

Performance Report

Gisborne Museum of Art and History Trust - trading as Tairawhiti
Museum

For the year ended 30 June 2020

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Approval of Financial Report

Gisborne Museum of Art and History Trust - trading as Tairawhiti Museum For the year ended 30 June 2020

The Trustees are pleased to present the approved financial report including the historical financial statements of Gisborne Museum of Art and History Trust - trading as Tairawhiti Museum for year ended 30 June 2020.

APPROVED



Michael Muir

Chairman

Date 22.10.20



Allan de Lautour

Trustee

Date 22/10/2020

Entity Information

Gisborne Museum of Art and History Trust - trading as Tairawhiti Museum For the year ended 30 June 2020

Legal Name of Entity

Gisborne Museum of Art and History Trust

Other Name of Entity

Tairawhiti Museum

Entity Type and Legal Basis

Charitable Trust

Registration Number

CC 30686

Entity's Purpose or Mission

Gisborne Museum of Art and History Trust's mission is to operate Tairāwhiti Museum as a gateway/waharoa and resource for the art, culture and heritage of our communities.

Our aims are:

1. To foster the recognition and interpretation of Tairāwhiti's heritage landscape and develop the Museum as a key point from which this landscape is interpreted;
2. To educate individual children and adults and the broader community to appreciate, enjoy, and learn more about the Tairāwhiti region and its history, art and culture;
3. To refine our approach to collections to enable sustainable storage, care and respect for, and access to, collection items;
4. To build our collection of locally significant art and strengthen the public awareness of our art gallery role;
5. To strengthen our business infrastructure and capability and relationships within the communities of the region.

Entity Structure

The Board consists of not fewer than six members and not more than twelve members of whom

a) Five may be appointed one each from the following iwi

- Te Aitanga-a-Mahaki
- Ngai Tamanuhiri
- Rongowhakaata
- Te Aitanga-a-Hauiti
- Ngati Porou

b) Four may be appointed by Gisborne Museum and Arts Centre

c) Two may be appointed by the Gisborne District Council

Every board member is appointed for a term of three years

The Chairperson and Deputy Chairperson are elected annually

Main Sources of Entity's Cash and Resources



Gisborne District Council; Ministry of Education; museum generated income including: admissions, retail operation, lease income, grants and donations.

Main Methods Used by Entity to Raise Funds

Retail operation, admissions charging, venue hire, private donations, photographic sales, exhibition, contracts for services, grants, donations and sponsorship in cash and in kind.

Entity's Reliance on Volunteers and Donated Goods or Services

The trust has a number of active volunteers who work in a variety of activities across the organisation. The museum also has a number of one-off and ongoing sponsorship in cash and in kind arrangements. The growth of the museum's collection is primarily reliant on gifts and bequests.

Physical Address

10 Stout Street
Gisborne
New Zealand 4010

Postal Address

P O Box 716
Gisborne
New Zealand 4040



Statement of Service Performance

Gisborne Museum of Art and History Trust - trading as Tairāwhiti Museum For the year ended 30 June 2020

Description of Entity's Outcomes

Tairāwhiti Museum is the leading arts and heritage institution in Tairāwhiti, providing a major tourism and leisure-time destination for local, national and international visitors. Core museum functions include the development and care of art, taonga Māori, general history, photography and archival collections, and the provision of a varied programme of art and heritage exhibitions drawing on the museum's collection and bringing cultural treasures from other parts of Aotearoa New Zealand and overseas.

Description and Quantification of the Entity's Outputs

A total of 40,325 (2019: 45,074) visitors used the museum in 2019/20. Of those 5,679 (2019: 7,269) were students attending museum education programmes.

Please note that the impact of Covid-19 had a significant impact on attendance and participation numbers in the second half of the financial year.

Additional Information

The Learning Experiences Outside the Classroom (LEOTC) education service, funded by the Ministry of Education, has continued to provide high quality programmes with a well-deserved national reputation for innovation to the many schools and children in Tairāwhiti. The museum continues to showcase material from within the collection and from around the country with 17 temporary exhibitions held in 2019/20. Other key locally generated exhibitions were a number of solo and group shows by local artists. The museum also delivered 22 events including school holiday programmes, exhibition openings, talks, concerts and book launches.



