



# PROSPEROUS NAPIER COMMITTEE

## Open Agenda Supplementary Items

---

Meeting Date:	Thursday 28 April 2022
Time:	Following the Napier People and Places Committee
Venue:	The Ocean Suite East Pier Hotel 50 Nelson Quay Napier

---

*Livestreamed via Council's Facebook site*

### TABLE OF CONTENTS

#### Agenda items

3	Financial Forecast to 30 June 2022 .....	2
4	Hawke's Bay Museums Trust Annual Report for Year Ending 30 June 2021 .....	7

# AGENDA ITEMS

## 3. FINANCIAL FORECAST TO 30 JUNE 2022

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1449843
<i>Reporting Officer/s &amp; Unit:</i>	Caroline Thomson, Chief Financial Officer

### 3.1 Purpose of Report

To provide the Committee with Council's financial forecast to 30 June 2022.

#### Officer's Recommendation

That the Committee:

- a. Receive the financial forecast to 30 June 2022.
- b. Approve the 2021/22 financial forecast to 30 June 2022.
- c. Approve funding the year end deficit for the Parking activity from the Parking reserve.
- d. Note the forecast deficit rates position will be finalised at year end, with any deficit to be loan funded.
- e. Note that the full list of timing impacted projects for 2021/22 will be brought back to Council in a separate report for inclusion in the 2022/23 final Annual Plan.

### 3.2 Background Summary

The purpose of this report is to provide a financial forecast for Council's operating and capital expenditure to 30 June 2022. The operating and capital forecasts are based on actual expenditure December 2021 year-to-date, plus estimated remaining spend for the 2021/22 financial year.

These figures were reviewed and updated on 21 April 2022 to reflect most recent known impacts on supply chain for goods and services as a result of Covid-19.

### 3.3 Issues

The full list of timing impacted projects for 2021/22 will be brought back to Council in a separate report for inclusion in the 2022/23 final Annual Plan.

### 3.4 Significance and Engagement

The issues for discussion are not significant in terms of Council's Significance and Engagement Policy and no consultation is required.

### 3.5 Implications

#### Financial

##### Net operating position

The operational forecast shows a forecast net surplus of \$2m at 30 June 2022, which is below the amended budget surplus of \$4.6m.

The amended capital budget includes carry forwards transferred from 2020/21 and brought forward projects.

The following table shows the variations between the year-end forecast and the amended budget for 2021/22:

<b>Whole of Council</b>	<b>2021/22 Forecast to June</b>	<b>2021/22 Amended Budget</b>	<b>2021/22 Variance to Amended Budget</b>
<b>Revenue</b>	<b>(141,841,510)</b>	<b>(153,868,316)</b>	<b>(11,926,806)</b>
Rates Revenue	(69,232,480)	(69,301,620)	(69,140)
Financial and Development Contributions	(8,764,723)	(7,090,097)	1,674,626
Subsidies and Grants	(18,118,897)	(16,230,127)	1,888,770
Other Revenue	(43,763,727)	(59,152,610)	(15,388,883)
Other gains/losses	(2,061,684)	(2,093,862)	(32,178)
<b>Expenditure</b>	<b>139,948,932</b>	<b>149,258,362</b>	<b>9,309,430</b>
Employee Benefit Expense	41,881,477	43,308,891	1,427,414
Depreciation	34,879,373	35,247,132	367,759
Finance Costs	339,360	339,360	0
Other Operating Expenses	63,715,270	70,294,945	6,579,675
Share of associate	69,064	69,064	0
Offsetting Expenditure	(935,612)	(1,030)	934,582
<b>Net operating (surplus)/deficit</b>	<b>(1,992,578)</b>	<b>(4,609,954)</b>	<b>(2,617,376)</b>
<b>Capital Expenditure</b>	<b>54,265,971</b>	<b>89,053,967</b>	<b>34,787,996</b>

The main drivers of the net operating variance are due to:

- Forecast revenue from subsidies and grants includes \$290k unbudgeted Government funding for the Aquarium, \$670k from Rotary for a cycleway and \$530k Waka Kotahi funding;
- The unfavourable variance for other revenue is partially offset by the favourable variance in other operating expenditure and reflects the forecast impact of Covid-19 on the tourism (\$4.1m) and parking activities (\$660k) and reduced revenue received from the Parklands residential development (\$10.8m). The 2021/22 budgets included an assumption that all 3 stages at Parklands development would be sold however only one stage will now be sold this financial year with the remaining 2 stages being sold in 2022/23;
- Employee benefit is \$1.4m favourable to budget due to vacancies across Council; and
- Other operating expenditure is favourable to budget due to savings in operating expenditure at the tourism activities (\$1.5m) and reduced development costs at Parklands (\$7.6m) from moving the next two development stages into 2022/23.

#### Rates funded position

The rates position differs from the accounting result as loan and reserve funded items and non-cash items such as depreciation, vested assets, and financial contributions are not included.

The current forecast rates position to 30 June 2022 notes a deficit of \$1.26m. This includes a forecast year end deficit for the Parking activity of \$446k. Officers are recommending the Parking deficit is funded from the Parking reserve which would reduce the net rates deficit from \$1.26m to \$815k.

<b>Rates view – whole of Council</b>	<b>2021/22 Forecast to June</b>
<b>Revenue</b>	<b>(95,170,216)</b>
Rates Revenue	(69,232,480)
Subsidies and Grants	(3,352,549)
Other Revenue	(22,585,187)
<b>Expenditure</b>	<b>96,431,068</b>
Employee Benefit Expense	39,656,538
Finance Costs	339,360
Other Operating Expenses	47,429,456
Offsetting Expenditure	9,005,714
<b>Forecast rates deficit</b>	<b>1,260,852</b>
Fund the forecast Parking deficit from the Parking reserve	(445,919)
<b>Net rates deficit</b>	<b>\$814,933</b>

### Capital plan

Officers are reviewing the timing of the capital programme and this may result in a number of projects being reprioritised.

The 2021/22 capital budget of \$89.1m includes carry forwards and projects brought forward. The forecast year end capital spend is \$54.3m leaving potential carry forwards of \$34.8m. The full list of timing impacted projects for 2021/22 will be brought back to Council in a separate report for inclusion in the 2022/23 final Annual Plan.

### **Social & Policy**

N/A

### **Risk**

#### **Operating expenditure**

The forecast financial position for 2021/22 is based on estimated revenue and expenditure to 30 June 2022. Any unforeseen expenditure prior to the financial year end will impact on the forecast year end result.

#### **Capital expenditure**

Napier City Council's ability to deliver infrastructure projects and programmes is subject to forces acting on the construction sector that have a range of origins:

- Locally
- Nationally
- Globally

This occurs at a time of unprecedented infrastructure investment and challenges in the supply chain. Covid-19 and the level of infection rates, has also placed significant pressure on supplier staff availability to complete projects. Council is also facing real constraints in terms of:

- Labour market (construction and professional services)
- Materials; and
- The capacity of the construction sector to scale up and meet the demand.

These issues, especially supply chain, are impacting our 2021/22 capital expenditure. Mitigations include reviewing the capital programme to bring forward projects that has available goods and services. A review of the Chief Executives delegations to support a higher level budget variance will be brought to Council for consideration.

#### **Covid-19**

While some impacts to capital deliverability may be short term and caused or exacerbated by Covid-19 (e.g. NZ's closed borders or disrupted supply chains, skilled visa shortage), others are deeper and longer term. The issue for Napier, and the issue for NCC is that the same factors – a constrained construction sector and a significantly increased infrastructure investment programme are occurring across New Zealand. Napier City is required to compete with the rest of NZ for finite resources.

Supply chain issues have become more apparent over the last 6 months, with products such as wood and steel for building being severely constrained. Cost escalations due to limited supply have been felt over much of the building industry, putting pressure on available budgets. Covid-19 and the level of infection rates, has also placed significant pressure on supplier staff availability to complete projects.

## **Inflation**

For the last two quarters New Zealand has faced its highest inflation since 1990, with 6.9% CPI inflation increase for the March 2022 quarter. This is putting pressure on existing budgets, particularly for the capital programme since it was developed for the 2021 Long Term Plan.

