

RICCARTON BUSH TRUST

EST.1914



ANNUAL REPORT 2010

OUR VISION

That Riccarton Bush, House and Grounds is the Premier Natural and Cultural Heritage site in Christchurch and Canterbury.

KEY OBJECTIVES

- ◆ To protect and enhance the indigenous flora, fauna and ecology of Riccarton Bush.
- ◆ To conserve Deans Cottage, Riccarton House and their grounds with Riccarton Bush and the Deans family history.
- ◆ To encourage public use and participation of the reserve and to inform visitors about the natural, Maori, and colonial heritage of Christchurch.

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Trust Gardener
Alan Bowles

RICCARTON BUSH TRUST

Report from the Chairman & the Manager

We are pleased to report on a busy and productive year ending 30 June 2010 at Riccarton House and Bush.

Our Governance

The main governance issues for the Board during the year have included:

- ◆ The Board has spent a great deal of time on reviewing aspects of the Integrated Development Project, (IDP) and more particularly on reviewing options for traffic management on the site. This is a difficult balance of minimising environmental impact whilst at the same time mitigating health and safety risk to visitors.
- ◆ In December 2009, the Board signed off on an Amendment to the Riccarton Bush Act which will bring the Act up to date and enhance future stewardship of the site. As at 30 June 2010, the board was awaiting confirmation of the draft Bill in terms of compliance with the Councils review of Council appointments to outside organisations.
- ◆ The Board has been actively monitoring performance of the Catering Licensees during a time of difficult trading within the retail sector.
- ◆ The board has continued to work with the Council, towards better long term protection for Riccarton Bush through a Council initiated plan change. This culminated in the Council approving Plan Change 44 in June 2010 which is currently in the process of public consultation.
- ◆ The impact of a growing "Farmers Market" at Riccarton House has created some negative environmental impact, and the Board has been actively reviewing mitigation options.



Riccarton Bush Trust Board 2010

Back Row Standing: Pearl Chang (Accountant); Bob Shearing (Trustee); Mike Wall (Trustee); Rob Dally (Manager); Brian Deans (Trustee); Mike Mora (Deputy Chair); Tony Gemmill (Trustee)
Front Row Seated: Pam Wilson (Trustee); Charles Deans (Chairman); Beth Dunn (Trustee); Dr Brian Molloy (Trustee), Absent John Moore, Ranger





Bubble Machine Farmers Market



School group outside
Deans Cottage



Walking the Dogs

Our Visitors

Riccarton House and Bush continues to attract local and international visitors albeit some of the more locally focussed visitation is as a result of a burgeoning Farmers Market at Riccarton House which has had some deleterious impact on the grounds, especially during the wet winter months.

Whilst it is wonderful to see the community actively embracing the trading of home/artisan produced food and produce with associated entertainment at the Farmers Market at Riccarton House every Saturday morning, in a similar manner to the Deans helping to feed the early Pilgrim settlers of the 1850's, there are some downsides which the Trust is working through.

The F.I.T. visitor market has declined over the period along with some of the bus tour groups from overseas, but group tours from visiting cruise ships during the summer months has held up and looks promising for next season.

It is always great to see bus loads of school children from primary to secondary age enjoying either a visit to Riccarton House or the Riccarton Bush or to both. The majority of these visits from throughout Canterbury are managed by the Canterbury Museum, with Trust staff managing the minority balance.

The people counter installed in Riccarton Bush last year tells us that from 3000 to 6000 people visit the bush each month, which is quite remarkable.

Taste Catering continue to do a fantastic job of attracting people to the site through both the Farmers Market managed by Taste, and through the many activities associated with the café and catering function. A big thanks to Taste.

The 2:00pm Guided Heritage House Tours have run at a similar level to last year, dropping off during a cold and wet winter.

Our Heritage Houses

Routine maintenance on Riccarton House and Deans Cottage has included the annual wash down and "touch up paint" of both buildings; a wash down of the Drawing Room and painting of the ceiling; a wash down of the oak panelling in the entry foyer and up the stairs. Riccarton House continues to provide a venue with significant ambiance and a point of difference for many special events ranging from Trust Board meetings to wedding receptions to large wakes! Five out of the six Collette Tour itineraries in New Zealand have their farewell dinners at Riccarton House providing wonderful reminders of a bye gone era.

Of course many of the visitors to Riccarton House are hosted by our in house caterer/licencee, Taste Catering and we wish to acknowledge Taste for the part that they play as "mine host" to our/their special guests.



Deans Cottage Evening



Riccarton House
Entrance Hallway



Winter morning Riccarton
House

Our Bush and Our House Grounds



New Bush Signage



Kahikatea Seedlings



Kahikatea Tree

We have again enjoyed a predator free year in Riccarton Bush due to the vigilance and diligence of the Ranger and Rangers Assistant. Thank you both so much. During the year an opossum managed to infiltrate the bush, we presume by launching from an adjacent tree, only to be captured in a cage by the Ranger after several weeks of baiting.

Probably the most exciting development for the Bush during the year was the Council adoption for public consultation, of Plan Change 44 which proposes to give the trees inside the predator proof fence, "protected tree status".

Security to the entire site has been improved through the erection of a 1.8 metre high steel rod perimeter fence with the gates locked during the hours of darkness.

Since the gate locking on 1 June 2010, there has been a noticeable drop off in security related events and from rubbish generated by visitors previously walking across the grounds (but not visiting).

There has been some extremely positive feedback on the new fence and limited negative response.