Statement of Financial Performance

Gisborne Museum of Art and History Trust - trading as Tairawhiti Museum For the year ended 30 June 2020

	NOTES	2020	2019
Revenue			
Donations, fundraising and other similar revenue	1	423,162	44,882
Revenue from providing goods or services	1	981,694	978,516
Interest, dividends and other investment revenue	1	2,616	3,836
Total Revenue		1,407,472	1,027,233
Expenses			
Volunteer and employee related costs	2	687,685	662,410
Costs related to providing goods or service	2	603,721	315,861
Other expenses	2	125,507	113,749
Total Expenses		1,416,912	1,092,020
Surplus/(Deficit) for the Year		(9,440)	(64,786)

This statement should be read in conjunction with the Notes to the Performance Report.



Statement of Financial Position

Gisborne Museum of Art and History Trust - trading as Tairawhiti Museum As at 30 June 2020

	NOTES	30 JUN 2020	30 JUN 2019
Assets			
Current Assets			
Bank accounts and cash	3	425,779	121,737
Debtors and prepayments	3	25,671	40,973
Inventory	3	23,472	24,547
Other Current Assets	3	76,930	74,584
Total Current Assets		551,853	261,841
Non-Current Assets			
Property, Plant and Equipment	5	3,444,411	3,464,435
Total Non-Current Assets		3,444,411	3,464,435
Total Assets		3,996,263	3,726,277
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	56,566	34,303
Employee costs payable	4	55,210	61,516
GST		33,518	2,204
Unused donations and grants with conditions	4	253,735	21,579
Total Current Liabilities		399,029	119,602
Total Liabilities		399,029	119,602
Total Assets less Total Liabilities (Net Assets)		3,597,235	3,606,675
Accumulated Funds			
Accumulated surpluses or (deficits)	6	1,630,009	1,639,449
Reserves	7	1,967,226	1,967,226
Total Accumulated Funds		3,597,235	3,606,675

This statement should be read in conjunction with the Notes to the Performance Report.



Statement of Cash Flows

Gisborne Museum of Art and History Trust - trading as Tairawhiti Museum For the year ended 30 June 2020

	2020	2019
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	682,564	25,333
Receipts from providing goods or services	1,127,396	1,114,995
Interest, dividends and other investment receipts	2,616	3,836
GST	(83,604)	(106,664)
Payments to suppliers and employees	(1,342,748)	(1,026,106)
Total Cash Flows from Operating Activities	386,224	11,394
Cash Flows from Investing and Financing Activities		
Receipts from sale of investments	(2,346)	(3,620)
Payments to acquire property, plant and equipment	(79,836)	(13,086)
Total Cash Flows from Investing and Financing Activities	(82,182)	(16,707)
Net Increase/(Decrease) in Cash	304,042	(5,312)
Cash Balances		
Cash and cash equivalents at beginning of period	121,737	127,050
Cash and cash equivalents at end of period	425,779	121,737
Net change in cash for period	304,042	(5,312)

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.



Statement of Accounting Policies

Gisborne Museum of Art and History Trust - trading as Tairawhiti Museum For the year ended 30 June 2020

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Gisborne Museum of Art and History Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Accounts Receivable

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

Property, Plant and Equipment

(a) Valuation of Assets

(i) Buildings:

Ownership of all buildings situated on Kelvin Park is vested in the Gisborne District Council but they are recorded as assets in the accounts of the Trust to the extent that the cost price was contributed by Trust funds or special appeals conducted under the auspices of the Trust. The Trust has the right of occupation under the terms of a 21 year lease. The building complex is valued at actual expenditure less accumulated depreciation to date. Depreciation has been written off using the straight line method, based on their estimated economic life.

(ii) Vehicles, Furniture, Fittings & Equipment:

These are valued at cost price less accumulated depreciation to date. Depreciation has been written off using the straight line and diminishing value method, based on economic life.

(iii) Pictures & Artefacts

Pictures and Artefacts purchased from Trust funds are valued at their cost price without charging any depreciation. The countless items donated or bequeathed to the Trust are not recorded in the accounts.

(b) Depreciation



Depreciation has been charged at the applicable rates as outlined below:

Buildings - 1% of Cost

Furniture & Fittings - 10% Straight Line and 13-50% Diminishing Value

Vehicles - 18% Diminishing Value

Office Equipment - 50% Diminishing Value

Other Fixed Assets - 0%

From 2014 new assets are depreciated from the date of purchase.

Inventories

Inventories are recorded at the lower of cost and net realisable value, using a first in, first out basis, after due consideration for obsolete stock.

Investments

Investments are recorded at cost.