Mitigations for the above risks include reviewing the capital programme to bring forward/reprioritise projects that has available goods and services. A review of the Chief Executives delegations to support a higher level budget variance will be brought to Council for consideration, whilst managing to the overall budget cap.

Officers continue to monitor and identify any variance to the capital work programme and report to management on a monthly basis.

### **3.6 Options**

The options available to Council are as follows:

- a. Approve the financial forecast to 30 June 2022 (including funding the Parking deficit from the Parking reserve) and note that the carry forward commitments to 2022/23 will be brought back to Council in a separate report for inclusion in the 2022/23 Annual Plan.
- b. Note the forecast deficit rates position will be finalised at year end, with any deficit to be loan funded.
- c. Note that the full list of timing impacted projects for 2021/22 will be brought back to Council in a separate report for inclusion in the 2022/23 final Annual Plan.
- d. Do not approve the financial forecast to 30 June 2022.

### **3.7 Development of Preferred Option**

The preferred option is that Council approve the financial forecast to 30 June 2022 (including funding the Parking deficit from the Parking reserve) and note that the full list of timing impacted projects for 2021/22 will be brought back to Council in a separate report for inclusion in the 2022/23 final Annual Plan. Any deficit would be required to be funded, and the recommendation is that this is from loans.

### **3.8 Attachments**

Nil

## 4. HAWKE'S BAY MUSEUMS TRUST ANNUAL REPORT FOR YEAR ENDING 30 JUNE 2021

---

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1421308
<i>Reporting Officer/s &amp; Unit:</i>	Caroline Thomson, Chief Financial Officer Talia Foster, Management Accountant

---

### 4.1 Purpose of Report

To provide Napier City Council with the Hawke's Bay Museums Trust Annual Report for the year ended 30 June 2021.

#### **Officer's Recommendation**

The Prosperous Napier Committee:

- a. **Receive** the 30 June 2021 Annual Report of the Hawke's Bay Museums Trust

### 4.2 Background Summary

The Trust is required under section 10.3 of the Trust's Constitution and Rules 2010 to complete the audited financial statements and performance information by 30 September 2021. The timeframe was not met because Audit New Zealand was unable to complete the audit within this timeframe due to an auditor shortage and the consequential effects of Covid-19 including lockdowns.

### 4.3 Attachments

- 1 2020-21 Hawke's Bay Museum Trust Annual Report [↓](#)

# Hawke's Bay Museums Trust Annual Report

For the Year Ended 30 June 2021



# Contents

Hawke's Bay Museums Trust.....	4
Chairman's Report.....	5
Entity Information.....	6
Statement of Financial Position .....	7
Statement of Financial Performance.....	8
Statement of Movements in Equity.....	9
Statement of Cash Flows .....	10
Notes to the Financial Statements .....	11
Statement of Intent .....	23
Independent Auditor's Report.....	26
Appendix I	
List of Acquisitions .....	30

*The Hawke's Bay Museums Trust works to protect, maintain and develop a regional collection that is acknowledged nationally as an outstanding reflection of Hawke's Bay's history and heritage.*

# *Hawke's Bay Museums Trust*

The Hawke's Bay Museums Trust (HBMT) holds one of the most significant regional collections in New Zealand, collected over 150 years. The collection comprises a wide range of treasures documenting the unique culture and heritage of the Hawke's Bay region.

The Hawke's Bay Museums Trust works to protect, maintain and develop a regional collection that is acknowledged nationally as an outstanding reflection of Hawke's Bay's history and heritage.

The Trust's mission is to hold, protect and develop the collection for the people of the Hawke's Bay in a manner that promotes understanding of, and interest in, our cultural heritage and the arts.

## **The Hawke's Bay Museums Trust provides value through:**

- » A regional focus allowing economies of scale and a collection of national significance.
- » Political neutrality.
- » Independent stewardship on behalf of the Hawke's Bay community and future generations.
- » Charitable status that encourages funding support.
- » A governance structure that enables input from key stakeholders including funding councils, iwi, friends and the wider community.

## **The Hawke's Bay Museums Trust focuses on four main goals. These goals are pursued in accordance with Museum Industry Standards (MIS).**

### **1. To protect the collection through appropriate:**

- » Storage
- » Security
- » Records Management

### **2. To maintain and enhance the quality of the collection through appropriate**

- » Conservation
- » Accessioning
- » Decaccessioning

### **3. To maximise access to the collection through:**

- » Exhibitions - at the Hastings City Art Gallery and MTG Hawke's Bay
- » Faraday Centre and other institutions as appropriate
- » Research - based on the Hawke's Bay Museums Trust collection
- » Archives - at MTG Hawke's Bay

### **4. To further develop the collection through:**

- » Fundraising - by working with the Hawke's Bay Museums Foundation
- » Reserves and bequests - that are strategically and appropriately budgeted and managed
- » Relationships - that are fostered and managed to support the ongoing development of the collection.

# Chairman's Report

Positive progress has been made this year on providing a long-term storage solution for the protection of the regional collection, with the purchase of a property in Hastings, jointly funded by Napier City Council and Hastings District Council. Funding for building redevelopment is well underway, with \$5.47 million raised through two Lottery grants and work has commenced on naming the facility and detailed design planning. Napier City Library continues to reside in the museum building.

MTG Hawke's Bay, Tai Ahuriri, closed unexpectedly on 23 December due to urgent remedial work on the sprinkler system. This necessitated decanting all the exhibitions (excluding the 1931 Hawke's Bay Earthquake display) and moving collections and loans to offsite storage. During this time the team took the opportunity to work with Ngāti Kahungunu kaumatua to develop a new taonga Māori exhibition Kuru Taonga: voices on Kahungunu, opening in July 2021.

MTG's exhibitions continue to win awards with, Turuturu: fingers, feathers and fibre winning the Best Installation Award (Resene Total Colour) and also bronze in the Colour Award Spatial (Designers Institute of New Zealand, Best in Design). Waka Kōrero Māori was a finalist for the Public Good Award and Rongonui: Taonga mai ngā tāngata, me ngā takahanga was a finalist in Toitanga (both Designers Institute of New Zealand, Best in Design). There were three collection based exhibitions which opened during the year; On art & activism, Lewis Evans: of time and place and A Bloody Business: the history of five Hawke's Bay freezing works.

In partnership with the Eastern Institute of Technology (EIT) we published the book, Lifting Horizons: Anna Elizabeth Jerome Spencer, written by Kay Morris Matthews. Fully paid for through a successful grant application coupled with funding support from EIT, this popular book was developed alongside the exhibition For Home and Country: Women's Institutes in Hawke's Bay, celebrating the centenary of Women's Institutes in New Zealand, starting in Hawke's Bay. The exhibition was delayed by the building closure and will open in July 2021.

COVID-19 has continued to impact MTG visitor numbers and this has been further exacerbated by the sudden building closure in the second half of the year, due to the remedial works.

Two significant artworks were added to the collection by the MTG Foundation this year: Ringatau by Para Matchitt, a significant sculpture from his Te Kootu series and The Harvest by Ayesha Green. There were

also many donations from the community throughout the year including: Hobson's Baggage by Greer Twiss, a number of items relating to freezing works, archival material relating to the tobacco industry in Hawke's Bay, dresses and outfits by designer Minh Ta, and archival material and outfits by designer Roswhita Robertson. Conservation treatment was completed on a portrait of Samuel Crowther and RL Colenso's dispatch box.

After several decades of being on loan four pou were restored to Waiohiki Marae. The Trustees want to record their appreciation for the long term loan of the four pou. These significant taonga which had graced the museum since 1935 and recognise that their departure, while significant for the iwi concerned, also meant that the museum's collection was diminished as a result.

Trust has once again maintained a stable financial position throughout the year. Reduced interest rates continue to adversely affect the interest income; donation income has also reduced due to the MTG Hawke's Bay closure for remedial work. Acquisitions donation income has more than made up for the shortfall with the income reflecting the value of items gifted to the trust. The trust has also made a contribution towards the new storage facility in Hastings in the form of a donation.

The Trust wants to place on record its appreciation for the work of the Director and the MTG staff for their resilience and commitment through what has been a difficult year, what with Covid 19 and the unexpected closing of the MTG for repair work to the sprinkler system. Exhibition quality, although its scope was curtailed, has been high and appealing to the Hawke's Bay community.