Security of the Bush was also enhanced during the year through the installation of an electrical "hotwire" atop the predator proof fence and the installation of a security camera in the Bush gate enclosure.

Our partnership with DOC and the New Zealand Conservation Trust in the running of a "Crèche" for juvenile Great Spotted Kiwi continues to be rewarding, with the adult Kiwi being relocated back to the wild.

During the year, a number of Flora interpretation signs were installed in the bush with good visitor feedback. There were also a number of native flora species once endemic in the bush, planted.

The Bush and House Grounds continue to be popular with visitors mainly from Christchurch and from around the country and overseas.

Our People

We wish to sincerely thank the Riccarton Bush Trustees and the staff of Riccarton House and Bush for their diligence and valued contribution throughout the year.

There have been no changes to either the Board or the staff during the year and it is good to note the enthusiasm and team work in both areas.

Pearl Chang, our Council Accountant has been a delight to work with and has created significant value in the analysis of monthly financial reports for the Trust.

Our heritage trained tradesmen have made valuable contributions to keep the heritage assets up to scratch. Special thanks to Kevin Whitelaw (Building); Ross Moulton (Plumbing) and Ricky Pye (Electrical).

Special thanks to Lorraine Bayford and her word processing/graphics skills for producing Board reports and the Annual Report.



Trust Ranger John Moore dealing with limb fall.

Our Supporters

As a Council Controlled Organisation (CCO), we receive valuable support and guidance from a number of people from debtor/creditor ledgers through to annual accounts and SOI development and monitoring.

Important advice from the Council on property, planning, Resource Management LGA and associated legal matters is acknowledged with thanks in particular to Diane Brandish, Angus Smith and Robert O'Connor.

Thanks to those people who donate heritage items to the Trust; to those who act as informal voluntary wardens; to those who donate goods/services and to those good people who put money in the donation boxes.

Our Projects

The Trust has initiated a number of projects during the year, both small and large, and the following stand out:

Stage 1 of the Integrated Development Project was consented on 8 December 2009. This enabled work to commence on the long awaited steel perimeter fence which took almost 3 months to install, with the gates locked overnight for the first time on 1 June 2010. Metalcraft Engineering Co. Ltd won the tender for the project, and have delivered a great final product. Many Locals have complimented the Trust on the fence with few detractors.

Kevin McPherson and Sons Landscape Contractors, have levelled and re-sown the desire lines and have completed a new asphalt pathway around the Kahu / Titoki corner. With new signage at the gates and along the shared cycleway/pedestrian way, both entrances are looking very smart.

Five CCTV Security cameras have been installed in the Riccarton House/Deans Cottage/Bush Entry precinct, enhancing security of these irreplaceable assets.

- (i) The Trust has been actively reviewing options for Stage 2 IDP, particularly relating to traffic management and the mitigation of potential health and safety hazards for visitors to the site.
- (ii) The Juvenile Great Spotted Kiwi crèche project in partnership with DOC and the New Zealand Conservation Trust has consolidated well over the period, with the release back into the wild of the first group of residents in December, and with a new group of six juvenile Kiwis taking up residence in May 2010.
- (iii) The clearing of the overgrown "Pear Tree Island" and the commencement of rhododendron planting on the island. This is an exciting ongoing project and will add colour and balance to the landscape to the rear of Riccarton House.



New Memorial Seat in
Riccarton Bush.

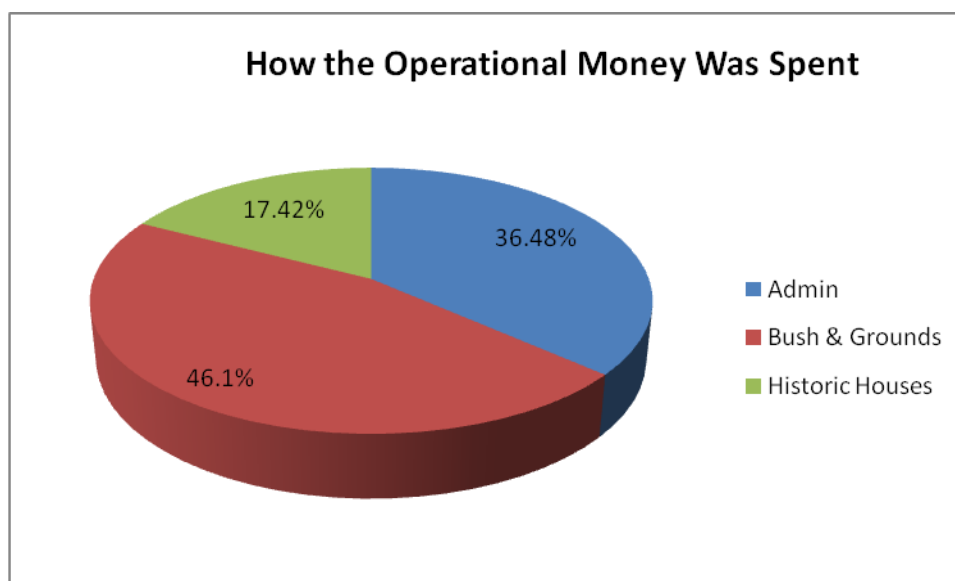
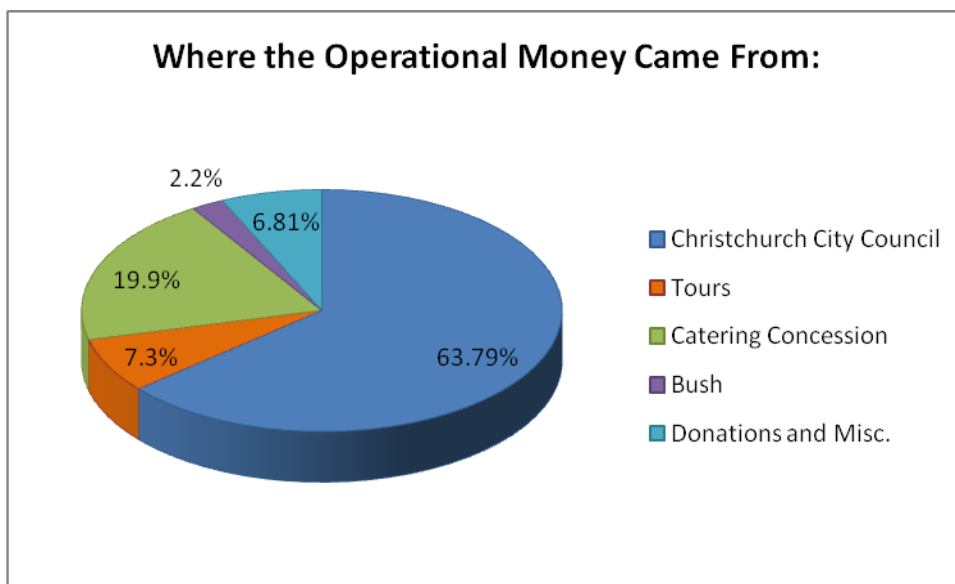
Our Finances

