

AGENDA

**Ordinary meeting of the
Nelson City Council
Tasman District Council**

Joint Shareholders Committee

**Friday 4 April 2014
Commencing at 1.30pm
Council Chamber
Tasman District Council
189 Queen Street, Richmond**

Membership: His Worship the Mayor of Tasman, Richard Kempthorne
(Chairperson)
Her Worship the Mayor of Nelson, Rachel Reese
Deputy Mayor of Tasman, Councillor Tim King
Deputy Mayor of Nelson, Councillor Paul Matheson
Tasman District Councillor Bryant
Nelson City Councillor Ian Barker

Apologies

1. Interests

- 1.1 Updates to the Interests Register
- 1.2 Identify any conflicts of interest in the agenda

2. Confirmation of Order of Business

3. Port Nelson Ltd Six Months Result to December 2013

6-12

Document number A1139399

Recommendation

THAT the report Port Nelson Ltd Six Months Result to December 2013 (A1139399) and its attachment (A1143602) be received.

Note: Nick Patterson, Chair; Daryl Wehner, Chief Financial Officer; and Martin Byrne, Chief Executive, of Port Nelson Ltd will be in attendance for this item.

4. Tasman Bays Heritage Trust Draft Statement of Intent 2014/15 and Half Yearly Report

13-39

Document number A1152567

Recommendation

THAT the report Tasman Bays Heritage Trust Draft Statement of Intent 2014/15 and Half Yearly Report (A1152567) and its attachments (A1150788, A1154524, A1150458 and A1150781) be received;

AND THAT the Tasman Bays Heritage Trust Statement of Intent and Strategic Plan 2014/15 be approved for signing.

Note: Terry Horne, Chair, and another Trustee of Tasman Bays Heritage Trust, will be in attendance for this item.

PUBLIC EXCLUDED BUSINESS

5. Exclusion of the Public

Representatives Nelson Airport Limited and Nelson Tasman Tourism will be present for the items of the public excluded part of the meeting referred to in the recommendation below.

Recommendation

THAT, in accordance with section 48(5) of the Local Government Official Information and Meetings Act 1987, the following people remain after the public has been excluded, as they have knowledge that will assist the Committee:

- ***Paul Steere and Kaye McNabb, for the items "Nelson Airport Ltd - Statement of Intent 2014/15" and "Nelson Airport Ltd - Half Yearly Report to 31 December 2013";***
- ***Phil Taylor and Lynda Keene, for the items "Nelson Tasman Tourism - Statement of Intent 2014/15" and "Nelson Tasman Tourism - Half Yearly Report to 31 December 2013".***

AND THAT, in accordance with section 48(6) of the Local Government Official Information and Meetings Act 1987, the knowledge that the above-named people possess relates to:

- ***Paul Steere and Kaye McNabb - knowledge of the commercial activities and half yearly results for Nelson Airport Ltd;***
- ***Phil Taylor and Lynda Keene - knowledge of the commercial activities and half yearly results for Nelson Tasman Tourism.***

Recommendation

THAT the public be excluded from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under

section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<p>Nelson Airport Ltd – Statement of Intent 2014/15</p> <p>This report contains information relating to the commercial activities of Nelson Airport Ltd.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(b) To protect information that may disclose a trade secret or the commercial position of a person
2	<p>Nelson Airport Ltd – Half Yearly Report to 31 December 2013</p> <p>This report contains information relating to the commercial activities of Nelson Airport Ltd, including its half yearly results.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(h) To carry out commercial activities
3	<p>Nelson Tasman Tourism – Statement of Intent 2014/15</p> <p>This report contains information relating to the commercial activities of Nelson Tasman Tourism.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(b) To protect information that may disclose a trade secret or the commercial position of a person

4	<p>Nelson Tasman Tourism – Half Yearly Report to 31 December 2013</p> <p>This report contains information relating to the commercial activities of Nelson Tasman Tourism including its half yearly results.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(h) To carry out commercial activities
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6. Re-admittance of the public

Recommendation

THAT the public be re-admitted to the meeting.

Port Nelson Ltd Six Months Result to December 2013

1. Purpose of Report

- 1.1 To offer Port Nelson Limited the opportunity to present and explain its six months result (Attachment 1).

2. Recommendation

THAT the report Port Nelson Ltd Six Months Result to December 2013(A1139399) and its attachment (A1143602) be received.

3. Background

- 3.1 Every CCO and CCTO is required to provide its shareholders with a report for the first six months of trading annually. This is a summary of the Port's performance up until 31 December 2013.

4. Discussion

- 4.1 The Chair and CEO of Port Nelson Limited are in attendance to provide a briefing and answer questions on the result.
- 4.2 The result shows a strong performance for the six months and a good result expected for the full year. The Council should not expect this trend into the second half of the year as a significant proportion of the first half gains are from timing issues.
- 4.3 The highlight of this first 6 months has been the servicing of the Raroa, a good result for the Port, the owners of the vessel and the region in general.

5. Conclusion

- 5.1 This is a sound result for the first six months and Port Nelson continues perform well.

Hugh Kettlewell

Group Manager Support Services

Acting Group Manager Community Services

Attachments

Attachment 1: Port Nelson Limited Six Monthly Report as at 31 December 2013 to Shareholders [A1149412](#)

No supporting information follows.

To: Nelson City Council / Tasman District Council

From: Nick Patterson, Chairman

Date: 27 January 2014

Re: Six Monthly Report to Shareholders

PURPOSE OF THE PAPER

To update the shareholders on company performance for the July - December 2013 period.

CARGO



Volumes to the end of December are around 1% ahead of budget (1,296,000 tonnes versus budget 1,280,000) and up very slightly (44,000 tonnes) on the same period last year. Log exports sit slightly ahead of budgeted levels (+31,000 tonnes), principally due to vessel timing issues.

Fertiliser imports are above budget (+12,000 tonnes) and fish imports / exports (+12,000 tonnes) are also higher than anticipated along with wine exports (+9,000 tonnes) and motor vehicle imports (+13,000 tonnes).

Fuel imports are slightly below budget, principally a vessel timing issue, and processed forestry volumes are lower than anticipated due to competitive pressures in a number of export markets and the high New Zealand dollar.

SHIPPING



Vessel visits for the six month period are slightly ahead of budget (408 versus the budget of 361). The principal reason for this is support vessel visits associated with the call of the FPSO vessel *Raroa* in late October which meant some unexpected gains in this area which were very pleasing.

The *Raroa* itself arrived in Port Nelson on Monday 25 October and sailed three weeks later, right on schedule and having completed a number of additional tasks including the painting of the hull which had not originally been planned to be carried out. The vessel operators were very pleased with how the visit went and the feedback from them and a number of the crew on other support vessels that called in during the project was that they were very appreciative of the support given by both PNL staff and other Nelson based contractors. From a financial perspective the vessel visit will be a significant contributor to our 2013/14 result and we certainly hope this visit may be a pre cursor to additional oil industry related work in the future.

STEVEDORING



The last six months have been exceptionally busy for our Stevedoring staff with the normal general cargo and container vessels through the Port as well as a large number of log vessels in both Nelson and Picton right up until the end of the calendar year. As is often the case the spacing of vessels between Ports has not ideal at times with vessels in both Ports at the same time. While this is out of our control and resulting in pressure on our supplies of labour, our departmental leaders have done a great job of managing resources and still servicing the requirements of our customers.

PROPERTY



Work on inspections of potentially earthquake prone buildings continues and we have made further progress regarding the likely relocation of our workshop facilities. Interest in PNL related property holdings remains strong and we expect this to continue in the coming year.

HEALTH AND SAFETY



Our H & S training for third tier Management Staff commenced in October and November and has already proven very beneficial for us. Overall the wider community focus on Port related health and safety issues has increased in the last three months, not least due to two fatalities and a further serious injury in the Port of Lyttelton in the last quarter of 2013. Both fatalities have been third party contractors operating within the Port operational area while the serious injury was a Port of Lyttelton employee operating within an empty container yard facility off site.

CAPITAL EXPENDITURE



In the last three months the main major capital and significant maintenance expenditure items have been programmed Container Yard Pavement Rebuild and Crane Refurbishment projects. These were both delayed due to the presence of the *Raroa* and will carry over into January. For the 6 month period ended 31 December 2013 capital expenditure is in line with budget.