The Trust also wishes to thank the Napier City Council and the Hastings District Council for their ongoing support.

Richard Grant

# Entity Information

## FOR THE YEAR ENDED 30 JUNE 2021

### Legal Name

Hawke's Bay Museums Trust (Incorporated) - (the Trust).

### Type of Entity and Legal Basis

The Hawke's Bay Museums Trust (Incorporated) is registered under the Charitable Trusts Act 1957 and is registered as a charitable entity under the Charities Act 2005 (Registration Number CC24406).

The Trust is controlled by Hastings District Council and Napier City Council, and is a council-controlled organisation as defined by in Section 6 of the Local Government Act 2002.

The registered office of the Trust is at the MTG, Herschell Street, Napier.

### The Trust's General Objectives

- To hold and protect its collection, known as 'The Regional Collection,' for the people of Hawke's Bay.
- To encourage the development of quality cultural facilities capable of accessing or drawing upon the collection within Hawke's Bay.
- To advance and promote cultural heritage and the arts through the use of the collection.
- To oversee collection management through the development of collection policy, conservation and risk management strategies via a contract for services with Napier City Council.
- To oversee collection development through the regulation of the acquisition and disposal of collection items.
- To manage the bequests vested in the Trust in a way in which maximises benefit to the collection.

### Structure of the Trust's Operations

The trust comprises of a Board of five trustees who oversee the governance of the Trust. The trustees are appointed as follows:

- One appointed by the Napier City Council (Councillor Tania Wright);
- One appointed by the Hastings District Council (Councillor George Lyons);
- One appointed by the Hawke's Bay Museums Foundation Charitable Trust Incorporated (Johanna Mouat);
- One appointed by Ngati Kahungunu Iwi Incorporated (Nigel How);
- The Chairperson (Richard Grant) who is jointly appointed by Hastings District Council and Napier City Council.

The Trust's administrative and accounting functions are conducted by Napier City Council through a negotiated 'Contract for Service.'

### Main Sources of the Trust's Cash and Resources

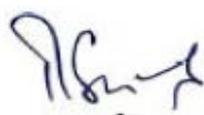
The Trust receives operating grants from Hastings District Council and Napier City Council. Funds are also received from donations, and interest income on the Trust's investments, which are applied to acquisitions, restoration work and other Trust initiatives by way of special funds.

# Statement of Financial Position

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
<b>Current Assets</b>			
Bank accounts and cash	4	22,448	20,059
Investments	5	615,552	655,260
Accounts receivable and accrued revenue	6	1,487	6,692
GST receivable		695	1,312
<b>Total Current Assets</b>		<b>640,182</b>	<b>683,323</b>
<b>Non-Current Assets</b>			
Artworks and collection	7	28,354,340	41,086,911
<b>Total Non-Current Assets</b>		<b>28,354,340</b>	<b>41,086,911</b>
<b>Total Assets</b>		<b>28,994,522</b>	<b>41,770,234</b>
<b>Current Liabilities</b>			
Accounts payable and accruals	8	5,610	5,445
Unspent grants		897	897
<b>Total Current Liabilities</b>		<b>6,507</b>	<b>6,342</b>
<b>Non-Current Liabilities</b>			
Trust funds held on behalf	9	75,260	75,260
<b>Total Non-Current Liabilities</b>		<b>75,260</b>	<b>75,260</b>
<b>Total Liabilities</b>		<b>81,767</b>	<b>81,602</b>
<b>Accumulated Funds</b>			
Retained earnings	10	1,763,255	1,611,217
Asset revaluation reserve	10	26,645,433	39,530,051
Special funds	10 & 11	504,067	547,364
<b>Total Accumulated Funds</b>		<b>28,912,755</b>	<b>41,688,632</b>
<b>Total Funds Employed</b>		<b>28,994,522</b>	<b>41,770,234</b>

The Trust Board of Hawke's Bay Museums Trust authorised these financial statements for issue on 23 September 2021 and are signed on behalf of the Board by:

  
Richard Grant - Chairperson

  
George Lyons - Trustee

# Statement of Financial Performance

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
<b>Revenue</b>			
Council grants	1	1,191,729	1,182,520
Other grants and donations received	2	146,751	71,462
Interest revenue		8,842	17,493
Other revenue		-	6
<b>Total Revenue</b>		<b>1,347,322</b>	<b>1,271,481</b>
<b>Expenses</b>			
Audit fees		5,610	5,295
Accounting charge	3	28,300	27,900
Accounting software charges		255	122
Conservation		6,843	14,250
Donation - storage facility		40,000	-
General expenses		450	93
Insurance		3,294	2,288
Legal costs		-	1,620
Management fees	3	1,153,829	1,145,620
Marian Holt grant expenditure		-	4,240
<b>Total Expenses</b>		<b>1,238,581</b>	<b>1,201,428</b>
<b>Surplus/(Deficit) for the Year</b>		<b>108,741</b>	<b>70,053</b>



Image Ref: **Mutton slaughterhouse at Whakatū freezing works**, gifted by Kevin Hodgson, collection of Hawke's Bay Museums Trust, Ruawharo Tā-ū-rangi, 2020/33/6

# Statement of Movements in Equity

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Opening Balance of Equity at 1 July 2020		41,688,632	41,562,592
<b>Net Surplus/(Deficit) for Year Allocated to:</b>			
Retained earnings		94,749	28,743
Special funds		13,991	41,310
<b>Net Surplus/(Deficit) for Year</b>		<b>108,741</b>	<b>70,053</b>
Movement in asset revaluation reserve		(12,884,618)	55,987
<b>Closing Balance of Equity at 30 June 2021</b>	10	<b>28,912,755</b>	<b>41,688,632</b>



Image Ref: **Hobson's Baggage**, 1995, Greer Twiss (b.1937), gifted by Greer Twiss. Copyright courtesy of Greer Twiss, collection of Hawke's Bay Museums Trust, Ruawhoro Tā-ū-rangi, 2020/32

# Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
<b>Cash Flows From Operating Activities</b>			
<b>Cash was received from:</b>			
Receipts of council grants		1,191,729	1,182,520
Donations- Specified funds		-	14,500
Donations- General		5,150	9,317
Interest receipts		14,047	14,210
Other operating revenue		-	6
Goods and services tax (net inflow)		617	(1,476)
		<b>1,211,543</b>	<b>1,219,077</b>
<b>Cash was applied to:</b>			
Audit fee		(5,445)	(5,350)
Management fee & education grant		(1,153,829)	(1,145,620)
Accounting fee		(28,300)	(27,900)
Donations paid		(40,000)	-
Marian Holt grant expenditure		-	(4,240)
Conservation expenses		(6,843)	(14,250)
Insurance and legal expenses		(3,294)	(3,908)
Other expenses		(705)	(332)
		<b>(1,238,416)</b>	<b>(1,201,600)</b>
<b>Net Cash Flows from Operating Activities</b>	12	<b>(26,873)</b>	<b>17,477</b>
<b>Cash Flows from investing activities</b>			
<b>Cash was applied to:</b>			
Payments to acquire collection assets		(10,446)	(3,905)
<b>Net cashflows from Investing Activities</b>		<b>(10,446)</b>	<b>(3,905)</b>
Net Increase/(Decrease) in Cash		(37,319)	13,572
Opening Cash Balance		675,319	661,747
<b>Closing Cash Balance</b>		<b>638,000</b>	<b>675,319</b>

# Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2021

## Statement of Accounting Policies

### Reporting Entity

The Hawke's Bay Museums Trust (Incorporated) is registered under the Charitable Trusts Act 1957 and is registered as a charitable entity under the Charities Act 2005.

### General Accounting Policies

The general accounting policies recognised as appropriate for the measurement and reporting of results, and financial position, under the historical cost method as modified by the revaluation of certain assets, have been followed in the preparation of these financial statements.

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.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

All transactions in the financial statements are reported using the accrual basis of accounting.

### Statement of Compliance

The Trust was required under section 10.3 of the Trust's Constitution and Rules 2010 to complete the audited financial statements and performance information by 30 September 2021. The timeframe was not met because Audit New Zealand was unable to complete the audit within this timeframe due to an auditor shortage and the consequential effects of Covid-19 including lockdowns.