The Trust has recorded a satisfactory financial outcome for the YE 30 June 2010 with a net surplus of \$131,200 compared with \$149,912 for the previous year.

The significant net surplus in 2010 is largely due to capital project funding of \$133,000 recognised and received from the Christchurch City Council.

We note that revenue from operations was \$23,638 less than in 2009 primarily due to a significant decrease in catering rent and commissions and that operational expenses were \$13,824 less than last year.

As a guide to the nature and scope of operational income and expenditure, the pie charts below detail the various ratios.

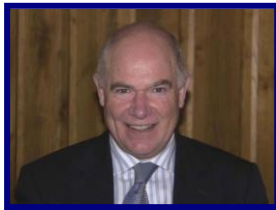


The Riccarton Bush Trust was registered as a charitable entity in accordance with the Charities Act 2005, on 26 May 2008.

Looking Forward

2009/2010 has seen the Trust take a major step forward with the implementation of Stage 1 of the IDP and a number of smaller projects. Much remains to be done including:

- ◆ Completion of Stage 1 of the IDP which is the replacement electrical switchboard for Riccarton House.
- ◆ Stage 2 of the IDP remains to be finalised in terms of its nature and scope which includes improved traffic management/health and safety for visitors; improved lighting.
- ◆ Siting options for the Farmers Market at Riccarton House and tidying up the precinct in front of Riccarton House.
- ◆ Completion of a heating project for Riccarton House.
- ◆ Sourcing additional funding for the IDP and heating project.
- ◆ Finalisation of the amendment to the Riccarton Bush Act.
- ◆ Support for the introduction of Plan change 44 to give better protection to Riccarton Bush.
- ◆ Development of a site management plan.
- ◆ Further refurbishment of Riccarton House.... And the list goes on.
- ◆ Finalising the amendment to the Riccarton Bush Act.



Charles Deans
Chairman



Rob Dally
Manager

Annual Accounts

**for the year ended
30 June 2010**

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Directory

ADDRESS

16 Kahu Road
PO Box 8276
Christchurch

TRUSTEES

C Deans (chairman)
B Deans
B Molloy

B Dunn
M Mora
P Wilson

B Shearing
M Wall
T Gemmill

BANKER

Bank of New Zealand
Christchurch

SOLICITOR

Meares Williams
Christchurch

AUDITOR

Audit New Zealand on behalf of the
Office of the Auditor General
Christchurch

Statement of Comprehensive Income

For the year ended 30 June 2010

	Note	2010 \$	2009 \$
Revenue from operations	2	112,112	135,750
Other income	2	<u>429,460</u>	<u>438,358</u>
		<u>541,572</u>	<u>574,108</u>
Employee benefits expense	3	217,323	224,623
Depreciation and Impairment	3	63,131	60,325
Other expenses	3	<u>129,918</u>	<u>139,248</u>
		<u>410,372</u>	<u>424,196</u>
Net Surplus/(Deficit) for period		<u><u>131,200</u></u>	<u><u>149,912</u></u>
Other Comprehensive Income		-	-
Total Comprehensive Income		<u><u>131,200</u></u>	<u><u>149,912</u></u>

The significant net surplus from in 2010 is largely due to capital project funding of \$133,000 recognised and received from the Christchurch City Council. The full amount has been used in 2010 for capital expenditure related to the Integrated Development Project. The net surplus in 2009 is largely due to capital project funding of \$150,000 received from the Canterbury Community Trust and the Eureka Trust and used to fund capital expenditure related to the Integrated Development Project.

