Meeting	April 2023	Bruce		
Legal agreements – Aboard Exhibition - Confirmation of 30% of commission for sales - \$1,000 per venue showing exhibition fee	March 2023	Laura / Bruce	Finalising after exhibition at Percy Thomson Gallery	
The trust becoming members of the New Zealand Plant Conservation Network	Unknown	Bruce	To be done by 30 June	2022
New roof/ roof repair to be completed	October 2022	Assets Department	Tenders closed – Exploring options The Property Officer going to Central Roofing to enquire about a new roof over old roof.	
Trees close to Gallery Trimming	June 2023	Sara		
Investment Performance	Raised in Deloitte's Management Report	Bruce	For August Agenda	June 2023
Review of Investment Policy	Raised in Deloitte's Management Report	Bruce	For August Agenda	June 2023
Bench Plaques	June 2023	Helen		
Funding meeting with TOI - roof	June 2023	Bruce		
Smaller Signs for Arboretum	June 2023	Jim		



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.