## Significant Accounting Policies

### Bank Accounts and Cash

Bank Accounts and Cash comprise cheque or savings accounts and deposits held on call with banks.

### Investments

Investments comprise bank term deposits.

### Accounts Receivable

Accounts receivable are stated at their estimated net realisable value.

### Grants

Grants received are recognised in the Statement of Financial Performance when the requirements under the grant agreement have been met. Any grants for which the requirements under the grant agreement have not been completed will be carried as liabilities until the conditions have been fulfilled.

### Donated Assets

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of more than 12 months and the value of the asset is readily obtainable and significant.

## Notes to the Financial Statements continue

### Artworks and Collection

The Trust has elected to apply Public Sector Accounting Standard 17 - Property, Plant and Equipment (PBE IPSAS 17). Items contained in collection assets tend to have an indefinite life and are generally not of a depreciable nature. Depreciation is therefore not applicable and collection assets are carried at fair value. Carrying values are reviewed every three years to ensure those values are not materially different to fair value.

Collection assets are measured at fair value and consist of the following classes:

- Library archives
- Textiles and Associated Items
- Taonga Maori
- Fine Arts
- Social History
- Pottery, Porcelain, Glass, Silver
- Ethnology
- Faraday Centre

### Revaluations

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

### Creditors and Accrued Expenses

Creditors and accrued expenses are measured on the amount owing.

### GST

The Trust is registered for GST. The Statement of Financial Performance has been prepared so that all components are stated net of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

### Interest Revenue

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

### Income Tax

Hawkes Bay Museums Trust is exempt from paying income tax.

### Changes in Accounting Policies

There have been no changes in accounting policies for the 2020/21 financial year.

## Notes to the Financial Statements continue

### 1. Council Grants

The Hawke's Bay Museums Trust is jointly funded by Napier City Council and Hastings District Council.

	2021	2020
	\$	\$
Hastings District Council- Operating grant	588,365	583,760
Napier City Council- Operating grant	588,365	583,760
Hastings District Council - Education grant	15,000	15,000
<b>Total Council Grants</b>	<b>1,191,729</b>	<b>1,182,520</b>

### 2. Other Grants and Donations Received

	2021	2020
	\$	\$
Donations - Acquisitions	141,601	43,405
Grants (Marian Holt Grant)	-	4,240
Donations - General	5,150	9,317
Donations - Specified funds	-	14,500
<b>Total Other Grants and Donations Received</b>	<b>146,751</b>	<b>71,462</b>



Image Ref: **Banner and bag, Westshore CWI**, gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute, collection of Hawke's Bay Museums Trust, Ruawharo Tā-ū-rangi, 2020/45/16

## Notes to the Financial Statements continue

### 3. Related Parties

Hastings District Council and Napier City Council are related parties, to the extent that they contribute funds and are represented on the Board. The Councils both provide operating grants to the trust as detailed in note 1.

The Hawkes Bay Museums Trust has contracted Napier City Council to provide administrative and accounting services for the Trust's operations. Payment for these services during the financial year was \$28,300 (2020: \$27,900).

The Hawkes Bay Museums Trust has also contracted Napier City Council to provide administrative and management services specifically for the care and management of the collection. Payment for services during the financial year was \$1,153,829 (2020: \$1,145,620) as follows:

Napier City Council Management Fee - Services Provided:	2021 \$	2020 \$
Buildings and maintenance	73,616	72,504
Offsite storage lease rental	180,000	180,000
Energy costs	85,180	82,101
Collection direct costs	27,460	27,460
Collection insurance	102,302	102,302
Administrative expenses	24,074	23,634
Employee costs	503,867	472,035
Overheads	142,330	170,584
	<b>1,138,829</b>	<b>1,130,620</b>
Annual Education Grant	15,000	15,000
<b>Total Management Fee Charged</b>	<b>1,153,829</b>	<b>1,145,620</b>

The Hastings District Council purchased 307 Queen St East in November 2020 with the plan to upgrade the building to a fit-for-purpose storage facility for the collection. Napier City Council has contributed towards the purchase and committed funds to the upgrade of the facility. The Hawkes Bay Museums Trust provided a \$40,000 donation towards the new storage facility during the year. The facility is still in the design stages and the agreed arrangements between the Councils and Hawkes Bay Museums Trust is still to be confirmed.

The Board members are not paid (2020: nil).

### 4. Bank Accounts and Cash

	2021 \$	2020 \$
Westpac Bank - Current account	22,448	20,059
<b>Total Bank Accounts and Cash</b>	<b>22,448</b>	<b>20,059</b>

## Notes to the Financial Statements continue

### 5. Investments

	2021	2020
	\$	\$
Westpac Term Deposits - General funds	540,292	580,000
<b>Westpac Term Deposits - Trusts held on behalf:</b>		
M S Spence Trust	33,387	33,387
L D Bestall Trust	20,834	20,834
Estate L D Bestall	21,039	21,039
<b>Total Investments</b>	<b>615,552</b>	<b>655,260</b>

### 6. Accounts Receivable and Accrued Revenue

	2021	2020
	\$	\$
Interest accrued	1,487	6,692
<b>Total Accounts Receivable and Accrued Revenue</b>	<b>1,487</b>	<b>6,692</b>



Image Ref: **Naval blasting party at Napier, Evening Post Print (estab. 1865, closed 2002)**, purchase, collection of Hawke's Bay Museums Trust, Ruawharo Tā-ū-rangi, 2020/30/1

## 7. Artworks and Collections

Carrying values of the collection assets are reviewed at least every five years to ensure those values are not materially different to fair value.

The Faraday Centre Collection was valued by independent registered valuer Craig S Scoullar MPINZ of Asset Valuations Ltd as at 30 June 2020 using fair value. The other Museum Art & Collection Assets were valued by independent registered valuer Jessica Pearless MPINZ of Paragon Matter Limited as at 30 June 2021 using fair value. The basis for both valuations is 'Estimated Market Value.'

	Library Archives- Owned	Textiles & Associated Items- Owned	Taonga Maori- Owned	Taonga Maori- Custodial	Fine Arts- Owned	Social History- Owned	Pottery Porcelain Glass Silver- Owned	Ethnology- Owned	Subtotal	Faraday Centre- Owned	Total
<b>Carrying amount at 1 July 2019</b>	1,827,612	787,297	9,094,289	16,352,000	9,762,842	988,318	418,660	1,267,348	40,498,366	485,248	40,983,614
Acquisitions	649	-	-	-	-	61	3,195	-	3,905	-	3,905
Donations	28,866	3,830	1,200	-	1,725	2,979	4,805	-	43,405	-	43,405
Deaccessions	-	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	55,987	55,987
<b>Carrying amount at 30 June 2020</b>	<b>1,857,127</b>	<b>791,127</b>	<b>9,095,489</b>	<b>16,352,000</b>	<b>9,764,567</b>	<b>991,358</b>	<b>426,660</b>	<b>1,267,348</b>	<b>40,545,676</b>	<b>541,235</b>	<b>41,086,911</b>
<b>Carrying amount at 1 July 2020</b>	1,857,127	791,127	9,095,489	16,352,000	9,764,567	991,358	426,660	1,267,348	40,545,676	541,235	41,086,911
Acquisitions	-	-	-	-	-	1,519	8,927	-	10,446	-	10,446
Donations	16,135	8,195	-	-	117,250	21	-	-	141,601	-	141,601
Deaccessions	-	-	-	(14,352,000)	-	-	-	-	(14,352,000)	-	(14,352,000)
Revaluation	-	-	1,030,500	-	419,700	-	(2,818)	20,000	1,467,382	-	1,467,382
<b>Carrying amount at 30 June 2021</b>	<b>1,873,262</b>	<b>799,322</b>	<b>10,125,989</b>	<b>2,000,000</b>	<b>10,301,517</b>	<b>992,898</b>	<b>432,769</b>	<b>1,287,348</b>	<b>27,813,105</b>	<b>541,235</b>	<b>28,354,340</b>

The Taonga Maori custodial collection had four pou restored to Waiohiki Marae after several decades of being on loan. These were an important part of the collection as reflected in the asset values of \$14,352,000. The Trustees appreciate the long term loan of the four pou that had graced the museum since 1935 and recognise that their departure, while significant for the iwi concerned, also meant that the museum's collection was diminished as a result.