FINANCIALS

STATEMENT OF COMPREHENSIVE INCOME
For the 6 month period ended 31 December 2013

	Actual	Budget	Last Year
REVENUE			
Operations	18,602	15,887	15,341
Property	3,044	3,031	3,070
TOTAL REVENUE	21,646	18,918	18,411
Operating Expenses	14,682	14,004	13,761
RESULTS FROM OPERATING AND PROPERTY ACTIVITIES	6,964	4,914	4,650
Net Finance Costs	1,150	1,212	1,302
PROFIT AFTER FINANCE COSTS	5,814	3,702	3,348
Share of Profit from Associate	(36)	-	474
NET SURPLUS BEFORE TAXATION	5,778	3,702	3,822
Taxation	1,615	1,008	941
NET SURPLUS AFTER TAXATION	4,163	2,694	2,881

BALANCE SHEET
As at 31 December 2013

	Actual	Budget	Last Year
Current Assets	6,372	5,644	5,292
Current Liabilities	4,783	4,296	3,768
WORKING CAPITAL	1,589	1,348	1,524
Non-Current Assets	188,947	196,640	182,662
Non-Current Liabilities	42,199	45,901	47,499
TOTAL NET ASSETS	148,337	152,087	136,687
SHAREHOLDER FUNDS			
Issued Capital	6,046	6,046	6,046
Retained Earnings	47,686	44,369	43,368
Asset Revaluation Reserves	95,270	103,191	89,561
Other Reserves	(665)	(1,519)	(2,288)
TOTAL SHAREHOLDERS' FUNDS	148,337	152,087	136,687

STATEMENT OF CASH FLOWS
For the 6 month period ended 31 December 2013

	Actual	Budget	Last Year
FUNDS FROM OPERATING ACTIVITIES			
Net Surplus	5,778	3,702	3,822
Impairment (profit on sale of assets)			0
Depreciation	2,725	2,823	2,380
Tax Paid	(2,426)	(2,268)	(2,100)
Working Capital Movements	(409)	246	50
Net Cash flow from Operating Activities	5,668	4,503	4,152
FUNDS PROVIDED FOR INVESTING ACTIVITIES	2,070	(825)	1,659
FUNDS PROVIDED FOR FINANCING ACTIVITIES	(8,250)	(3,350)	(5,450)
NET INCREASE / (DECREASE) IN CASH HELD	(512)	328	361
OPENING CASH BALANCE	748	(186)	(46)
CLOSING CASH BALANCE	236	142	315

PERFORMANCE TARGETS AND OTHER MEASURES
For the 6 month period ended 31 December 2013

	Actual	Budget	Last Year
Shareholder funds to total assets ratio	76%	75%	73%
Return on average shareholder's funds *	6%	5%	5%
Return on funds employed *	8%	7%	6%
Annual cargo tonnes (t)	1.30M	1.28M	1.25M
Annual ships visits	408	361	354
Gross shipping tonnes (gross registered t)	4.47M	3.87M	3.88M

* Performance measure has been calculated using a rolling 12 months.

**STATEMENT OF
CORPORATE INTENT**

The following table represents our performance against the 2014 Statement of Corporate Intent Performance Measures.

With the only exception being the lost time injury frequency rate all other performance measures were achieved for the six month period ended 31 December 2013.

A LTI target of <1.5 is ambitious but nevertheless important. PNL is proud of its health and safety record and initiatives. It is continuously seeking improvement through a guiding document it has developed, H&S strategic plan and its H&S management systems.

PERFORMANCE TARGETS AND OTHER MEASURES

For the period ended 31 December 2013

Objectives	Performance Measure	Actual	Budget	2014 Target	Last Year
		(6 months to 31 Dec. 2013)	(6 months to 31 Dec. 2013)	Full Year	Full Year
People	Lost Time Injury ("LTI") frequency rate	3.17	<1.5	< 1.5	4.95
Financial Results	Shareholder funds to total assets ratio	76%	75%	75%	73%
	Debt to Equity ratio	20%	25%	< 45%	24%
	Dividends declared	nil	nil	\$4.2M	\$4.2M
	Return on average shareholder's funds *	6%	5%	4%	5%
	Return on funds employed *	8%	7%	6%	7%
	Revenue	\$22M	\$19M	\$38M	\$39.6M
	Capital expenditure	\$0.6M	\$1.5M	< \$3.5M	\$4.7M
Environment and Community	Incidents leading to pollution of harbour	Nil	Nil	Nil	Nil
	<i>Note: This measure relates to port operational area only (excludes port lease areas)</i>				
	Compliance with all resource consent conditions	100%	100%	100%	100%
	Compliance with NZ maritime safety standards in respect of;	100%	100%	100%	100%
	- Dredged channels compliant with charts				
	- Navigation aids				
	- Pilotage				
	Compliance with Noise Variation	100%	100%	100%	100%
	Maintain ISO14001 certification	100%	100%	100%	100%
Customer	Annual cargo tonnes (t)	1.30M	1.28M	2.66M	2.62M
	Annual ships visits	408	361	695	730
	Gross shipping tonnes (gross registered t)	4.47M	3.87M	7.76M	7.77M

* Performance measure has been calculated using a rolling 12 months.

LOOKING FORWARD



With the *Raroa* visit behind us our focus now shifts to the upcoming export fruit season, as well the fishing and wine industries. The last two seasons have proven much more positive for apple exporters and it is hoped that the 2014 season can follow the pattern of recent years. Growing conditions to date have been good with the rain over the Christmas / New Year period a welcome addition to regional water supplies after a dry November / December. The outlook for the grape harvest in Marlborough towards the end of March is also positive with predictions of a possible record harvest.

While the positive financial result for the first six months of year is very welcome, it should be noted that some maintenance work was deferred until the New Year due to the *Raroa* visit so we would expect an increase in expenses over the second six months of 2013 / 14. Log volumes were also boosted by some cargoes that would normally move in January being shipped in December so that will lead to a quiet start to the second half of the financial year in that regard

For further information please contact Martin Byrne, CEO.

Tasman Bays Heritage Trust Draft Statement of Intent 2014/15 and Half Yearly Report

1. Purpose of Report

- 1.1 To offer Tasman Bays Heritage Trust (TBHT) the opportunity to present and explain its six months results including the Half Yearly Report 2013-2014 (Attachments 1) and the 2013-2014 Midpoint Review (Attachment 2).
- 1.2 To seek Joint Shareholders Committee approval of the draft Statement of Intent and Strategic Plan 2014/2015 (Attachments 3 and 4).

2. Recommendation

THAT the report Tasman Bays Heritage Trust Draft Statement of Intent 2014/15 and Half Yearly Report (A1152567) and its attachments (A1150788, A1154524, A1150458 and A1150781) be received;

AND THAT the Tasman Bays Heritage Trust Statement of Intent and Strategic Plan 2014/15 be approved for signing.

3. Background

- 3.1 Tasman Bays Heritage Trust, along with the other Council Controlled Organisations, is required to complete a Statement of Intent by agreement with the Council by 30 June each year.
- 3.2 Schedule 8 of the Local Government Act 2002 outlines the purpose of a Statement of Intent, what is to be included and how it is to be approved.
- 3.3 Tasman Bays Heritage Trust, along with other Council Controlled Organisations, is required to report its half yearly performance as outlined in its Statement of Intent 2013/2014.
- 3.4 The Chair of Tasman Bays Heritage Trust, Terry Horne, and the Chief Executive, Peter Millward, will be in attendance to answer any questions.
- 3.5 A Statement of Expectation was not prepared for TBHT this year due to the electoral process.

4. Discussion

- 4.1 The Half Yearly Report 2013-2014 and the 2013-2014 Midpoint Review show continuing control over costs and a significant range of activities undertaken on behalf of the community.
- 4.2 During the Statement of Intent process last year the joint shareholders committee resolved:

THAT the Tasman Bays Heritage Trust be requested to alter the performance objectives in the Strategic Plan 2013/14 to reflect the need to review the property and location needs for the future operation of the Nelson Museum.

- 4.3 The work is yet to start but the Terms of Reference are currently being developed. Given the time lines it is unlikely that this will be completed prior to the end of the financial year.
- 4.4 Other than the property review the Half Yearly Report shows that the Trust Board is operating the Trust on a sustainable basis. The finances are in reasonable shape and delivery against objectives continues. The loans from TDC and NCC are interest free to TBHT and are in effect an increase to the operating grant. This makes a significant contribution to the financial performance of the Trust.
- 4.5 Nothing new is signalled in the SOI and both Councils can have confidence of continued delivery on budget. The property review that is expected this year is unlikely to generate any major change next financial year and any issues that it raises can be left until the LTP year.