	<u>June 2020</u>	<u>June 2019</u>
ANZ Bank Term Investment	\$76,930	\$74,584
Total Investments	\$76,930	\$74,584



Notes to the Performance Report

Gisborne Museum of Art and History Trust - trading as Tairawhiti Museum For the year ended 30 June 2020

	2020	2019
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Grants Specific	364,992	24,830
GDC Insurance	22,070	18,750
Koha/Donations	36,101	1,301
Total Donations, fundraising and other similar revenue	423,162	44,882
Revenue from providing goods or services		
Retail	44,433	53,149
Entry/Admissions	23,123	23,330
Exhibit Café Rental	6,174	7,200
Exhibition Previews	1,522	2,516
GDC Monthly Operating	722,495	722,495
MOE Income	180,818	164,380
Photocopying Charges	81	412
Photographic Sales	994	2,597
Sundry Income	1,180	1,374
Venue Hire	874	1,063
Total Revenue from providing goods or services	981,694	978,516
Interest, dividends and other investment revenue		
Interest Received	2,616	3,836
Total Interest, dividends and other investment revenue	2,616	3,836
	2020	2019

2. Analysis of Expenses

Volunteer and employee related costs

Staff

ACC Levies	1,857	2,361
Professional Development	2,436	4,191
Salaries & Wages - Education	140,960	116,748
Salaries & Wages - General	541,282	516,917
Salaries & Wages - Relocation	-	21,808
Staff Expenses	1,149	384
Total Volunteer and employee related costs	687,685	662,410

Costs related to providing goods or services

Collection	3,363	13,308
Education	25,258	5,980
Exhibitions	336,652	57,331
Finance	2,768	2,965
Insurance	41,544	38,562



	2020	2019
Maintenance	24,071	28,558
Operations	106,862	106,555
Power & Heating	44,263	43,898
Retail Costs	18,939	18,706
Total Costs related to providing goods or services	603,721	315,861
Other expenses		
Accountancy Fees	9,000	9,000
Audit Fee	4,800	4,700
Interest	-	2
Depreciation	111,707	100,047
Total Other expenses	125,507	113,749
	2020	2019

3. Analysis of Assets

Bank accounts and cash		
Petty Cash	78	231
Shop Till Float	200	200
Westpac - Cheque Account	334,066	29,926
Westpac - Project Account	13,174	13,166
Westpac - Savings Account	78,261	78,214
Total Bank accounts and cash	425,779	121,737
Debtors and prepayments		
Accounts Receivables	12,999	12,303
Prepayments	12,672	28,670
Total Debtors and prepayments	25,671	40,973
Inventory		
Stock on Hand	23,472	24,547
Total Inventory	23,472	24,547
Other current assets		
ANZ Bank Term Investment	76,930	74,584
Total Other current assets	76,930	74,584
	2020	2019

4. Analysis of Liabilities

Creditors and accrued expenses		
Accounts Payable	56,566	34,303
Total Creditors and accrued expenses	56,566	34,303
Unused donations and grants with conditions		
Eastern & Central Community Trust (Website Redevelopment)	-	5,000
Eastland Community Trust - Tu Te Whaihanga Exhibition	245,453	-
Endowment Trust (Website redevelopment, Fine arts collection valuation)	-	8,280



	2020	2019
GDC	8,000	8,000
Jean Bright Grant	282	299
Total Unused donations and grants with conditions	253,735	21,579
Employee Costs Payable		
Provision for Holiday Pay	41,518	48,525
Wages Payable	13,692	12,991
Total Employee Costs Payable	55,210	61,516

	2020	2019
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5. Property, Plant and Equipment

Buildings

Buildings at cost	3,544,877	3,520,515
Accumulated depreciation - buildings	(557,711)	(522,323)
Total Buildings	2,987,166	2,998,192

Motor Vehicles

Vehicles owned	55,934	55,934
Accumulated depreciation - vehicles owned	(51,343)	(50,336)
Total Motor Vehicles	4,591	5,598

Furniture and Fittings

Furniture and fittings owned	829,762	793,125
Accumulated depreciation - furniture and fittings owned	(551,636)	(486,734)
Total Furniture and Fittings	278,126	306,391

Office Equipment

Office Equipment owned	29,323	8,800
Accumulated depreciation - office equipment owned	(11,906)	(1,497)
Total Office Equipment	17,416	7,303

Other Fixed Assets

Collections & Display	126,182	116,021
Stable & Sledhouse	1,324	1,324
Star of Canada	27,448	27,448
Wylie Cottage	2,157	2,157
Total Other Fixed Assets	157,111	146,950