## Notes to the Financial Statements continue

### 8. Accounts Payable & Accruals

	2021	2020
	\$	\$
Accounts payable	5,610	5,445
<b>Total Accounts Payable &amp; Accruals</b>	<b>5,610</b>	<b>5,445</b>

### 9. Non-Current Liabilities

	2021	2020
	\$	\$
M S Spence Trust	33,387	33,387
L D Bestall Trust	20,834	20,834
Estate L D Bestall	21,039	21,039
<b>Total Non-Current Liabilities</b>	<b>75,260</b>	<b>75,260</b>



Image Ref: **Evening dress and cape**, 1980s, Minh Ta, gifted on behalf of Jean Garrick by her family. Reproduced with kind permission from Minh Ta, collection of Hawke's Bay Museums Trust, Ruawharo Tā-ū-rangi, 2020/41/1

## Notes to the Financial Statements continue

### 10. Movements in Equity

	2021 \$	2020 \$
<b>Special Reserves</b>		
<b>Restricted Reserves</b>		
Opening balance 1 July 2020	15,294	14,594
Grants, bequests and donations revenue	156	265
Interest revenue	232	435
<b>Closing Balance Special Reserves</b>	<b>15,682</b>	<b>15,294</b>
<b>Unrestricted Reserves</b>		
Opening balance 1 July 2020	97,302	92,850
Grants, bequests and donations revenue	786	1,685
Interest revenue	1,171	2,767
Donations paid for storage facility	(40,000)	-
<b>Closing Balance Unrestricted Reserves</b>	<b>59,259</b>	<b>97,302</b>
<b>Acquisitions Reserve</b>		
Opening balance 1 July 2020	400,556	379,203
Grants, bequests and donations revenue	4,018	13,912
Interest revenue	5,988	11,346
Acquisitions purchases	(10,446)	(3,905)
<b>Closing Balance Acquisitions Reserve</b>	<b>400,116</b>	<b>400,556</b>
<b>Conservation Reserve Fund</b>		
Opening balance 1 July 2020	22,942	28,489
Grants, bequests and donations revenue	190	7,955
Interest revenue	284	748
Conservation purchases	(6,843)	(14,250)
<b>Closing Balance Conservation Reserve</b>	<b>16,573</b>	<b>22,942</b>
<b>Trusts Held on Behalf</b>		
Opening balance 1 July 2020	11,270	9,073
Interest revenue	1,167	2,197
<b>Closing Balance Trusts Held on Behalf</b>	<b>12,437</b>	<b>11,270</b>
<b>Total Special Reserves</b>	<b>504,067</b>	<b>547,364</b>
<b>Asset Revaluation Reserve</b>		
Opening balance 1 July 2020	39,530,051	39,474,064
Deaccessions	(14,352,000)	-
Movement in asset revaluation reserve	1,467,382	55,987
<b>Closing Balance Revaluation Reserve</b>	<b>26,645,433</b>	<b>39,530,051</b>

## 10. Movements in Equity continued

	2021	2020
	\$	\$
<b>Retained Earnings</b>		
Opening balance 1 July 2020	1,611,217	1,564,319
Net surplus/(deficit) for year	94,749	28,743
Transfer of donation from unrestricted reserve	40,000	-
Transfer of capital expenditure from acquisitions reserve	10,446	3,905
Transfer of capital expenditure from conservation reserve	6,843	14,250
<b>Closing Balance Retained Earnings</b>	<b>1,763,255</b>	<b>1,611,217</b>
<b>Total Equity</b>	<b>28,912,755</b>	<b>41,688,632</b>

Restricted Reserves - Consist of reserves which have conditions of use attached to the funds held within the reserve.

Unrestricted Reserves - Funds held in equity which have no restrictions on conditions of use .

Acquisitions Reserve - Funds which the Trustees have identified and set aside for the specific purpose of acquisition of items for the Museum collection.

Conservation Reserve Fund - Funds which the Trustees have identified and set aside for applying to the cost of conservation of collection items.



Image Ref: **Corrugated Tick**, Peter Hawkesby (b.1950), purchase, reproduced by kind permission of Peter Hawkesby, collection of Hawke's Bay Museums Trust, Ruawhara Tā-ū-rangi, 2020/39/2

Notes to the Financial Statements continue

## 11. Special Funds

	Opening Balance as at 1 July 2020	Transfers	Grants & Bequests Received	General Donations Received	Expenditure From Special Funds for 12 Months to 30 Jun 2021	De-accessions for 12 Months to 30 Jun 2021	Allocation of Proportion Interest Income	Closing Balance as at 30 Jun 2021
<b>Restricted Reserves</b>								
QEII Award Fund	15,294	-	-	156	-	-	232	15,682
	<b>15,294</b>	-	-	<b>156</b>	-	-	<b>232</b>	<b>15,682</b>
<b>Unrestricted Reserves</b>								
Lilliput Building Fund	97,302	-	-	786	(40,000)	-	1,171	59,259
	<b>97,302</b>	-	-	<b>786</b>	<b>(40,000)</b>	-	<b>1,171</b>	<b>59,259</b>
<b>Acquisitions Reserve Fund</b>								
Millin Estate	293,949	-	-	2,987	-	-	4,452	301,388
LJ Sanderson	86,928	-	-	884	-	-	1,317	89,129
M L Holt	11,880	-	-	68	(10,446)	-	101	1,603
Webb Trust (Acquisitions)	7,799	-	-	79	-	-	118	7,996
	<b>400,556</b>	-	-	<b>4,018</b>	<b>(10,446)</b>	-	<b>5,988</b>	<b>400,116</b>
<b>Conservation Reserve Fund</b>								
B Horne	5,709	-	-	29	(5,781)	-	43	-
M L Holt	14,137	-	-	138	(1,062)	-	206	13,419
R & D Crowther	511	-	-	3	-	-	4	518
Estate Keith Stichbury	1,024	-	-	5	-	-	8	1,037
Other - FHBMAG Care Fund	342	-	-	3	-	-	5	350
Webb Trust (Conservation)	1,219	-	-	12	-	-	18	1,249
	<b>22,942</b>	-	-	<b>190</b>	<b>(6,843)</b>	-	<b>284</b>	<b>16,573</b>
<b>Total HBMT Special Funds</b>	<b>536,094</b>	-	-	<b>5,150</b>	<b>(57,289)</b>	-	<b>7,675</b>	<b>491,630</b>
<b>Trusts Held on Behalf</b>								
M S Spence Trust	5,001	-	-	-	-	-	518	5,519
L D Bestall Trust	3,092	-	-	-	-	-	323	3,415
Estate L D Bestall	3,177	-	-	-	-	-	326	3,503
<b>Total Trusts Held on Behalf</b>	<b>11,270</b>	-	-	-	-	-	<b>1,167</b>	<b>12,437</b>
<b>Total Special Funds</b>	<b>547,364</b>	-	-	<b>5,150</b>	<b>(57,289)</b>	-	<b>8,842</b>	<b>504,067</b>

## Notes to the Financial Statements continue

### 12. Reconciliation of 'Net Surplus' to 'Net Cashflow from Operating Activities'

	2021	2020
	\$	\$
Operating Surplus/(Deficit)	108,741	70,053
Donated assets	(141,601)	(43,405)
<b>Cash Surplus/(Deficit) from Operations</b>	<b>(32,860)</b>	<b>26,648</b>
<b>Plus Movements in Working Capital Items:</b>		
Prepayments & accrued revenue	5,205	(3,283)
Accounts payable and accruals	165	(55)
Increase in unspent grants	-	(4,240)
Net GST movement	617	(1,593)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(26,873)</b>	<b>17,477</b>

### 13. Commitments

	2021	2020
	\$	\$
Acquisitions - Photographs (4) of Napier earthquake	-	1,518

### 14. Contingencies

	2021	2020
	\$	\$
Known contingent events	-	-

### 15. Post Balance Date Events

There were no significant events after balance sheet date (2020 nil).