5. Conclusion

- 5.1 These reports show an organisation in good health that is performing well and thinking about its future. The potential changes that may come as a result of the property do not impact on the next financial year however attention will need to be paid to the outcome of this review by both Councils during the upcoming LTP process.
- 5.2 It is recommended that the Committee recommend the Statement of Intent for approval.

Hugh Kettlewell
Group Manager Support Services
Acting Manager Community Services

Attachments

Attachment 1: Tasman Bays Heritage Trust Half Yearly Report to Stakeholders as at 31 December 2013 [A1150788](#)

Attachment 2: Tasman Bays Heritage Trust 13-14 Mid Point Review [A1154524](#)

Attachment 3: Tasman Bays Heritage Trust Statement of Intent 2014-2015 [A1150458](#)

Attachment 4: Tasman Bays Heritage Trust Strategic Plan 2014-15 [A1150781](#)

No supporting information follows.

REPORT TO STAKEHOLDERS OF NELSON CITY COUNCIL AND TASMAN DISTRICT COUNCIL (JSC)
Half Year Period 1 July 2013 – 31 December 2013

STATEMENT OF COMPREHENSIVE INCOME
For the Period 1 July – 31 December 2013

	Actual 2013	Budget 2013	Actual 2012
Revenue	1,036,862	960,924	972,130
Less Direct Costs	564,695	595,010	607,917
Gross Profit	472,167	365,914	364,213
Less Expenses	148,080	185,020	185,370
Operating Profit	324,087	180,894	178,843
Less Depreciation	184,824	185,940	185,575
Net Surplus / (Deficit) for Period	139,263	(5,046)	(6,732)

STATEMENT OF FINANCIAL POSITION
For the Period 1 July - 31 December 2013

	2013	2012
<u>Assets</u>		
Cash & Bank	224,202	51,787
Debtors	497,255	483,867
Investments	-	199,251
Prepayments – Ins/ACC	27,656	24,313
Stock on Hand	5,295	5,079
Non Current Assets	20,131,474	20,358,870
Total Assets	20,885,882	21,123,166
<u>Liabilities</u>		
Creditors	36,128	28,526
GST	57,660	56,721
Grants Received in Advance	426,111	420,662
Accruals – Annual Leave	56,566	53,562
Term Liabilities	1,593,349	3,116,679
Total Liabilities	2,169,814	3,676,150
Net Assets	18,716,068	17,447,016
<u>Equity</u>		
Retained Earnings	18,576,805	17,453,748
Current Year Earnings	139,263	(6,732)
Total Equity	18,716,068	17,447,016

Notation:

Grants Received in Advance are the Council Operating Grants Invoiced for the 3rd Quarter.

STATEMENT OF CASH FLOWS
For the Period 1 July – 31 December 2013

Cash Flows from Operating Activities

Council Operating Grants	852,222	
Contracts	41,095	
Interest Received	1,431	
Receipts from Other Revenue	154,436	
Payments to Suppliers & Employees	(789,984)	
Interest Paid	(12,120)	
Goods and Services Tax (Net)	(10,641)	
	<hr/>	
Net Cash from Operating Activities		236,439

Cash Flows from Investing Activities

Purchase of Property, Plant and Equipment	(82,054)	
	<hr/>	
Net Cash from Investing Activities		(82,054)

Cash Flows from Financing Activities

Repayment of Borrowings	(48,300)	
	<hr/>	
Net Cash from Financing Activities		(48,300)

Net Increase (Decrease) in Cash		106,085
Opening Cash Balance at 1 July 2013		118,117
		<hr/>
Closing Cash Balance at 31 December 2013		224,202

TASMAN BAYS HERITAGE TRUST

The Trust commitment is to create value for the community with our stakeholders support by:

- *Protecting preserving and promoting our taonga / treasures*
- *Educating our visitors - Engaging with our communities - Endowing our future*

BOARD PERFORMANCE OBJECTIVES 2013-14

The Board has identified the following objectives for the Trust to progress in the next twelve months:

GOVERNANCE – FINANCE - STRATEGIC

1. Secure the financial future of Tasman Bays Heritage Trust by fixing and repaying the interest bearing debt of the Trust and by maintaining the debt repayment program agreed with the Councils.
2. Register with the Charities Commission constitutional amendments to the Deed of Trust to align with the Local Government Act 2002 and the Memorandum of Understanding with the Trust's Iwi partners
3. Review TBHT's long term operating facilities and needs including exhibition, storage, collection and research facilities. This is to ensure a strategic basis for effective and visionary Museum operations for the long term, to enhance storage and to reduce risk to collections held by the Museum.
4. Resolve the issues identified in the Detailed Engineering Evaluation of the Research Facility building at Isel Park to ensure the Collections are protected and that public have access to the research material.
5. To ensure that objectives are achieved within budget
6. To ensure the Asset Register is maintained and that an appropriate asset management plan is put in place

BOARD REPORTS

- | | |
|---|-------------------------------|
| ▪ Audit and Risk Management sub-committee | L Richards, T Horne, A Brown. |
| ▪ Exhibitions Programme | P Thomason, O Hall, (CEO). |
| ▪ Funding Partners | L Richards, C Bowater. |
| ▪ Te Tai Ao Komiti | O Hall, T Horne, CEO |
| ▪ Education Advisory Committee | CEO, Senior Educator |
| ▪ Earthquake special workgroup | P Thomason, staff, CEO |

FINANCIAL SOURCES

Successful NZLGB application for \$25,121 for WW100, lodged jointly with NHS

NZLGB application for \$45000 WW100 staffing support lodged in November 2013

Bett Trustees have promised \$5000 for digitising Bett Collection material for WW100

Nelson Pine Industries \$20,000 + building materials – WW100

LEOTC announced three year extension of Contract to be negotiated

Funding is still required for completion of the Glass Plate Project

MUSEUM SERVICES

TASMAN BAYS HERITAGE TRUST

This document was written on an assumption that staff access to the Research Facility at Isele Park would be available during the time period covered by this plan.

The Nelson Provincial Museum provides a diverse range of public services:

- Accession heritage objects and material considered to be of local, regional or national significance. The Museum provides long-term storage, care and preservation under a controlled environment.
- Interpretation and public presentation of our bi-cultural regional heritage in the permanent exhibition.
- Archive and research library of manuscripts, books, maps, documents and records with public access.
- Photographic collection available for research and reproduction, with public access.
- Website presentation of the Museum, its collection and exhibitions provides public access to a wider audience.
- The Educational services (and LEOTC programme) for our regional schools.
- Special exhibitions with heritage or science themes, to appeal, engage and interest the public.
- Museum collection is a basis for research by institutions, academics and the general public.
- Museum staff offer professional assistance and advice to other heritage institutions across the region,
- Museum is in collegial partnership with national institutions for development of a range of digital heritage projects.

2. STRATEGIC PLAN 2013 – 14

NELSON PROVINCIAL MUSEUM PUPURI TAONGA O TE TAI AO

The Board and Chief Executive agree annual objectives and outcomes for the Nelson Provincial Museum. The three year strategic plan differentiates our services by growth, maintenance or capital investment:

1. Capital investment in the care, storage and preservation of the valuable items in the museum collection.
2. Growth in public usage of the public exhibitions and educational programmes at the museum, TA445.
3. Growth in public access to the Museum Collection via museum website.
4. Investigate alternative provision of research services and opportunities based on the Collections on-line and at the TA445 venue.