Total Property, Plant and Equipment	3,444,411	3,464,435
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	2020	2019
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6. Accumulated surpluses or (deficits)

Accumulated surpluses or (deficits)

Opening Balance	1,639,449	1,704,236
Accumulated surpluses or (deficits)	(9,440)	(64,786)
Total Accumulated surpluses or (deficits)	1,630,009	1,639,449



2020

2019

7. Breakdown of Reserves

Reserves		
Donations Specific - Equity	348,482	348,482
Grant Received	38,590	38,590
Grants - Park Extension	1,580,154	1,580,154
Total Reserves	1,967,226	1,967,226

8. Commitments

There are no commitments as at 30 June 2020. (Last year - nil).

9. Contingent Assets and Liabilities and Guarantees

There are no contingent assets or liabilities or guarantees as at 30 June 2020 (Last year - nil).

10. Assets Held on Behalf of Others

The Museum holds a portion of the collection through short and long term loan agreements for both ongoing care, research and exhibition purposes. This includes a large collection of material owned by the Nga Taonga a Nga Tama Toa Trust who own and operate the neighbouring C Company Memorial House.

11. Related Parties

Purchases (ex GST)	2020	2019
Te Rau Print (publications) -A trustee is a Director and Shareholder of this company	4,414	16,215
The Gisborne Herald (newspaper subscriptions and advertising) -A trustee is a Director and Shareholder of this company	7,431	5,553
Gisborne Office Products Depot (office materials) -A trustee is a Director and Shareholder of this company	3,649	5,620
Chrisp & Davidson Ltd (accountancy services) -A trustee is a Director and Shareholder of this company	9,000	9,000
Historic Places Tairāwhiti (book purchases) -The Director is an Officer of this Charitable Entity	654	87



Gisborne District Council (insurance, water rates, Building WOF, book purchases, exhibition expense) -Two Trustees are appointed by the Council as Council Representatives	22,927	18,773
Steve Gibbs (Design contract & commission) -Trustee appointed by Ngai Tamanuhiri as representative	9,891	583
Rongowhakaata Iwi Trust (Te Papa project salary) -One Trustee is appointed by Rongowhakaata as a representative	4,525	0
Total Purchases	62,491	55,831
Revenue (ex GST)		
Gisborne District Council (Insurance & Operating Grants, Revenue, Received in Advance) - Two Trustees are appointed by the Council as Council Representatives	744,564	749,451
Activate Tairawhiti (Entry/Admissions) - A Trustee is a Director & Trustee - Shareholder of this company	0	1,087
Gisborne Artists' Society Incorporated (Exhibition Previews) - A Trustee is an Officer of this Charitable Entity	217	335
Friends of Tairawhiti Museum (newsletters & painting sale) - Four trustees are appointed by Friends of Tairawhiti Museum as Incorporation representatives	3,141	5,858
Total Revenue	747,922	756,731

12. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

13. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.



Independent Auditor's Report

To the Board of Trustees of Gisborne Museum of Art & History Trust

Trading as Tairawhiti Museum

Opinion

We have audited the performance report of Gisborne Museum of Art & History Trust on pages 4 to 16, which comprises the Entity Information, Statement of Service Performance, Statement of Financial Performance and Statement of Cash Flows for the year ended 30 June 2020, the Statement of Financial Position as at 30 June 2020, and the Statement of Accounting Policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the accompanying performance report presents fairly, in all material respects:
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of Gisborne Museum of Art & History Trust as at 30 June 2020, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of Gisborne Museum of Art & History Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Gisborne Museum of Art & History Trust.

Information other than the performance report and auditor's report thereon

The Board of Trustees are responsible for the other information. The other information comprises Part 1 of the Annual Report; From the Chairman of the Board of Trustees, Board Members, Museum Staff and Director's Review of the Year but does not include the performance report and our auditor's report thereon.

Our opinion on the performance report 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, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Responsibilities of the Board of Trustees for the Performance Report

The Board of Trustees are responsible for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report on behalf of the entity which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and

- (c) such internal control as Board of Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Board of Trustees are responsible on behalf of Gisborne Museum of Art & History Trust for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Trustees either intend to liquidate Gisborne Museum of Art & History Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is 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 conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, 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.

- 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by Board of Trustees 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 performance report 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.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Board of Trustees 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.

Graham & Dobson Ltd

22 October 2020
Graham & Dobson Ltd
Chartered Accountants
Gisborne