# Statement of Intent

## Hawke's Bay Museums Trust

### Policies and Objectives Regarding Ownership and Control

The Hawke's Bay Museum Trust is a Council Controlled Organisation as defined by Section 6 of the Local Government Act 2002. The objectives of the Trust are:

- To hold and protect the regional collection for the people of Hawke's Bay
- To encourage the development of quality cultural facilities capable of accessing or drawing upon the collection within Hawke's Bay
- To advance and promote cultural heritage and arts through the use of the collection
- To oversee collection management through the development of collection policy, conservation and risk management strategies via a contract for services with the Napier City Council
- To oversee collection development through the regulation of the acquisition and disposal of collection items
- To manage the bequests vested in the Trust in a way which maximises benefit to the collection
- There has been no change between the intended and actual nature and scope of activities delivered.

### Performance Targets

The key performance targets and performance results (as reflected in the Trust's Annual Report for 2020/21) are:

Key Result Area	Performance Indicator	Target/Reporting Method	
		2020/21 target	2020/21 actual
<b>Protection</b>	Full insurance cover is provided for the collection.	Yes	Yes
	Collections are stored in an acceptable environment	No items reported to have suffered deterioration due to the environment	One item damaged
<b>Quality</b>	Every item accessioned into the collection has undergone a detailed selection process within the framework of the Collection Strategy	Yes	Yes
	De-accessions are managed in accordance with the Collection Strategy and reported to the Board	Yes	Yes
<b>Access</b>	HBMT collections are used for academic and personal research	1,500 enquiries	40,560 online catalogue sessions 475 enquiries
	Collections are made available to the public through quality exhibitions	2-5 collection based exhibitions	On Art and Activism Lewis Evans A Bloody Business
<b>Develop-ment</b>	Bequests fund income is used in the manner determined by the donor	Yes	Yes
	Conservation funds income is used solely for collection care.	Yes	Yes
	Joint HBMT/Te Rōpū Kaiawhina Taonga meeting held.	1 per annum	0

*The Trust recognises and appreciates the ongoing Collection acquisition support that it receives from the Hawke's Bay Museums Foundation and many private benefactors.*



Image Ref: **The Harvest, 2020**, Ayesha Green (b.1987), gifted by the MTG Foundation, collection of Hawke's Bay Museums Trust, Ruawhāro Tā-ū-rangi, 2020/40



Image Ref: **Evening gown**, 1960s, **Roswitha Robertson (b.1928, d.2021)**, gifted by Barbara Ramsden, collection of Hawke's Bay Museums Trust, Ruawharo Tā-ū-rangi, 2020/26/1

# *Independent Auditor's Report*

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

## Independent Auditor's Report

### To the readers of Hawke's Bay Museums Trust's financial statements and performance information for the year ended 30 June 2021

The Auditor-General is the auditor of Hawke's Bay Museums Trust (the Trust). The Auditor-General has appointed me, Karen Young, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust on his behalf.

### Opinion

We have audited:

- the financial statements of the Trust on pages 7 to 21, that comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of movements in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on pages 22 and 23.

In our opinion:

- the financial statements of the Trust on pages 7 to 21:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2021; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) Standard; and
- the performance information of the Trust on pages 22 and 23 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2021.

### ***Our audit was completed late***

Our audit was completed on 21 April 2022. This is the date at which our opinion is expressed. We acknowledge that our audit was completed later than required by the Trust's Constitution and Rules

2010, section 10.3. This was due to an auditor shortage in New Zealand and the consequential effects of Covid-19, including lockdowns.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Trust Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

### **Basis for our opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of the Trust Board for the financial statements and the performance information**

The Trust Board is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Trust Board is also responsible for preparing the performance information for the Trust.

The Trust Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Trust Board is responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Trust Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trust Board intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Trust Board's responsibilities arise from the Local Government Act 2002.

### **Responsibilities of the auditor for the audit of the financial statements and the performance information**

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Trust's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trust Board.
- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trust Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial

statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trust Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

## Other Information

The Trust Board is responsible for the other information. The other information comprises the information included on pages 3 to 25, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.



Karen Young  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

# Appendix I

## List of Acquisitions

### Items acquired 2020/21

System ID	Accession No.	Name/Title	Primary Maker (name only)	Primary Prod Date	Credit Line
98823	2020/19	Untitled - surrealist style landscape	Don Ramage	1986	gifted by Marie and Keith Reid late of Pahoia in Tauranga, friends of Don Ramage and his family
98658	2020/22	Feathers for the Legs of a Woman: Facets of Hawke's Bay history	Anne Hissey; James Garrett	1976	gifted by Tooki Proctor
98631	2020/23/1	Napier wharf in aftermath of earthquake			gifted by Napier City Council
98632	2020/23/2	Collapsed bridge			gifted by Napier City Council
98633	2020/23/3	Williams and Kettle woolstores			gifted by Napier City Council
98634	2020/23/4	HMS Veronica			gifted by Napier City Council
98630	2020/24	Group of men at the corner of Dalton and Dickens Streets, Napier	Charles Sorrell		gifted by Mary Minto on behalf of Bernadette Hartshorn
98623	2020/25/1	Plaque, J A Louis Hay			gifted by Ruth Munro on behalf of Margaret Hay
98624	2020/25/2	Wooden T-square			gifted by Ruth Munro on behalf of Margaret Hay
98636	2020/25/3	Certificate of title for Louis Hay office building on Herschell Street		04 Dec 1940	gifted by Ruth Munro on behalf of Margaret Hay
98635	2020/25/4	Notebook diary, Louis Hay			gifted by Ruth Munro on behalf of Margaret Hay
98637	2020/25/5	Portrait of Louis Hay	Deighton Studios		gifted by Ruth Munro on behalf of Margaret Hay
98638	2020/25/6	Pipe band, Christchurch			gifted by Ruth Munro on behalf of Margaret Hay
98625	2020/26/1	Evening gown	Roswitha Robertson		gifted by Barbara Ramsden
98620	2020/26/2	Woman's two-piece suit	Roswitha Robertson		gifted by Barbara Ramsden
98626	2020/26/3	Wedding gown and veil	Roswitha Robertson	1970	gifted by Barbara Ramsden
98858	2020/27/1	Manuscript, personal recollections	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98860	2020/27/2/1	Model wearing 1962 Gown of the Year, Tosca	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98861	2020/27/2	Newspaper cuttings, Sketches and Photographs, Gown of the Year, 1962	Roswitha Robertson	1962	gifted on behalf of Roswitha Robertson
98863	2020/27/2/2	Model wearing 1962 Gown of the Year coat	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98864	2020/27/2/3	Ann Lynch	Roswitha Robertson; Photocraft		gifted on behalf of Roswitha Robertson

System ID	Accession No.	Name/Title	Primary Maker (name only)	Primary Prod Date	Credit Line
98859	2020/27/3	Newspaper cuttings, Sketches and Photographs	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98865	2020/27/3/1	Bridal mannequin in display case	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98866	2020/27/3/2	Roswitha Robertson	Herald-Tribune Print Ltd		gifted on behalf of Roswitha Robertson. Reproduction by kind permission of Herald Tribune Archive/Hawkes Bay Today
98867	2020/27/3/3	Models posing by wishing well	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98862	2020/27/4	Newspaper cuttings, Sketches and Photographs	Roswitha Robertson	1960-1979	gifted on behalf of Roswitha Robertson
98868	2020/27/4/1	Christine Hardy and Duncan MacIntyre, Minister of Agriculture	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98869	2020/27/4/2	Priscilla Coleman	Roswitha Robertson	Mar 1957	gifted on behalf of Roswitha Robertson
98870	2020/27/4/3	Debutante	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98871	2020/27/4/4	Debutante	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98872	2020/27/4/5	Debutante	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98873	2020/27/4/6	Debutante	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98874	2020/27/4/7	Rosemarie Sherwood	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98875	2020/27/4/8	Annette Sherwood	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98876	2020/27/4/9	Debutante	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98877	2020/27/4/10	Model wearing two piece tweed suit and hat	Roswitha Robertson; Peter Holderness		gifted on behalf of Roswitha Robertson
98878	2020/27/4/11	Model wearing two piece wool suit	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98879	2020/27/4/12	Model wearing two piece tartan wool suit	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98880	2020/27/4/13	Model wearing two piece suit and hat	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98881	2020/27/4/14	Model wearing two piece tweed suit and hat	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98882	2020/27/4/15	Mary Quant designs	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98883	2020/27/4/16	NZ Wool Board Design	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98884	2020/27/4/17	Unidentified female wearing wool suit	Roswitha Robertson; Peter Holderness		gifted on behalf of Roswitha Robertson
98885	2020/27/4/18	Unidentified female wearing wool suit	Roswitha Robertson; Alec Houston		gifted on behalf of Roswitha Robertson
98886	2020/27/4/19	Unidentified female wearing wool suit	Roswitha Robertson; Alec Houston		gifted on behalf of Roswitha Robertson
98887	2020/27/4/20	Unidentified female wearing ball gown	Roswitha Robertson		gifted on behalf of Roswitha Robertson
98888	2020/27/4/21	Unidentified female wearing wool suit	Roswitha Robertson		gifted on behalf of Roswitha Robertson