TASMAN BAYS HERITAGE TRUST
SERVICE PERFORMANCE OBJECTIVES 2013-14

MUSEUM COLLECTIONS – CARE AND DEVELOPMENT

<p>Allocate resources to fit out additional storage space at Elm Street in order to transfer objects stored in unstable environmental conditions at Founders Historic Park and containers at the Research Facility. Report half yearly.</p>	<p>The Elm Street building has been assessed in terms of EQ rating against the NBS. We have yet to be informed of the outcome. Recent environmental readings show a stable temperature but the fluctuations in humidity do preclude storage of large portions of the Collection. Some of the furniture items currently in containers at the Research Facility may also be re-housed here. There is still more material to be recovered from Founders Park.</p>
<p>Seek to reduce disruption to staff work and public services caused by the condition of the building and endeavor to find ways of providing alternative resources and modes of access.</p>	<p>Staff are continuing to work on backlog of requests. Offices have been reinstated at the rear of the building.</p>
<p>Continue to seek advice from Te Tai Ao Komiti in relation to taonga in the care of the Museum prior to Collections Committee meetings. In particular to keep the komiti fully aware of the status of collection stores involving taonga.</p>	<p>A beautiful hei tiki was gifted to the Museum and was welcomed and blessed on arrival at the Research Facility. We have continued to offer advice and support to other institutions and to members of the community in relation to care and handling of taonga.</p>
<p>As soon as building issues are resolved to continue the Glass Plate Relocation and Digitisation Project (5,000 images relocated and digitised per quarter) progressively making data available on-line. Report 6 monthly on project targets and budget status.</p>	<p>The Glass Plate Negative project was restarted on 14 October. The next phase of the Glass Plate Project will focus on the second half of the relocation and digitization. We have a backlog of about 25,000 images to attach to the records but this will be done as staff time permits. We have enough funding to continue the project for almost another 12 months but this will not complete the project. Currently we estimate that we will need approximately \$200,000 to achieve completion but this will become clearer over time.</p>
<p>To actively work towards resolving building issues so that staff can maintain the care and preservation of collection objects held in storage and on public display following currently accepted museum standards and practices.</p>	<p>Remedial building structural works are complete. The required upgrades to security, fire egress and fire alarms have been completed thanks to an outstanding grant from CCT. We have also undertaken repair work to guttering and the regular checks on drainage and pests continue. Much of the Collection material moved during the remedial works has been put through the Inventory process in terms of record checking and photographic records. In many cases this has also involved some basic cleaning and repackaging. Since we initiated the project more than 7000 objects have been put through the process. This represents a significant development of the Collection records and the way in which we can better care for the objects.</p>
<p>Continue to develop the collection database, Vernon CMS, maintaining the data standards and user manual.</p>	<p>Greater use made of Vernon CMS functions, for example, the Packing Unit function was used during the Library Loft move earlier in the movement, tracking and location update of boxes of objects. The use of new functionality means standards are set to ensure data entered is consistent. In September a trainer from Vernon Systems in Auckland was bought down for the day to train staff in</p>

TASMAN BAYS HERITAGE TRUST

	<p>a group session at TA445 where a training room was set up in the Board room. The session was video recorded for staff unable to attend. This proved to be a cost-effective approach to training, and it is hoped that the User Manual will be reviewed before the end of 2013.</p>
<p>Process donations according to Standard Operating Procedures and create a record in Vernon CMS for new acquisitions within six months of being accessioned into the permanent collection. Report monthly on accessions, donations, records, research requests and significant changes in records such as the Inventory project.</p>	<p>In the period 1.1 2013 to 30.6.2103 80% of donations, and subsequently accepted into the “permanent” collection, ie. accessioned, had records created in Vernon CMS. A record may have been for an accession group (such as an archival group donated by one donor) or an individual object.</p> <p>Additionally all inward and outward loans are recorded and each item within a loan group condition reported. Vernon CMS record additions or updates for these objects and those forming part of the Inventory project are available for audit purposes.</p>

MUSEUM EXHIBITIONS, EDUCATION AND THE VISITOR EXPERIENCE

<p>Update the Integrated Exhibition Plan including refreshment of the permanent exhibition gallery, the Forward Exhibition Programme of changing exhibitions in the upstairs gallery and other spaces; and including marketing displays in window spaces and elsewhere. Report quarterly on progress.</p>	<p>The exhibition programme is laid out through to the latter part of the WW100 commemoration. The scope of that project is now becoming clearer and the intention is to roll the exhibition out largely on a centennial basis. Much of the content for the exhibition will be provided on-line. To this must be added the work planned for the permanent exhibition spaces.</p>
<p>Deliver a Forward Exhibition Programme including both internally produced and externally sourced exhibitions that seeks to meet the needs and interests of a broad audience, aligned with the Exhibition policy.</p>	<p>Roman Machines closed early in July and achieved a break-even result. Just on 10,000 visitors including 2,700 school students was a very good result but we did not manage the cash surplus we had hoped to achieve.</p> <p>The Lynley Dodd Retrospective was hugely successful attracting large numbers of Primary aged students. Dame Lynley graced the exhibition one Friday afternoon attracting almost 40 teachers and the same number of our Members cut a cake in Hairy Maclary’s honour the following morning. The Art of Science – portraits of eminent NZ scientists was well received by the local Science Society who held a special evening talk with the exhibition Curator in attendance.</p> <p>A small exhibition acknowledging the Centenary of the Public Service Association was “politically balanced” by an exhibition entitled “Kiwi Keith – Portrait of a PM” that looked at the life and work of one of the many eminent politicians who spent significant time living in this region since the early days of the Colony of Nelson.</p> <p>An exhibition of the works of Graham Percy will feature over Spring and the plants of Brook Sanctuary [“Starting With Plants”] will be ready for Xmas and Term 1 of 2014. “Canterbury Quakes” is booked for March April May 2014 with reasonable sponsor prospects in place.</p>
<p>Put in place the planning necessary to maximise community</p>	<p>A separate report on this project is being prepared. We</p>

TASMAN BAYS HERITAGE TRUST

engagement with exhibitions and programming associated with the Centenary of World War 1	have achieved funding support and the community has responded extremely positively to the calls for stories and material. In short the intention is to roll out the commemoration on the Centenary of major events in much the same way as we acknowledged the visit of HMS New Zealand to our bay on 8 and 9 June 1913. The involvement of the wider community appears to be assured.
Use the Visitor Survey as a means of ascertaining levels of Visitor Satisfaction with Services, Exhibitions and Programmes [target 80% or better rate their experience as 8,9,10 on a 10 point scale] and the success of campaigns to attract repeat visits from the regional population. Report six monthly and compare annually with data obtained by NCC surveys	The surveys have been running almost continuously now for the last three years. We have a better sense now of the demographics of our visitors and they do change with the seasons. The results show that the temporary exhibitions and the permanent exhibition are both well received. The rate of repeat visitation seems to be very good and is largely amongst the regional population. The surveys do show that new exhibitions can attract people back who have not been for a year or more.
Invite participation from selected groups of regional and other visitors in a review of the permanent exhibition. Use this input to help prioritise the sections to be worked on in the next three years	This has not been initiated at this point. A small number of light-sensitive objects have been replaced where this can be done without redoing a whole section of the exhibition.
Seek input from the manawhenua iwi on plans to update the six iwi cases. Seek advice and guidance regarding Maori involvement in World War 1.	This remains under discussion at Te Tai Ao Komiti. We have made several contacts about local Maori who served in WW1.
Continue to seek partnerships from the community and other institutions including other regional heritage assets, that add value to the education work of the Museum. Seek guidance from the Education Advisory Committee and transmit reports from that group to the TBHT	We have a signed MOU with Brook Waimarama Sanctuary. We work collaboratively with the Suter. We have initiated contact with the new owners of Natureland. The Education Advisory Committee have been kept aware of the programming but have not met recently. Two long-standing members have retired and need to be replaced. The Committee will certainly be reconvened now the LEOTC future has become clearer.
Provide education opportunities to regional school students to support their NZ Curriculum studies based on our exhibitions and resources. Target of at least 5000 students.	Well ahead of target in terms of school parties. We are achieving almost the same numbers as we managed with 30% more time available to us. Attracting Secondary aged groups remains an issue [nationally as well as regionally]

MUSEUM PUBLIC INFORMATION and ACCESS

Continue to maximize promotional opportunities by implementing joint marketing strategies with other regional institutions, particularly those supported by our two regional Council stakeholders.	Joint promotion is again being planned for Summer Festival promotion and Holiday Liftout Guides. The institutions invited to collaborate are Founders, Suter, Broadgreen, Isel House, Melrose House, The Brook, Natureland, School of Music, Theatre Royal and WOW.
Undertake development of the Vernon CMS web browser module to increase its accessibility and usability as part of a longer term strategy to increase and enhance the Museum's online presence	Develop the Museum's online public access catalogue, Collections Online, to allow DigitalNZ to harvest, index and publish the Museum's metadata on popular search engines like Google. This will result in exponentially higher rankings and visibility of the Museum's data online.