The accompanying accounting policies and notes form part of these financial statements

For and on behalf of the Board of Trustees, which authorised the issue of the financial report on:

Date

16 SEPTEMBER 2010

Chairman



Manager



Statement of Changes in Equity
For the year ended 30 June 2010

	Retained earnings \$	Other reserves \$	Total equity \$
Balance at 30 June 2008	634,977	5,632,422	6,267,399
Total comprehensive income for the period	149,912	-	149,912
Transfer to/from Retained Earnings	3,422	(3,422)	-
Balance at 30 June 2009	788,311	5,629,000	6,417,311
Total comprehensive income for the period	131,200	-	131,200
Balance at 30 June 2010	919,511	5,629,000	6,548,511

The accompanying accounting policies and notes form part of these financial statements

Statement of Financial Position

As at 30 June 2010

	Note	2010 \$	2009 \$
Current assets			
Cash and cash equivalents	5	429,425	421,396
Trade and other receivables	7	20,341	22,350
Inventories	6	543	933
Total current assets		<u>450,309</u>	<u>444,679</u>
Non-current assets			
Property, plant and equipment	8	<u>6,150,846</u>	<u>6,081,475</u>
Total non-current assets		<u>6,150,846</u>	<u>6,081,475</u>
Total assets		6,601,155	6,526,154
Current liabilities			
Trade and other payables	9	25,299	74,081
Provisions	10	<u>27,345</u>	<u>34,762</u>
Total current liabilities		<u>52,644</u>	<u>108,843</u>
Total liabilities		52,644	108,843
Net assets		<u>6,548,511</u>	<u>6,417,311</u>
Equity			
Reserves	11	5,629,000	5,629,000
Retained earnings	12	919,511	788,311
Total equity		<u>6,548,511</u>	<u>6,417,311</u>

The accompanying accounting policies and notes form part of these financial statements

Statement of Objectives and Performance

For the year ending 30 June 2010

The following summarises the Trust's performance against the objectives for the year.

	Targets	Outcomes	Notes
Financial	• Revenue = \$412,220 (excluding capital and interest revenue) • Operating expenses = \$402,000 (excluding depreciation, inventory write-off and impairment expenses) • Operating Surplus before depreciation = \$10,000 (excluding capital revenue)	• Revenue = \$401,322 (excluding capital and interest revenue) • Operating expenses = \$347,078 (excluding depreciation, inventory write-off and impairment expenses) • Operating Surplus before depreciation = \$54,244 (excluding capital revenue)	• Exceeded target due to : 1. unbudgeted income subsidy received from Work and Income through the Community Max programme. 2. above budget outcome with tours revenue, which offset below budget outcomes in catering rental lower than expected . • Less than budgeted due to management keeping a tight rein and close watch on expenditures. • Exceeded target due to unbudgeted income subsidy received from Work and Income through the Community Max programme.
Operational	• Main elements of Integrated Development Project implemented (IDP) i.e. perimeter fence; bus turn/park; CCTV system; upgraded lighting. • Proposed amendment to Riccarton Bush Act in place. • Commence work on a Management Plan for Riccarton House and Bush • Commence review of space use for first floor rooms of Riccarton House	• Project split into Stage 1 and Stage 2. • Resource Consent for Stage 1 granted 8 December 2009 • Behind target • Behind target • Behind target	• Issues were more complex than articulated. Stage 2 IDP yet to be resource consented , this includes bus turn/park and upgraded lighting. • Stage 1 includes the steel perimeter fence (completed); CCTV system for Riccarton House (stage 1, due completion June 2010); replacement switchboard for Riccarton House (delayed awaiting finalisation of heating project) • Amendment Act has been drafted and provided to Council. The Council are currently considering Board representation. • Awaiting Amendment Act finalisation. • Start date yet to be determined .
Environmental & Social Performance	• Translocate plant species once endemic in Riccarton Bush and now no longer in existence. • Temporarily translocate Great Spotted Kiwi in Riccarton Bush • Improve security of Bush	• On target • On target • On target	• Clematis paniculata seeds sourced and propagated for planting during spring 2010 • Metrosideros Diffusa planted in Autumn • Decksonia squarrosa and fibrosa sourced and planted in Autumn • The temporary Great Spotted Kiwi crèche in partnership with DOC and the New Zealand Conservation Trust was very successful with 5 juvenile Kiwi temporarily housed in 2009 and a further 6 juvenile Kiwi introduced to the bush in early 2010 • Resource consent obtained and an electric hot wire installed atop of the predator proof fence • Dome CCTV security camera installed at Bush entry gate

Notes to the Financial Statements

1. Statement of Accounting Policies

Reporting entity

Riccarton Bush Trust operates under the Riccarton Bush Act 1914 and is a Council Controlled Organisation under the Local Government Act 2002. The Trust manages property in Riccarton. The property consists of Riccarton historic house, cottage and grounds, a residential house and conservation bush.

The major source of income is from an operating levy and an additional grant received annually from Christchurch City Council, and from grants and donations and rents from use of the properties.

The financial statements of the Trust are for the year ended 30 June 2010. The financial statements were approved for issue by the Board of Trustees on 21 September 2010.

(a) Basis of preparation

The financial statements of Riccarton Bush Trust have been prepared in accordance with generally accepted accounting practice in New Zealand ('NZ GAAP'). They comply with New Zealand equivalents to International Financial Reporting Standards ('NZ IFRS'), and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The Board has adopted the updated version of NZIAS 1 (as amended November 2007) in this annual report. Adoption of this standard has made no material changes from previous years and no financial figures have been amended.

Differential Reporting

Riccarton Bush Trust is a qualifying entity within the Framework for Differential Reporting. The differential reporting option is available to the Trust as it is not large within the meaning of this term as set out in the Framework and is not publicly accountable. The Trust has taken advantage of all differential reporting concessions available to it.