System ID	Accession No.	Name/Title	Primary Maker (name only)	Primary Prod Date	Credit Line
98615	2020/28	Flash the sealion shows trainer Russell Tuck how to balance a ball the hard way at Marineland of New Zealand, Napier	James White; Martin Printing Co. Ltd		gifted by anonymous donor
98640	2020/29/1	Railway at base of Bluff Hill			gifted by Lynda Berg
98641	2020/29/2	Earthmoving machinery clearing debris			gifted by Lynda Berg
98642	2020/29/3	Post Office			gifted by Lynda Berg
98643	2020/29/4	Collapsed buildings			gifted by Lynda Berg
98644	2020/29/5	HMS Veronica at Napier wharf			gifted by Lynda Berg
98645	2020/29/6	Hastings Street from Post Office	Arthur Bendigo Hurst		gifted by Lynda Berg
98639	2020/29/7	Taradale Road			gifted by Lynda Berg
98647	2020/29/8	Hastings Street			gifted by Lynda Berg
98646	2020/29/9	Sailors outside Post Office			gifted by Lynda Berg
98648	2020/29/10	Municipal Theatre			gifted by Lynda Berg
98649	2020/29/11	Damaged Government building			gifted by Lynda Berg
98650	2020/29/12	Smoke from fire			gifted by Lynda Berg
98651	2020/29/13	Emerson St afire	Arthur Bendigo Hurst		gifted by Lynda Berg
98652	2020/29/14	Municipal Theatre	Percy Caz Sorrell		gifted by Lynda Berg
98653	2020/29/15	Everybody's Theatre			gifted by Lynda Berg
98654	2020/29/16	Shakespeare Road			gifted by Lynda Berg
98655	2020/29/17	Inner harbour			gifted by Lynda Berg
98656	2020/29/18	Inner harbour			gifted by Lynda Berg
98657	2020/29/19	Collapsed building			gifted by Lynda Berg
98611	2020/30/1	Naval blasting party at Napier	Evening Post Print		purchase
98612	2020/30/2	Tourists visit the earthquake area	E F Morrell		purchase
98613	2020/30/3	Canaries from the earthquake area	The New Zealand Herald		purchase
98614	2020/30/4	Temporary dressing station	Evening Post Print		purchase
98628	2020/31/1	Label, Lime Beverage Flavour	Huia Aerated Water Company		gifted by Garry Clapperton
98629	2020/31/2	Label, Raspberry Beverage Flavour	Huia Aerated Water Company		gifted by Garry Clapperton
98627	2020/31/3	Everyday Cookery	The Havelock Work; Cliff Press	1912	gifted by Garry Clapperton
98685	2020/32	Hobson's Baggage	Greer Twiss	1995	gifted by Greer Twiss. Copyright courtesy of Greer Twiss.
98667	2020/33/1	Solo butchers in the beef slaughterhouse at Whakatū freezing works			gifted by Kevin Hodgson
98668	2020/33/2	Whakatū freezing works			gifted by Kevin Hodgson
98669	2020/33/3	Whakatū freezing works			gifted by Kevin Hodgson
98671	2020/33/4	Hawke's Bay Farmers' Meat Company Ltd freezing works, Whakatū			gifted by Kevin Hodgson

System ID	Accession No.	Name/Title	Primary Maker (name only)	Primary Prod Date	Credit Line
98670	2020/33/5	Mutton cooling floor at Whakatū freezing works			gifted by Kevin Hodgson
98672	2020/33/6	Mutton slaughterhouse at Whakatū freezing works			gifted by Kevin Hodgson
98673	2020/33/7	Workers on the chain at Whakatū freezing works	Russell Orr Studios		gifted by Kevin Hodgson. Reproduction by kind permission of the late Russell Orr
98674	2020/33/8	Millionth carcass, H B Farmers' Meat Co Ltd, Whakatū	Russell Orr	1959	gifted by Kevin Hodgson. Reproduction by kind permission of the late Russell Orr
98675	2020/33/9	Solo beef slaughterhouse at Whakatū freezing works			gifted by Kevin Hodgson
98676	2020/33/10	Whakatū freezing works			gifted by Kevin Hodgson
98677	2020/33/11	Workers in the beef slaughterhouse at Whakatū freezing works	R Wallis		gifted by Kevin Hodgson
98678	2020/33/12	Workers in the beef slaughterhouse at Whakatū freezing works	H N Whitehead		gifted by Kevin Hodgson
98679	2020/33/13	Hawke's Bay Farmers' Meat Company building, Whakatū	H N Whitehead		gifted by Kevin Hodgson
98680	2020/33/14	Workers in the solo mutton slaughterhouse at Whakatū freezing works	H N Whitehead		gifted by Kevin Hodgson
98681	2020/33/15	Hawke's Bay Farmers' Meat Company Limited Whakatū Freezing Works	Russell Orr Studios		gifted by Kevin Hodgson. Reproduction by kind permission of the late Russell Orr
98721	2020/34	Cigarette box	Abdulla & Co, Ltd.		gifted by Mary Minto
98789	2020/35	Notebook and plan, Kennedy Park Rose Garden	Marc Marcussen		gifted by Anne Marie Arts
98664	2020/36	Bottle, Sunshine Ale	Sunshine Brewery		gifted by Doreen Finlay
98684	2020/37	Brochure, Harris Millinery Co Ltd	Swalles Printing Co. Ltd; Harris Hats	1942	gifted by Lynn Lusby
98686	2020/38/1	Women preparing tobacco for drying			gifted by Joan and Larry Blume
98687	2020/38/2	Woman with pipe			gifted by Joan and Larry Blume
98688	2020/38/3	Unidentified woman			gifted by Joan and Larry Blume
98689	2020/38/4	Each cigarette must be a masterpiece			gifted by Joan and Larry Blume
98690	2020/38/5	Paper bag, National Tobacco Company Ltd, Napier			gifted by Joan and Larry Blume
98691	2020/38/6	Banner advertisement, Riverhead Gold Tobacco			gifted by Joan and Larry Blume
98692	2020/38/7	Banner advertisement, Rolliown Cigarette Tobacco			gifted by Joan and Larry Blume
98693	2020/38/8	Banner advertisement, Royal Toast Tobacco			gifted by Joan and Larry Blume
98694	2020/38/9	Banner advertisement, Desert Gold Tobacco			gifted by Joan and Larry Blume