TASMAN BAYS HERITAGE TRUST

	<p>Our virtual visitors [measured by Google Analytics] now exceeds our physical visitors. This is due in no small measure to our involvement in projects such as the Prow and PhotoNews and now the Early Settler database we have taken over from the Nelson City Council. The other major contributor is the glass plate images in our Collections On-line.</p>
<p>Continue to engage with the community through informative content on the Museum’s website and monthly email newsletter as part of a strategy to increase public awareness of exhibitions, education and public programmes, and the work of staff. Seek to add at least 200 new addresses annually from amongst local and regional visitors.</p>	<p>We have maintained a total in excess of 3000 addresses for the last year. Given that up to 10% can change annually we need to continue to seek new participants. The newly initiated Carlton brochure distribution is into its fourth month. This does necessitate increased print runs of material. Regular adverts on Mainland TV continue. Radio promotion through the five Mediaworks stations changes as the exhibitions change. Our Facebook/YouTube social media presence will increase over the next couple of months.</p>
<p>Continue to add content to the Museum’s electronic public access catalogue - Collections Online (500 images and records per quarter). Make this information available through a public kiosk in both venues and on the worldwide web. Enhance the kiosks by adding access to more heritage information websites and databases</p>	<p>Work on hold until Research Facility is fully open again. The public kiosk at TA445 is well used and will soon have additional links to other resources. We want to develop the site without becoming another ‘internet café’.</p> <p>Statistics for visitors to the Research Facility, either in person or by other means, are also available. For the period 21 January 2013 to present, many of the statistics may not be reliable but it would appear that in advance of 200 individual contractors have been involved in the remedial works. This is some measure of just one major interruption to normal operations.</p>
<p>Work with our finance and banking service provider to scope an e-commerce capability for selected products and services.</p>	<p>We are about to trial having a small range of quality prints available for sale on-line. Use of the PayPal system is proving to work very well. The increased range of Glass Plate images has lead directly to sales – one such was \$800 last month. If we want to expand on-line sales significantly we will need to review the retail software system we currently use to make it compatible with our other systems.</p>
<p>Disseminate knowledge of the Museum, its work and the collections, through participation in presentations, workshops and conferences, contributing to the overall development of the Museum’s professional standards and practice, internally and regionally. Brief reports from such activities will be summarized to the TBHT and its committees as appropriate.</p>	<p>Staff involvement in Conferences and seminars has largely been as spectators rather than as presenters so far this year – hardly surprising given their other major workflows. Our experience with the flood recovery and earthquake strengthening are both valuable experiential lessons for other regional facilities. We plan to reactivate the Regional Disaster Recovery Network.</p>

1 Introduction

This statement is submitted by the Tasman Bays Heritage Trust (the Trust) as a Council Controlled Organisation of Nelson City Council and Tasman District Council (the stakeholders), and in terms of Section 64 of the Local Government Act, 2002, and sets out the intentions and expectations of the Trust for the period **1 July 2014 - 30 June 2015**. This is the lead document and is accompanied by the Strategic Plan agreed by the Board of Trustees.

DRAFT

2 Principal Objectives

The aim of the Trust shall be to:

- 2.1 foster, promote and celebrate a sense of history and awareness of the importance of the Nelson and Tasman region's heritage and identity and the relationship of the Tangata Whenua as kaitiaki of taonga Maori within the rohe of Te Tau Ihu; and
- 2.2 be a good employer; and
- 2.3 exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and
- 2.4 conduct all trading affairs in accordance with sound business practice.

3 Governance Statement

3.1 Structure, Function and Obligations of the Board.

3.1.1 The Role of the Board

- To set policy.
- Ensuring the Trust meets its objectives approved in the Deed of Trust, Statement of Intent and Memorandum of Understanding with the two Council stakeholders.
- Ensuring the Trust complies with all its lawful obligations.
- Ensuring sound financial management of the Trust.
- Ensuring the stakeholders are kept well informed on all relevant issues, and that there are no surprises on matters likely to cause community or political concern.
- Encouraging the stakeholders to take an active and positive role in ensuring that the museum meets its objectives and continues to aim for sustainable growth within the community
- Employing the Chief Executive (including entering into a performance management agreement, reviewing performance and setting remuneration).

3.1.2 Composition of the Board

- The Board is made up no more than seven, nor less than five, non-executive Trustees.
- The appointment, rotation and removal of Trustees shall be in accordance with the procedures defined in the Deed of Trust.

3.2 Guidance and Resources Provided to Board Members

3.2.1 Resources available to Board members to carry out their duties:

Sound financial management systems that provide Board reports as follows:

- Statement of Financial Position for the preceding month and year to date.

- Statement of Financial Performance for the preceding month and year to date.
- Statement of Cash Flow for the preceding quarter and forecast for next quarter.
- Schedule of Fixed Assets for the preceding quarter and year to date.
- Chief Executive's report addressing issues related to the Trust and Museum performance against objectives (financial and non-financial).

3.2.2 The Board will ensure that relevant training opportunities and an induction kit are made available to Trustees.

3.2.3 Code of Conduct:

- All Board members shall observe the Governance Charter, 2008.
- All Board members will be required to comply with the New Zealand Institute of Directors "Code of Proper Practice for Directors".
- All Board members will apply their best endeavours to ensure the Trust achieves the financial, cultural, social and environmental objectives defined in Section 2 of this document.
- All Board members will apply their best endeavours to ensure the Trust complies with the requirements of its Deed of Trust, Memorandum of Understanding and the statutory compliance of the annual Statement of Intent and Strategic Plan.
- All Board members will apply their best endeavours to ensure the Trust complies with the Museums Aotearoa Code of Ethics.

3.3 Significant Policies in Place for Accountability

3.3.1 The Board shall ensure the Trust complies with the reporting requirements outlined in Section 7 of this document.

3.3.2 Risk Management Policies:

- The Board shall ensure that appropriate insurance is maintained on all insurable risks of the Trust, and in particular public liability insurance.
- The Board shall ensure that the Trust has systems in place to achieve compliance with the Health & Safety in Employment Act 1992 and subsequent amendments.
- The Board shall review appropriate security measures to safeguard assets (cash, collection, archives) and staff handling of such assets.

3.3.3 Remuneration

- Trustees may with the prior approval of both Councils, and in accordance with the Terms of the Deed of Trust, resolve to pay themselves an annual remuneration.

4 Nature and Scope of Activities

The objects for which the Trust is established are detailed in the Deed of Trust:

- To manage and operate the Museum in accordance with the Strategic Plan, to manage the Trusts assets and facilities, and acquire and manage the collections, including research collections of archives, library and photographs, and to operate them for the benefit of the residents of the region and the public generally, in accordance with the Strategic Plan;
- To recognise the special nature of the history of the region and the role of Tangata Whenua as kaitiaki of taonga Maori and special contribution to the heritage and identity of Te Tau Ihu;

- To support the strategic direction and policies of Nelson City Council and Tasman District Council in relation to cultural heritage issues and to enhance the special character of the region by protecting and celebrating its heritage and promoting it as a destination for cultural tourism (in association with Nelson Tasman Tourism, other regions and Tourism NZ);
- To foster support from a wide network including employees, volunteers, iwi, life associates, ratepayers and residents, educational providers, domestic and international visitors, heritage and other interest groups, corporate sponsors, private donors and supporters, philanthropic / funding agencies, Museums Aotearoa and departments of the New Zealand government;
- To foster effective participation with the community on heritage matters;
- To develop exhibition programmes and education policies for the Trust facilities and Museum services, with a view to maximising public utilisation of these facilities and services at TA445 in Nelson City and the Research Facility at Isef Park.
- To provide services which relate to the education of the residents of the Nelson and Tasman region, the rohe of Te Tau Ihu, and the wider community generally, relating to the region's past history and heritage issues relating to the present time; via exhibitions, our website and direct and electronic access to collections;
- To collaborate with other museums and facilities within the region to maximise community input into heritage issues;
- To develop and maintain partnership programmes with other Museums;
- To consult with and seek input from the community generally by whatever manner the Trustees deem appropriate to enable the services provided by the Trust and the Museum to be in accordance with the wishes of the community;
- To retain Acquisition, Deaccession, Exhibition and Collection Policies for the Trust;
- To provide all financial, administration, marketing, technology and other services required for the Trust facilities;
- To acquire land and other assets where such land or other assets can be used in conjunction with the Trust facilities or to promote the aims and objectives of the Trust;
- To ensure that all facilities are managed effectively;
- To comply with all relevant legislation and regulations and, where practicable, observe and support all international conventions and treaties as they relate to museums and items held by museums;
- To protect and manage for the benefit of the Museum all intellectual property, including trademarks, copyright and any reproduction rights;

Generally to do all acts, matters and things that the Trustees consider necessary or conducive to further or attain the objects and aims of the Trust set out above.