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

The reporting currency used in the preparation of these financial statements is New Zealand dollars, rounded to the nearest dollar.

The accounting policies have been consistently applied to all periods that the financial statements cover.

(b) Revenue

Grants/Levies

Grants received from the Christchurch City Council are the primary source of funding to the Trust and are restricted for the purpose of the Trust meeting its objectives as specified in the Riccarton Bush Act. The Trust also receives other government assistance for specific purposes, and these grants usually contains restrictions on their use.

Council, Government and non-government grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grant received in advance, and recognised as revenue when conditions of the grant are satisfied.

Other Revenue

Revenue is measured at the fair value of consideration received.

Interest income is recognised using the effective interest method.

(c) Property, plant and equipment

Land, site improvements and buildings are shown at fair value, based on periodic (every three years) valuations by an external independent valuer less subsequent depreciation and impairment.

All other property, plant and equipment are shown at cost, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Disposals

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the surplus or deficit. When revalued assets are sold, the amounts included in other reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the surplus or deficit during the financial period in which they are incurred.

Depreciation

Land and Antique furniture are not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives.

The useful lives of major classes of assets are as follows:

• Buildings	30-100 yrs
• Furniture and fittings	10 yrs
• Plant and equipment	3-30 yrs
• Land improvements	5-100 yrs

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(d) Trade and other receivables

Trade and other receivables are stated at their expected realised value after writing off of any known bad debts and making a provision for doubtful debts which may prove irrecoverable in subsequent accounting periods.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of other inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and other short-term deposits with original maturities of 3 months or less.

(g) Impairment

Assets are reviewed for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

(h) Provisions

A provision is recognised in the balance sheet when the Trust has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

(i) Employee entitlements

Provision is made in respect of the Trust's liability for the short-term employee entitlements.

Liabilities for annual leave and time off in lieu are accrued at the full amount owing at the pay period ending immediately prior to the balance sheet date.

Liabilities for accumulating short-term compensated absences are measured as the amount of unused entitlement accumulated at the pay period ending immediately prior to the balance sheet date, that the entity anticipates employees will use in future periods, in excess of the days that they will be entitled to in each of those periods.

Provisions made in respect of employee benefits which are not expected to be settled within 12 month are measured as the present value of the estimated future cash outflows to be made by the Trust in respect of services provided up to balance date.

(j) Income tax

The Inland Revenue Department (IRD) has confirmed that the Riccarton Bush Trust has charitable status for tax purposes and therefore, is not liable for income tax.

(k) Goods and Services Tax

The financial statements are prepared exclusive of GST with the exception of receivables and payables that are shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

(l) Critical accounting estimates and assumptions

In preparing these financial statements the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Property, plant and equipment useful lives and residual values

At each balance date the Trust reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Trust to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by the Trust, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the surplus or deficit, and the carrying amount of the asset in the statement of financial position. The Trust minimises the risk of this estimation uncertainty by:

- Physical inspection of assets;
- Asset replacement programmes;
- Review of second hand market prices for similar assets; and
- Analysis of prior asset sales;

The Trust has not made significant changes to the past assumptions concerning useful lives and residual values. The carrying amounts of property, plant and equipment are disclosed in note 8.

(m) Critical judgement in applying the Trust's accounting policies

The Trustees must exercise their judgement when recognising grant income to determine if conditions of the grant contract have been satisfied. This judgement will be based on the facts and circumstances that are evident for each grant contract.

2. Revenue and other income

Grants received by the Riccarton Bush Trust from the Christchurch City Council (2010 \$280,000; 2009 \$146,000) are included in "Other income". The received grant is to support Riccarton Bush Trust in general operating activities and ongoing capital projects.

Total Integrated Development Project funds received during the year from Christchurch City Council were \$113,000 and \$20,000 recognised from Revenue in Advance, totalling \$133,000 and is recognised as revenue under "Grants – Christchurch City Council".

	2010 \$	2009 \$
Revenue from operations		
Rents and commission - Riccarton House	79,581	97,975
Heritage income - Riccarton House	29,505	32,104
Sale of plants	323	1,437
Book sales	2,703	4,234
	<u>112,112</u>	<u>135,750</u>
Other Income		
Rents - dwelling	9,360	9,720
Donations and sundry income	10,587	9,569
Employment Subsidies	14,263	-
Levy - Christchurch City Council	108,310	108,310
Grants - Christchurch City Council	279,690	145,563
Grants - General	-	150,000
Interest received	7,250	15,196
	<u>429,460</u>	<u>438,358</u>
Total revenue	<u>541,572</u>	<u>574,108</u>