System ID	Accession No.	Name/Title	Primary Maker (name only)	Primary Prod Date	Credit Line
98695	2020/38/10	Banner advertisement, Navy Cut No.3 Tobacco			gifted by Joan and Larry Blume
98696	2020/38/11	Banner advertisement, Cavendish Tobacco			gifted by Joan and Larry Blume
98697	2020/38/12	Box, Illingworth's Slōgas Gaslight Paper			gifted by Joan and Larry Blume
98698	2020/38/12/1	Tobacco drying shed			gifted by Joan and Larry Blume
98699	2020/38/12/2	Tobacco crop			gifted by Joan and Larry Blume
98700	2020/38/12/3	Tobacco crop			gifted by Joan and Larry Blume
98701	2020/38/12/4	Tobacco crop			gifted by Joan and Larry Blume
98702	2020/38/12/5	Tobacco crop being harvested			gifted by Joan and Larry Blume
98703	2020/38/12/6	Tobacco workers in front of drying shed			gifted by Joan and Larry Blume
98704	2020/38/12/7	Tobacco crop being harvested			gifted by Joan and Larry Blume
98705	2020/38/12/8	Tobacco crop being harvested			gifted by Joan and Larry Blume
98706	2020/38/12/9	Tobacco crop being harvested			gifted by Joan and Larry Blume
98736	2020/38/12/10	Tobacco crop being harvested			gifted by Joan and Larry Blume
98707	2020/38/13	Letter, Lohse Gerdt & Co		16 Jun 1906	gifted by Joan and Larry Blume
98708	2020/38/14	Box, The Imperial Dry Plate Co Ltd			gifted by Joan and Larry Blume
98709	2020/38/14/1	Tobacco crop being harvested			gifted by Joan and Larry Blume
98710	2020/38/14/2	Tobacco drying sheds			gifted by Joan and Larry Blume
98711	2020/38/14/3	Tobacco crop being harvested			gifted by Joan and Larry Blume
98712	2020/38/14/4	Tobacco crop being harvested			gifted by Joan and Larry Blume
98713	2020/38/14/5	Tobacco crop being harvested			gifted by Joan and Larry Blume
98737	2020/38/14/6	Tobacco crop being harvested			gifted by Joan and Larry Blume
98714	2020/38/15	Box, The Imperial Dry Plate Co Ltd			gifted by Joan and Larry Blume
98722	2020/38/15/1	Woman and child			gifted by Joan and Larry Blume
98723	2020/38/15/2	Woman and child in tobacco field			gifted by Joan and Larry Blume
98724	2020/38/15/3	Tobacco plantation			gifted by Joan and Larry Blume
98725	2020/38/15/4	Woman and child in field			gifted by Joan and Larry Blume
98726	2020/38/15/5	Tobacco plantation			gifted by Joan and Larry Blume
98727	2020/38/15/6	Tobacco plantation			gifted by Joan and Larry Blume

System ID	Accession No.	Name/Title	Primary Maker (name only)	Primary Prod Date	Credit Line
98728	2020/38/15/7	Tobacco plants			gifted by Joan and Larry Blume
98729	2020/38/15/8	Tobacco plantation			gifted by Joan and Larry Blume
98730	2020/38/15/9	Tobacco plantation			gifted by Joan and Larry Blume
98731	2020/38/15/10	Tobacco plantation			gifted by Joan and Larry Blume
98732	2020/38/15/11	Tobacco plantation			gifted by Joan and Larry Blume
98733	2020/38/15/12	Tobacco plants in flower			gifted by Joan and Larry Blume
98734	2020/38/15/13	Tobacco plantation			gifted by Joan and Larry Blume
98735	2020/38/15/14	Tobacco plantation			gifted by Joan and Larry Blume
98715	2020/38/16	National Tobacco Company staff			gifted by Joan and Larry Blume
98717	2020/38/17	Registration plate			gifted by Joan and Larry Blume
98665	2020/39/1	Rashington Palace II	Peter Hawkesby	2019	purchase. Reproduced by kind permission of Peter Hawkesby
98666	2020/39/2	Corrugated Tick	Peter Hawkesby	2019	purchase. Reproduced by kind permission of Peter Hawkesby
98832	2020/40	The Harvest, 2020	Ayesha Green	2020	gifted by the MTG Foundation
98778	2020/41/1	Evening dress and cape	Minh Ta		gifted on behalf of Jean Garrick by her family. Reproduced with kind permission from Minh Ta.
98780	2020/41/2	Sleeveless dress and belt	Minh Ta		gifted on behalf of Jean Garrick by her family
98781	2020/41/3	Sleeveless dress and belt	Minh Ta		gifted on behalf of Jean Garrick by her family. Reproduced with kind permission from Minh Ta.
98782	2020/41/4	Dress	Minh Ta	1992	gifted on behalf of Jean Garrick by her family. Reproduced with kind permission from Minh Ta.
98783	2020/41/5	Coat	Minh Ta		gifted on behalf of Jean Garrick by her family. Reproduced with kind permission from Minh Ta.
98784	2020/41/6	Two-piece ensemble	Minh Ta		gifted on behalf of Jean Garrick by her family. Reproduced with kind permission from Minh Ta.
98785	2020/41/7	Shirtwaist dress	Minh Ta		gifted on behalf of Jean Garrick by her family. Reproduced with kind permission from Minh Ta.
98786	2020/41/8	Three-piece ensemble	Minh Ta		gifted on behalf of Jean Garrick by her family. Reproduced with kind permission from Minh Ta.
98787	2020/41/9	Two-piece ensemble	Mary Hunt		gifted on behalf of Jean Garrick by her family

System ID	Accession No.	Name/Title	Primary Maker (name only)	Primary Prod Date	Credit Line
98776	2020/41/10	Programme, Benson & Hedges Fashion Design Awards, 1988		1988	gifted on behalf of Jean Garrick by her family
98777	2020/41/11	Programme, Benson & Hedges Fashion Design Awards, 1989		1989	gifted on behalf of Jean Garrick by her family
98747	2020/42	Wedding dress	Roswitha Robertson Studio	1966	gifted by Pauline Lowe
98788	2020/43	Harris Hats workroom			gifted by Lynn Lusby
98801	2020/44/1	Jean Garrick wearing coat designed by Minh Ta			gifted on behalf of Jean Garrick by her family
98802	2020/44/2	Jean Garrick wearing dress designed by Minh Ta			gifted on behalf of Jean Garrick by her family
98803	2020/44/3	Jean Garrick wearing ensemble designed by Minh Ta			gifted on behalf of Jean Garrick by her family
98804	2020/44/4	Jean Garrick wearing evening dress and cape designed by Minh Ta			gifted on behalf of Jean Garrick by her family
98805	2020/44/5	Minh and Au Ta and Jean Garrick			gifted on behalf of Jean Garrick by her family
98806	2020/44/6	Minh Ta and Jean Garrick			gifted on behalf of Jean Garrick by her family
98807	2020/45/1	Minute book, Westshore Women's Institute, 1943-1946	Westshore Women's Institute	Jul 1943- Jun 1946	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98808	2020/45/2	Minute book, Westshore CWI, 1946-1952	Westshore Women's Institute	Jun 1946- Oct 1952	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98809	2020/45/3	Minute book, Westshore CWI, 1953-1956	Westshore Women's Institute	Feb 1953- Mar 1956	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98810	2020/45/4	Minute book, Westshore CWI, 1956-1962	Westshore Women's Institute	Apr 1956- Jul 1962	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98813	2020/45/5	Minute book, Westshore CWI, 1962-1980	Westshore Women's Institute	Jul 1962- Sep 1980	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98800	2020/45/6	Minute book, Westshore CWI, 1980-1990	Westshore Women's Institute	Oct 1980- Jun 1990	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98812	2020/45/7	Minute book, Westshore CWI, 1955-1961	Westshore Women's Institute	Mar 1955- Mar 1961	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98811	2020/45/8	Minute book, Westshore CWI, 1961-1967	Westshore Women's Institute	Apr 1961- Feb 1967	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98814	2020/45/9	Minute book, Westshore CWI, 1967-1974	Westshore Women's Institute	Mar 1967- Mar 1974	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute

System ID	Accession No.	Name/Title	Primary Maker (name only)	Primary Prod Date	Credit Line
98815	2020/45/10	Minute book, Westshore CWI, 1974-1981	Westshore Women's Institute	Mar 1974- Feb 1981	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98816	2020/45/11	Prize list folder, Westshore CWI, 1987-2018	Westshore Women's Institute	1987-2018	gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98817	2020/45/12	Westshore Women's Institute float	Batchelor's Camera House		gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98818	2020/45/13	Dominion Federation of Country Women's Institutes conference in Wellington			gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98819	2020/45/14	Dominion Federation of Country Women's Institutes conference in Auckland			gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98820	2020/45/15	Dominion Federation of Country Women's Institutes conference delegates in Auckland			gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98824	2020/45/16	Banner and bag, Westshore CWI			gifted by Pauline Bartlett on behalf of the Westshore Port Ahuriri Women's Institute
98833	2020/47	Ringatu	Para Matchitt	2004	gifted by the MTG Foundation
98825	2020/48	St John Ambulance Station Relief Party			gifted by Katrina Fraser
98891	2021/1	General View 9th Mounted Rifles, Tutira Camp, May 1912	Sorrell & Son	May 1912	gifted by Liz and Roger McLernon