5 Accounting Policies

The reporting entity is Tasman Bays Heritage Trust. The financial year is the treasury year from 1 July until 30 June. The financial statements will be presented in accordance with NZ International Financial Reporting Standards [NZ IFRS] NZ GAAP and the NZ Financial Reporting Act 1993.

5.1 Measurement Base

The financial accounting policies recognised which materially affect the measurement of financial performance and financial position will be applied.

5.2 Goods and Services Tax

The financial statements will be prepared so that all components are stated exclusive of Goods and Services Tax.

5.3 Fixed Assets

Tasman Bays Heritage Trust has the following classes of assets:

- Land, Buildings and Improvements
- Plant and Equipment
- Exhibition Fit Outs – permanent gallery
- Office Furniture and Fittings
- Collections

All fixed assets acquired from the Nelson Provincial Museum [NPM] in 2000-01 were recorded at their previous book value. Subsequent additions are recorded at cost. Collection assets donated to, or acquired by, the Trust are recorded and are not subject to depreciation. Items with a value greater than \$500 are approved prior to accession and where practicable a value is assigned based on research.

5.4 Depreciation

The Trust adheres to its Depreciation Policy. Each asset group has been assigned an appropriate depreciation rate calculated to allocate asset costs over their estimated life. Land and Buildings are assessed on Fair Value. A new schedule was adopted in 2009-10. Buildings are valued for Audit and Insurance purposes biennially.

5.5 Financial Instruments

The Trust is party to financial instruments as part of its normal operations. These financial instruments include; bank accounts, short-term deposits, accounts receivable, accounts payable and loans.

Revenue and expenses in relation to all financial instruments are recognised in the Statement of Financial Performance.

All financial instruments are recognised in the Statement of Financial Position.

5.6 Employee Entitlements

Provision is made in respect of the Trust's liability for annual leave. Annual leave has been calculated on an actual entitlement basis at current rates of pay.

5.7 Audit and Risk Management Committee

This Board sub-committee was established in 2008-9 to consider all financial and accounting information and to identify and assist in the management of the risk framework.

6 Performance Targets

6.1 Annual Objectives

As detailed in the Strategic Plan document.

- Governance, Financial and Strategic Performance Objectives set by the Board
- Service Performance Objectives developed by the CEO with senior staff

6.2 Governance Obligations

- Operate within the annual budget at all times.
- Consult with Te Tai Ao Komiti to assist with kaitiakitanga of taonga Maori.
- Maintain the Research Library and catalogue and care for the NPM collection at Isel Park.
- Prioritise strategies that contribute towards sustainable growth and future certainty.
- Open the Nelson city facility at TA 445 to the public for 363 days per year. Operate within the annual budget at all times.
- Care for the NPM Collection in accordance with Museums standards and legal requirements.

7 Reporting to Stakeholders

Financial reports will be provided to stakeholders in accordance with statutory compliance.

7.1 Draft Statement of Intent (SOI)

The Trust will begin development of the SOI by 30 November in each year. No later than 28 February in each year, the Trust will deliver to the stakeholders a DRAFT Statement of Intent [SOI], Strategic Plan and Budgets which fulfill the requirements of LGA 2002 (Section 64).

7.2 Completion of Statement of Intent (SOI)

The stakeholders' comments on the draft are to be received no later than 30 April. After due consideration, the Trustees will deliver to the stakeholders a FINAL SOI for the stakeholders approval, on or before the 30 June each year.

7.3 Strategic Plan

A Strategic Plan prepared in accordance with Section 29 of the Deed of Trust will be included in the DRAFT and FINAL SOI. The Strategic Plan will include:

Performance objectives and Proposed budget (year 1) and Indicative budgets (years 2 & 3)

7.4 Half Year Report

After the end of the half year (31 December) of the financial year the Trust will deliver to the stakeholders a brief un-audited report containing the following information in respect of the period under review (due no later than 28 February).

- Statement of financial performance disclosing actual & budgeted revenue and expenditure (P&L) and comparative figures from previous half year report.
- Statement of financial position at the end of the period.
- Statement of cash flow.
- A Trust commentary on the results for the period, including progress against objectives in the Statement of Intent and the Strategic Plan. An outlook for the second half year, with reference to any significant factors that are likely to have an effect on performance.

7.5 Annual Report

On or before 30 September, the Trustees shall deliver to the stakeholders an annual report which fulfils the statutory requirements of LGA 2002 (Section 67) and prepared to comply with NZ International Financial Reporting Standards (IFRS) and audited financial statements in respect of the financial year containing at least the following information:

- A report including a summary of the financial results, a review of operations and comparison of performance in relation to objectives in the Statement of Intent and the Strategic Plan.

- Statement of financial performance disclosing actual and budgeted revenue and expenditure and comparative figures from previous annual reports.
- Statement of financial position at the end of the year.
- Statement of cash flows.
- Auditor's report on the above statements and the measure of performance in relation to the declared objectives.
- The annual report is to be available for public inspection (on the NPM website).

8 Procedure for Acquisition of Other Interests

If the Trustees believe that Tasman Bays Heritage Trust should invest in or otherwise acquire any interests in any other organisation, or property, they will obtain the approval of both stakeholding Councils. This will require a resolution passed by each Council.

9 Funding from Local Authorities

An annual funding contribution shall be made to the Trust (NPM) as an operational grant, in accordance with the funding agreement in the Memorandum of Understanding. This grant and other Council funding such as Trustee fees or special funds will be clearly identified by the Trust in the SOI budgets. In addition to the base funding Tasman District Council makes storage space available at Whakatu Estate in a lease arrangement [at an estimated value of over \$65,000pa] and Nelson City Council has made a grant of \$67,000pa available for work on the Collection Inventory project. The confirmation of funding requires the approval of each Council by resolution. Council provisions for the Trust (NPM) will be disclosed in each Council's ten year Long Term Council Community Plan [LTCCP], annual plans and annual reports. The Trust will submit all funding requests to the two Councils in accordance with due process. The Trust will submit to the Councils LTCCP for capital expenditure funding support for development or investment projects.

10 Estimate of the Trusts Value

The estimated net asset worth of Tasman Bays Heritage Trust at **30 June 2012** was **\$17,453,748**. The Trustees note that the collections of the Museum were last valued in 2005 and that some significant value has been applied to recent donations added to the collections. Significant donations are examined by independent valuers and are noted in the annual accounts. The valuation of properties and fixed assets was completed in 2012, the next date for these valuations is 2014.

11 Dividend Policy

As a non-profit charitable trust the Councils are stakeholders rather than shareholders. There is no issue of shares and no mechanism for dividends. However, the Trust anticipates, through delivery of performance objectives, that an annual, non-financial dividend will be returned to our wider community through a contribution to the social and cultural well being of the region.

12 Insurance

On behalf of the Trustees, Tasman Bays Heritage Trust will purchase Trustees' indemnity insurance. The Trustees will in return sign a declaration that such insurance is fair, as required by the Companies Act 1993. The Trust will ensure that appropriate insurance is maintained on all inwards loans, buildings owned by the Trust, and in particular public liability insurance.