3. Expenses

	Note	2010 \$	2009 \$
Employee benefits expense:			
Administration		68,568	66,664
Riccarton House		11,891	13,974
Bush and Grounds		129,558	138,670
Trustee		7,306	5,315
		<u>217,323</u>	<u>224,623</u>
Depreciation and impairment of non-current assets:	8		
Land improvement		1,784	739
Buildings		26,750	26,672
Furniture & fittings		6,462	6,071
Plant & equipment		26,667	26,843
Impairment of property, plant & equipment		1,468	-
		<u>63,131</u>	<u>60,325</u>
Other Expenses:			
Administration:			
ACC levy		1,090	1,148
Administration charge		14,004	14,000
Board, legal and other expenses		571	347
Miscellaneous expenses		9,746	11,211
Promotions		10,924	12,626
Rates		2,234	2,108
Stationery		1,984	1,770
		<u>40,553</u>	<u>43,210</u>
Riccarton House:			
Electricity		13,649	12,452
Insurance		2,121	1,073
Maintenance - building		27,984	27,489
Maintenance - equipment and furniture		1,468	2,632
Miscellaneous expenses		2,791	4,900
		<u>48,013</u>	<u>48,546</u>
Bush and Grounds:			
Maintenance		15,854	23,235
Miscellaneous expenses		8,341	6,778
Security		5,439	5,398
Telephone		805	786
		<u>30,439</u>	<u>36,197</u>
Dwelling:			
Maintenance		468	311
Insurance		86	181
		<u>554</u>	<u>492</u>
Miscellaneous expenses:			
Merchandise cost of sales		1,196	2,064
Write-down of inventory to net realisable value		163	239
Bad and doubtful debts		-	-
Auditors' remuneration	4	9,000	8,500
		<u>10,359</u>	<u>10,803</u>
Total Other expenses		<u>129,918</u>	<u>139,248</u>
Total expenses		<u><u>410,372</u></u>	<u><u>424,196</u></u>

4. Remuneration of auditors

	2010 \$	2009 \$
Audit New Zealand		
Audit of financial statements	9,000 <u>9,000</u>	8,500 <u>8,500</u>

The auditor of Riccarton Bush Trust is appointed by the Office of the Auditor-General. The Office has appointed Audit New Zealand to undertake the audit.

5. Cash and cash equivalents

	2010 \$	2009 \$
Cash at bank and in hand	202,273	116,197
Deposit on call	227,152	305,199
	<u>429,425</u>	<u>421,396</u>

6. Inventories

	2010 \$	2009 \$
Book Stock on hand:		
- at net realisable value	543	933
	<u>543</u>	<u>933</u>

7. Current trade and other receivables

	2010 \$	2009 \$
Debtors and Accruals	20,341	18,558
GST receivable	-	3,792
	<u>20,341</u>	<u>22,350</u>

(a) Bad and doubtful trade receivables

There is no loss (2009: Nil) recognised in respect of bad and doubtful trade receivables during the year ended 30 June 2010. The allowance for doubtful debts has been calculated based on expected losses for the Trust's pool of debtors. Expected losses have been determined based on an analysis of the Trust's losses in previous periods, and review of specific debtors.

8. Property, plant and equipment

	Land & Land Improvement land at fair value \$	Buildings at fair value \$	Furniture & fittings at cost \$	Plant & equipment at cost \$	Antique furniture at cost \$	Movement in WIP	Total \$
Gross carrying amount:							
Balance at 1 July 2008	4,246,341	1,315,426	104,741	560,370	178,657	21,357	6,426,893
Additions	-	3,522	3,923	14,333	3,422	-	25,200
Movement in WIP	-	-	-	-	-	43,380	43,380
Balance at 30 June 2009	<u>4,246,341</u>	<u>1,318,948</u>	<u>108,664</u>	<u>574,703</u>	<u>182,079</u>	<u>64,737</u>	<u>6,495,473</u>
Additions	140,836	(83)	1,221	19,160	-	-	161,134
Movement in WIP	-	-	-	-	-	(28,632)	(28,632)
Balance at 30 June 2010	<u>4,387,177</u>	<u>1,318,865</u>	<u>109,885</u>	<u>593,863</u>	<u>182,079</u>	<u>36,105</u>	<u>6,627,975</u>
Accumulated depreciation, amortisation and impairment:							
Balance at 1 July 2008	-	-	(72,923)	(280,750)	-	-	(353,673)
Depreciation expense	(739)	(26,672)	(6,071)	(26,843)	-	-	(60,325)
Balance at 30 June 2009	<u>(739)</u>	<u>(26,672)</u>	<u>(78,994)</u>	<u>(307,593)</u>	<u>-</u>	<u>-</u>	<u>(413,998)</u>
Impairment losses charged to profit	-	-	-	(1,468)	-	-	(1,468)
Depreciation expense	(1,784)	(26,750)	(6,462)	(26,667)	-	-	(61,663)
Balance at 30 June 2010	<u>(2,523)</u>	<u>(53,422)</u>	<u>(85,456)</u>	<u>(335,728)</u>	<u>-</u>	<u>-</u>	<u>(477,129)</u>
Net book value as at 30 June 2009	<u>4,245,602</u>	<u>1,292,276</u>	<u>29,670</u>	<u>267,110</u>	<u>182,079</u>	<u>64,737</u>	<u>6,081,475</u>
Net book value as at 30 June 2010	<u>4,384,654</u>	<u>1,265,443</u>	<u>24,429</u>	<u>258,135</u>	<u>182,079</u>	<u>36,105</u>	<u>6,150,846</u>

Land, site improvements and buildings were revalued at fair value at 30 June 2008 by an external independent valuer (Good Earth Matters Consulting Limited).

9. Current trade and other payables

	2010 \$	2009 \$
Trade payables	14,433	42,914
GST payable	1,866	-
Audit Fee	9,000	8,500
Revenue in advance (refer to comments under Note 2)	-	22,667
	<u>25,299</u>	<u>74,081</u>

10. Current provisions

	2010 \$	2009 \$
Employee benefits	16,886	24,697
Provision for Retirement gratuity	10,459	10,065
	<u>27,345</u>	<u>34,762</u>

11. Reserves

Special Funds

On 6 August 2002, Mr Christopher Deans donated the sum of \$57,145 (\$50,000 AUD) to be used exclusively for the purchase of antique items from the other members of the Deans family. The Trust also received a sum of \$2,862 donation from Mr Hugh Deans in October 2005. This donation is to be used for special projects. In June 2009, \$3,422 was spent on the acquisition of an antique Victorian bookcase.