TBHT FINANCIALS

Reserve Bank CPI - 31 December

2013-14

Act. CPI @ 0.9%

2014-15
Act. CPI @ 1.6%
827,518
827,518

2015-16

Est. CPI @ 1.6%

2016-17

Est. CPI @ 1.6%

REVENUE

	2013-14	2014-15	2015-16	2016-17
Operating Grant – TDC	814,486	827,518	840,758	854,210
Operating Grant – NCC	814,486	827,518	840,758	854,210

**Tasman Bays Heritage Trust
Statement of Intent 2014 – 2015**

**SOI 26 February 2014
STATUTORY REQUIREMENTS**

Addnl Op Grant – NCC	68,820	69,921	71,040	72,177
TOTAL COUNCILS	1,697,792	1,724,957	1,752,556	1,780,597
LEOTC Contract (Fixed)	82,190	82,190	82,190	82,190
Project Grants Contra	15,000	-	-	-
Project Grants Exhibitions	-	28,500	-	-
Other	111,878	94,072	95,577	97,106
TOTAL REVENUE	1,906,860	1,929,719	1,930,323	1,959,893
<u>EXPENDITURE</u>				
Staffing	674,972	721,715	733,262	744,994
Education Contractors	82,190	82,190	82,190	82,190
Property	203,368	207,321	210,638	214,008
Other	115,648	93,047	95,536	96,049
DIRECT COSTS	1,076,178	1,104,273	1,120,626	1,137,241
Project Grants Contra	45,000	45,000	-	-
Project Grants Exhibitions	-	28,500	-	-
NCC Project Grant Contra	68,820	69,921	71,040	72,177
GROSS SURPLUS	716,862	682,025	738,657	750,475
Overheads	280,212	248,705	252,684	256,727
Interest Costs	36,827	18,013	12,558	6,814
Trustee Fees	59,929	60,888	61,862	62,852
TOTAL EXPENSES	376,968	327,606	327,104	326,393
Less DEPRECIATION	371,886	362,262	368,058	373,947
SURPLUS/DEFICIT	(31,992)	(7,843)	43,495	50,135

2014-15 NOTATIONS TO BUDGET

- 31 Dec 2013 CPI rate of 1.6%. The total funding from Councils is for operational costs (including trustee fees).
- Projects Income is tagged to expenditure. Glass Plate Negative Project has accrued income for 2 years (LGB and donations). The additional operating grant from NCC is 'tagged' for Collections work performed by staff on fixed term contracts.
- Other Revenue includes admissions, donations and sponsors that fund the exhibition programme. Projects are by application.
- Primary Loan (Westpac) of \$500,000 commenced on 1st February 2013 at a fixed rate of 5.18% for 5 years and will be fully repaid at the end of that term. The Trust has a total credit facility of \$1,300,000 with approximately \$500,000 of tagged funds not yet drawn.
- Westpac term loan principal repayments for 2015 estimated at a minimum of \$103,830 (\$108,286 2016, \$114,030 2017)
- These budgets contain no expectation of capital expenditure or development until the LTCCP, the next LTP 2015-2025.
- Funding Reserve for replacement of short life assets < 5 years expectancy (and depreciation) is \$188,192 for 2015
- The stakeholder loans of \$1.2m per Council reached their maturity date on 30.06.2012. They are unsecured loans.
- It is the commitment of Tasman Bays Heritage Trust to meet capital repayments of \$25,000 to each council, payable 30 June each year, commencing in the 2012/13 financial year.

NELSON CITY COUNCIL

_____ Date _____

TASMAN DISTRICT COUNCIL

_____ Date _____

TASMAN BAYS HERITAGE TRUST

_____ Date _____

STRATEGIC PLAN

This document accompanies the Statement of Intent [SOI] which is the lead document and meets the statutory requirements of the Local Government Act 2002.

TASMAN BAYS HERITAGE TRUST

Board Members:	Terry Horne (Chairman) from 30/10/12	Olivia Hall (Iwi representative) appointed November 2012
	Aaron Brown (Deputy Chairman)	Chris Bowater
	Phillip Thomason	Liz Richards
Chief Executive:	Peter Millward	commenced 2008
Financial Services:	Debbie McCrae	commenced 2007
Trust Secretary:	Angela Craig	commenced 2010
Auditor:	Office of Auditor General	Audit NZ

BOARD OVERVIEW

Tasman Bays Heritage Trust [The Trust] has prepared a statement of intent, strategic plan and proposed budget for the financial year 2014-15. This strategic plan document sets out the financial and strategic direction of the Trust and the service priorities of the Nelson Provincial Museum Pupuri Taonga o Te Tai Ao for three years. The performance objectives are to be progressed in the next twelve months.

The Research Facility at Isel Park is no longer considered as being earthquake prone. The Trust has undertaken the necessary strengthening works and upgraded the fire alarms and egress as required.

The Trust acknowledges the ongoing support of the council stakeholders at Nelson City Council [NCC] and Tasman District Council [TDC] whose annual operational grants are received quarterly and ensure continuity of core museum services. This baseline funding model consists of the operational grant from council stakeholders, as well as the provision of trustee fees and occasional special purpose grants.

The Trust's revenue is structured as follows:

- Councils Operational Grant to be bulk-funded and annually adjusted (@Reserve Bank CPI 31 Dec.)
- Trustee Fees to be clearly identified and reported, for the purpose of full disclosure.
- Grants and Donations to be outsourced from government, partners, sponsors and charities.
- Proceeds from short term exhibitions, photographic sales, retail, rental and other sources.

	2014-15	2015-16	2016-17
Operational Grants	1,594,148	1,619,654	1,645,568
Trustee Fees	60,888	61,862	62,852
NCC Inventory grant	69,921	71,040	72,177

TOTAL COUNCIL REVENUE	1,724,957	1,752,556	1,780,597
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TABLE OF CONTENTS

1. Strategic Plan TBHT Board Performance Objectives	Page 2
2. Strategic Plan NPM Service Performance Objectives	Page 4

1. STRATEGIC PLAN - Tasman Bays Heritage Trust

INTRODUCTION

Tasman Bays Heritage Trust is a charitable trust and is registered with the NZ Charities Commission. The Trust was established in 2000 to administer the Nelson Provincial Museum Pupuri Taonga o Te Tai Ao as a regional heritage facility, on behalf of Tasman District Council and Nelson City Council [Deed of Trust 2000]. The Trust is a Council-Controlled Organisation with statutory obligations under the Local Government Act, 2002. Council stakeholding is structured as a 50:50 alliance. The Trust is bound by foundation funding agreements [Memorandum of Understanding 2000, 2009], [MOU Variation 2006], as well as the Long Term Plan of each Council. The Trust has a partnership contract in the form of a Memorandum of Understanding with the manawhenua iwi of Whakatu, Motueka and Mohua; sometimes referred to as the manawhenua iwi of Whakatu Marae [MOU 2007, 2010, 2013].

The Trust adheres to best practice as specified in its Governance Charter and is held accountable for the financial structure and strategic direction of the Nelson Provincial Museum. The Trust delivers an audited financial Annual Report. The Trust employs a Chief Executive to manage the services, operations and employees. Also, the Trust contracts a Financial Services Officer to manage monthly and annual accounts, and a Trust Secretary to assist with all legal compliance.

The Trust commitment is to create value for the community with our stakeholders support by:

- *Protecting preserving and promoting our taonga / treasures*
- *Educating our visitors - Engaging with our communities - Endowing our future*

BOARD PERFORMANCE OBJECTIVES 2014-15

The Board has identified the following objectives for the Trust to progress in the next twelve months:

GOVERNANCE – FINANCE – STRATEGIC

1. Finalise review of TBHT's long-term operating facilities and needs including exhibitions, storage, collection and research facilities. This is to ensure a strategic basis for effective and visionary museum operations in the long term, to enhance storage and to reduce risk to collections held by the Tasman Bays Heritage Trust.
 2. Continue to improve the financial position of the Tasman Bays Heritage Trust by maintaining the debt repayment agreed with the Councils and by tight cost control.
 3. Register with the Charities Commission constitutional amendments to the Deed of Trust to align with the Local Government Act 2002 and the Memorandum of Understanding with the Trust's Iwi partners.
 4. Increase level of funding support received from sources other than the two councils.
-

5. Ensure that objectives are achieved within budget.

BOARD REPORTS

In accordance with the Local Government Act 2002, the Trust submits a six-month financial report and Annual Report to the stakeholders. Financial statements adhere to NZ IFRS and are audited by the Office of the Auditor General or their duly appointed agent.

The Trust meets monthly and reviews the financial accounts, strategic progress and operational matters. In addition to the one standing sub-committee of the Board, there are 4 Advisory Committees that assist in the delivery and quality of governance:

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|---|----------------------------|
| ▪ Audit and Risk Management sub-committee | L Richards, T Horne. |
| ▪ Exhibitions Programme | P Thomason, O Hall, (CEO). |
| ▪ Funding Partners | L Richards, C Bowater. |
| ▪ Te Tai Ao Komiti | O Hall, T Horne, CEO |
| ▪ Education Advisory Committee | CEO, Senior Educator |

The Trust partnership with Te Tai Ao Komiti [the Maori advisory committee] is administered on behalf of the Trust by the Chief Executive and the appointed Iwi representative.

The Education Advisory Committee is composed of representatives from regional schools and other education institutions. They provide input, guidance and feedback necessary for completion of reports to the Ministry of Education and where necessary to the TBHT. This committee is managed by the CEO and Education staff.

The Board has major interests in two properties; the Exhibition and Education facility in central Nelson known as Town Acre 445 (TA445) and the Research Facility and collection store at Isel Park, Stoke, which is situated on a leased site owned by Nelson City Council. Additional low risk collection storage and a workshop are provided on a sub-lease from Tasman District Council at Elms Street in the Whakatu Industrial Estate.

FINANCIAL SOURCES

The stakeholder councils provide an annual operational grant that provides certainty for the provision of staff services and daily operations of the Museum and statutory compliance by the Trust. Since 2007, councils have allocated funds for trustee fees. Funding by applications is a competitive and challenging process. Other major sources of funding recent years include NZLGB, CCT, Nelson Pine Industries, Cawthron Institute and a number of smaller sponsors related specifically to exhibitions. A Lotteries Grant Board application to support the World War 1 Centenary program lodged jointly with the Nelson Historical Society achieved a \$25,000 grant and a second application has been lodged. Sponsor partners and donors continue to support our presentation of special exhibitions and programme events. The educational services are funded under a Ministry of Education contract which ends on 30 June 2014.

Replacement of this funding seems to be assured with notice from the Ministry that existing providers will be able to negotiate a new contract for the coming three years.

MUSEUM SERVICES

Nelson Provincial Museum is a bi-cultural regional museum serving the top of the South Island.

Staff based at the Museum's Research Facility in Isel Park, Stoke, deliver collection, research and library services. The exhibitions and educational programmes are delivered by staff at the Museum (TA445), on the corner of Trafalgar Street and Hardy Streets in Nelson city.

Images from the collection (photographic and object based) are used locally, nationally and internationally, in print and electronic media, in interpretation and public displays. Advisory services are provided to museums and individuals across the Nelson province and often further afield.

The Museum manages three sites; TA445, the Research Facility, and the Museum's off-site store and workshop. Objects from the Museum collection are on display at TA445, and currently also on display in Isel House, Broadgreen Historic House and Founders Heritage Park. Objects are stored at the Research Facility. Additional off-site storage is provided for objects considered to be at low risk under a sub-lease arrangement with the Tasman District Council at Whakatu Industrial Estate. The off-site facility also provides a workshop where: object mounts and supports are made; exhibition furniture and props are built; and where exhibition furniture and fittings, storage crates, and building materials, are stored.

The future of the Museum storage facilities will be the basis of a significant body of work in the coming year(s) at both the strategic and operational levels.

Nelson Provincial Museum provides a diverse range of public services:

- Accession into the Collection heritage objects and material of regional or national significance,
- professional staff provide for long-term storage, care and preservation of the regional heritage collection, and objects held on loan,
- maintenance of an archive and research library of manuscripts, books, maps, documents and records,
- maintenance of the nationally significant photographic collection for both research and reproduction,
- interpretation and public presentation of our bi-cultural regional heritage in the permanent exhibition,
- presentation of the Museum, its collection, exhibitions and public programmes via the Museum website and social media,
- delivery of Educational services (including the LEOTC programme) to regional schools and other groups,
- delivery of a range of special exhibitions on heritage, art or science themes with broad appeal and interest,
- provision of access to the Museum collections for research by institutions, academics and the general public; on-site in person, or by letter or electronic means
- offer professional assistance and advice to other heritage institutions across the region,
- involvement in collegial partnerships with other institutions in a range of digital heritage projects, and
- work with other Nelson City Council and Tasman District Council supported heritage assets to produce a vibrant cultural dimension for the region's residents.

2. STRATEGIC PLAN 2014 – 15 NELSON PROVINCIAL MUSEUM PUPURI TAONGA O TE TAI AO

The Board and Chief Executive agree annual objectives and outcomes for the Nelson Provincial Museum. The three year strategic plan differentiates our services by growth, maintenance or capital investment:

1. Capital investment in the care, storage and preservation of the museum collection.
2. Growth in usage of the public exhibitions and educational programmes at the museum, TA445.
3. Growth in public access to the Museum Collection via museum website and at other venues.

SERVICE PERFORMANCE OBJECTIVES 2014-15

MUSEUM COLLECTIONS – CARE AND DEVELOPMENT

- Allocate resources in order to transfer objects stored in unstable environmental conditions at Founders Historic Park and in containers at the Research Facility to more suitable storage either at the Research Facility or in off-site storage. Report half yearly.
- Continue to seek advice from Te Tai Ao Komiti in relation to taonga in the care of the Museum or offered as potential acquisitions. Te Tai Ao Komiti will report annually.
- Continue the Glass Plate Relocation and Digitisation Project (5,000 images relocated and digitised per quarter) progressively making data available on-line. Report 6 monthly on project targets and budget status.
- To actively work towards resolving building issues so that staff can maintain the care and preservation of collection objects held in storage and on public display following currently accepted museum standards and practices.
- Process donations according to Standard Operating Procedures and create a record in Vernon CMS for new acquisitions within six months of being accessioned into the permanent collection. Report monthly on accessions, donations, records, research requests. Report annually significant changes in records such as the Inventory project and on any major changes in the system, its data standards and User Manual.

MUSEUM EXHIBITIONS, EDUCATION AND THE VISITOR EXPERIENCE

- Update the Integrated Exhibition Plan including refreshment of the permanent exhibition gallery, the Forward Exhibition Programme of changing exhibitions in the upstairs gallery and other spaces; and including marketing displays in window spaces and elsewhere. Report quarterly on progress.
- Deliver a Forward Exhibition Programme including both internally produced and externally sourced exhibitions that seeks to meet the needs and interests of a broad audience, aligned with the Exhibition policy.
- Seek to maximise community engagement with exhibitions and programming associated with the Centenary of World War 1. This engagement to include the use of the stories of local people to tell the broader history.
- Use the Visitor Survey as a means of ascertaining levels of Visitor Satisfaction with Services, Exhibitions and Programmes [target 80% or better rate their experience as 8,9,10 on a 10 point scale] and the success of campaigns to attract repeat visits from the regional population. Report six monthly and compare annually with data obtained by NCC surveys and Museums Aotearoa survey.
- Invite participation from selected groups of regional and other visitors in a review of the permanent exhibition. Use this input to help prioritise the sections to be worked on in the next three years.
- Seek input from the manawhenua iwi on updating the six iwi cases and obtain advice and guidance regarding stories of Maori involvement in World War 1.
- Continue to seek partnerships from the community and other institutions including other regional heritage assets, that add value to the education work of the Museum. Seek guidance from the Education Advisory Committee and transmit reports from that group to the TBHT.

- Provide education opportunities to regional school students to support their NZ Curriculum studies based on our exhibitions and resources. Target of at least 5000 students.
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MUSEUM PUBLIC INFORMATION and ACCESS

- Continue to maximize promotional opportunities by implementing joint marketing strategies with other regional institutions, particularly those supported by our two Council stakeholders.
 - Continue to engage with the community through informative content on the Museum’s website and monthly email newsletter and develop social media opportunities as part of a strategy to increase public awareness of exhibitions, education and public programmes, and the work of staff. Seek to add at least 200 new email addresses annually from amongst local and regional visitors.
 - Continue to add content to the Museum’s electronic public access catalogue - Collections Online (500 images and records per quarter). Make this information available through a public kiosk in both venues and on the worldwide web. Enhance the kiosks by adding access to more heritage information websites and databases and investigate the placement of kiosks at other venues.
 - Continue the development of an e-commerce capability for selected products and services. Report 6 monthly on costs and benefits
 - Re-activate the Regional Museum Network and the Tasman Bays Regional Heritage Disaster Response Team. Disseminate the knowledge and experience of this Museum by participation in presentations and workshops, contributing to the regional development of professional standards and practice. Include knowledge gained during the disaster related events of 2013. Brief reports from such activities will be summarized to the TBHT and its committees as appropriate.
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NELSON CITY COUNCIL

Date _____

TASMAN DISTRICT COUNCIL

Date _____

TASMAN BAYS HERITAGE TRUST

Date _____