	Special funds \$	Asset revaln \$	Capital reserve \$	Total \$
Balance at 1 July 2008	53,437	4,497,819	1,081,166	5,632,422
Gain/(loss) on property revaluation		-		-
Transfer from retained earnings	(3,422)			(3,422)
Balance at 30 June 2009	50,015	4,497,819	1,081,166	5,629,000
Gain/(loss) on property revaluation		-		-
Transfer from retained earnings				
Balance at 30 June 2010	50,015	4,497,819	1,081,166	5,629,000

12. Retained earnings

	2010 \$	2009 \$
Balance at beginning of financial year	788,311	634,977
Surplus/(deficit)	131,200	149,912
Transfer to/from special funds reserve	-	3,422
Balance at end of financial year	<u>919,511</u>	<u>788,311</u>

13. Financial instruments

Financial instruments are Cash and cash equivalents (see Note 5). The average interest rate earned during 2010 financial year was 2.75%.

Risk

The Trust has policies to manage the risks associated with financial instruments. The Trust is risk averse and seeks to minimise exposure from its treasury activities.

Interest rate risk

The Trust is exposed to interest rate risk on funds invested at both fixed and floating interest rates. The risk is managed by restricting investment to quality investment grade issues, pursuant to Christchurch City Council's investment policy.

Credit Risk

Credit risk refers to the risk that a third party will default on its contractual obligations to the Trust, causing the Trust to incur a loss. Financial instruments which potentially subject the Trust to credit risk consist principally of cash and short term investments, and accounts receivable.

The Trust banks solely with Bank of New Zealand (BNZ) and therefore credit risk is concentrated with BNZ. BNZ has a AA credit rating with Standard and Poor's (Australia) Pty limited.

14. Commitments for expenditure

	2010	2009
	\$	\$
Lease commitments:		
Not later than one year	1,152	119
Later than one year and not later than five years	2,592	-
	<u>3,744</u>	<u>119</u>
Other expenditure commitments:		
Not later than one year	16,108	15,818
Later than one year and not later than five years	48,324	63,272
Later than five years	-	-
	<u>64,432</u>	<u>79,090</u>

The total non-cancellable operating lease amount relates to the lease of a digital copier. The lease expires in September 2013.

The Trust has entered into a 7 year maintenance contract with Programmed Maintenance Services Ltd, starting 2008. The 2008 running cost was \$14,785 with 2009 and out years benchmarked to inflation.

15. Contingencies

Riccarton Bush Trust has no contingent liabilities as at 30 June 2010 (2009: Nil). There are no contingent assets as at 30 June 2010 (2009: Nil).

16. Related party transactions

Christchurch City Council

The Trust receives a significant amount of operating grants from the Christchurch City Council to deliver its objectives as specified in the Riccarton Bush Act, refer Note 2.

During 2009, the Trust purchased services worth \$29,211 (2009 \$52,505) from the Council. These consisted of accounting services and design of the Integrated Development Project. The total amount of operating and capital grants received from the Council is disclosed in Note 2. \$1,438 was outstanding at balance date (2009: \$3,229).

Canterbury Community Trust

A member of the Trust's key management personnel is a trustee of Canterbury Community Trust.

The Trust received \$120,000 of funding from Canterbury Community Trust to deliver its Integrated Development Project in 2009

17. Post balance date events

On 4 September 2010 the Canterbury region experienced an earthquake that caused damage to 5 of the 6 chimneys on Riccarton House. An assessment of the damage is being performed and at this time the extent of the impact on the Trust's assets or operations is unable to be quantified.

18. Capital management

The Trust's capital is its equity, which comprises Trust capital and retained surpluses. Equity is represented by net assets.

The Riccarton Bush Act requires the Board of Trustees to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently. The Trust's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

AUDIT REPORT

**TO THE READERS OF
RICCARTON BUSH TRUST'S
FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010**

The Auditor-General is the auditor of Riccarton Bush Trust (the Trust). The Auditor-General has appointed me, John Mackey, using the staff and resources of Audit New Zealand, to carry out the audit on her behalf. The audit covers the financial statements and performance information included in the annual report of the Trust for the year ended 30 June 2010.

Unqualified opinion

In our opinion:

- The financial statements of the Trust on pages 12 to 14 and 16 to 24:
- comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Trust's financial position as at 30 June 2010; and
 - the results of its operations for the year ended on that date.
- The performance information of the Trust on page 15 fairly reflects the achievements measured against the performance targets adopted for the year ended 30 June 2010.

The audit was completed on 16 September 2010, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Trustees and the Auditor, and explain our independence.

Basis of opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and performance information did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and performance information. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Trustees;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and performance information.

We evaluated the overall adequacy of the presentation of information in the financial statements and performance information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Trustees and the Auditor

The Trustees are responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Trust as at 30 June 2010 and the results of its operations for the year ended on that date. The Trustees are also responsible for preparing performance information that fairly reflects service performance achievements for the year ended 30 June 2010. The Trustee's responsibilities arise from the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements and performance information and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 69 of the Local Government Act 2002.

Independence

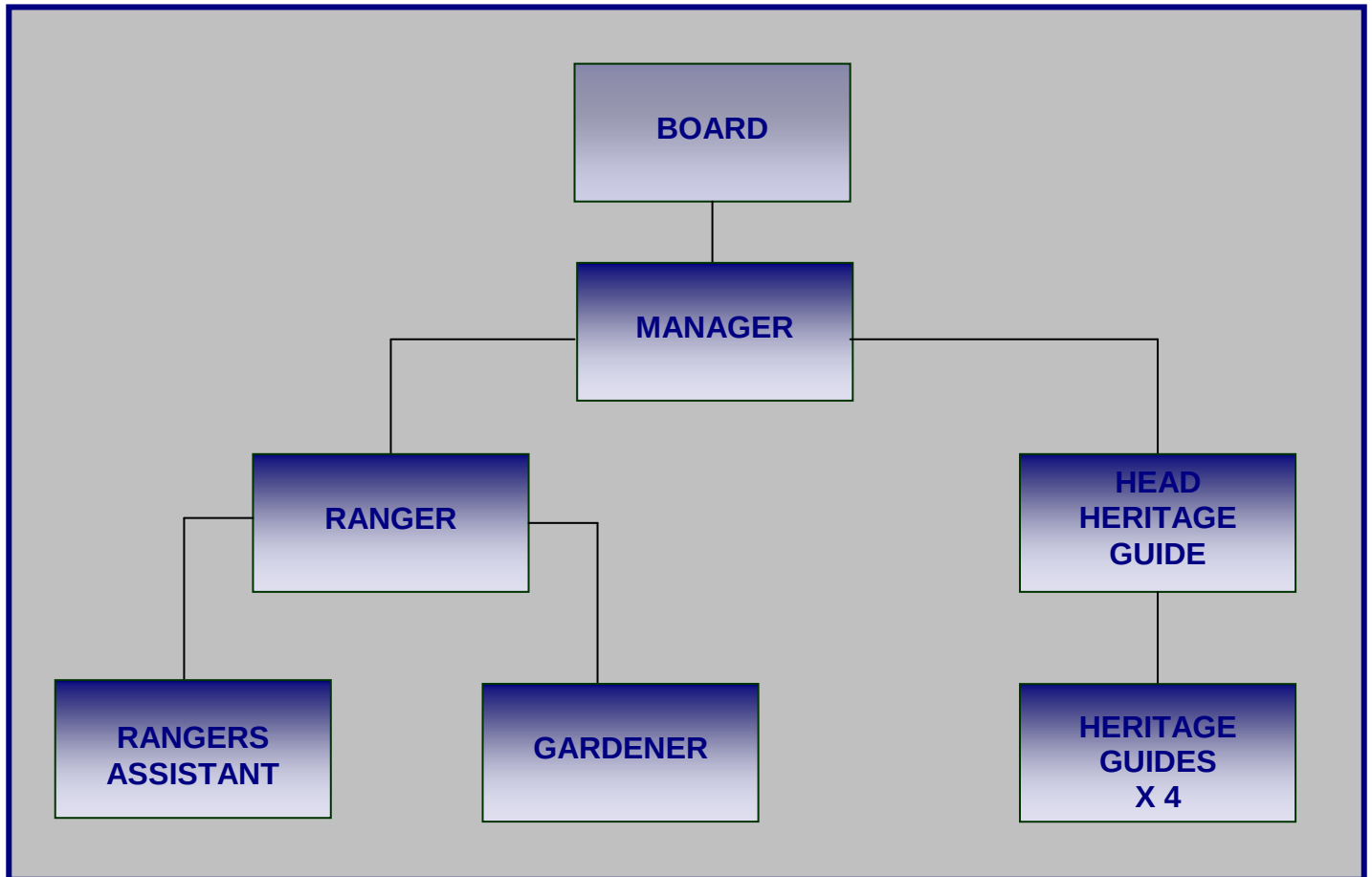
When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

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



John Mackey
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

RICCARTON HOUSE & BUSH ORGANISATIONAL CHART As at 30 June 2010



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GOVERNANCE AND STAFFING

CHAIRMAN	Mr Charles Deans
DEPUTY CHAIRMAN	Mr Mike Mora
TRUSTEES	Mr Brian Deans Mr Charles Deans Ms Beth Dunn * Mr Tony Gemmill * Dr Brian Molloy Mr Mike Mora * Cr. Bob Shearing * Cr Mike Wall * Mrs Pamela Wilson * * Christchurch City Council Appointees
MANAGER	Rob Dally
RANGER	John Moore
BANKERS	Bank of New Zealand
AUDITORS	Audit New Zealand
SOLICITORS	Meares Williams
RANGERS ASSISTANT	Shane Dunning
GARDENER	Alan Bowles
HEAD HERITAGE GUIDE	Anne Robertson
HERITAGE GUIDE	Ruth Deans
HERITAGE GUIDE	Caroline Curry
HERITAGE GUIDE	John Hoskin
HERITAGE GUIDE	Betty Leggat



The Mad Hatter

MAJOR DONATIONS AND GRANTS FOR THE YEAR 30 JUNE 2010

CHRISTCHURCH CITY COUNCIL	\$146,690
PHILIP & ELIZABETH NETTLETON	\$1043.00
JAN DALLY	PHOTOGRAPHY

The Riccarton Bush Trust sincerely thanks the above individuals / groups for their generous donations.



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