



**Rod Donald Banks Peninsula Trust**  
**Te Pātaka o Rākaihautū**

**Statement of intent**

**For the year**  
**1 July 2017 - 30 June 2018**

## **Rod Donald Banks Peninsula Trust Contact Details**

Registered office Christchurch City Council, 53 Hereford Street, Christchurch  
Postal Address: P.O. Box 5, Little River, Banks Peninsula 7591  
Email: manager@roddonaldtrust.co.nz  
Phone 03-304-7733  
Physical Address: c/o DJCA, Level 3, 50 Victoria Street, Christchurch 8013

## **Current Trustees**

Simon Mortlock  
PO Box 13 474  
Christchurch 8141

Bob Webster  
20 Hyndhope Road  
Halswell 8025

Maureen McCloy  
7 Victoria Park Road  
Cashmere  
Christchurch

Christine Williams  
49a Studholme Street  
Somerfield  
Christchurch 8024

Cynthia Roberts  
PO Box 17-727  
Sumner 8840

Richard Suggate  
16 Whero Avenue  
Diamond Harbour  
RD1 Lyttelton 8971

Andrew Turner  
PO Box 209  
Lyttelton 8841

Bryan Storey  
36 Bay View Road  
Moncks Bay  
Christchurch 8081

Paul McNoe  
2 Petworth Place  
Westmorland  
Christchurch 8025

## Executive summary

The Rod Donald Banks Peninsula Trust, a Council Controlled Organisation of Christchurch City Council, presents its goals and performance measures for 2017-19. These build on the policies the Trust has developed in the seven years since its inception, the projects it has in progress, and the relationships it has developed with others.

The Trust exists for the benefit of the present and future inhabitants of Banks Peninsula and for its visitors. It has broad objectives of sustainable management, and the protection, preservation and enhancement of the environment, recreation, culture and heritage.

*The nature and scope of activities planned for the next three years include:*

- Taking a leadership role to secure and extend public walking and cycling **access** on a network of well-marked and managed tracks;
- Taking a support role to assist others to secure and enhance areas of native **biodiversity**;
- Taking a leadership role in the dissemination of **knowledge** with regard to public walking access and a support role with regard to biodiversity, culture and heritage;
- Working in **partnership** with statutory or community bodies as appropriate.

*Projects in progress and planned include:*

- Te Ara Pātaka –securing access on this multi-day upland tramping track connecting the Lyttelton and Akaroa craters, developing maps and shelters, and eventually extending it to connect to Akaroa and/or the Southern Bays;
- managing, maintaining and developing the Trust’s existing assets including Rod Donald Hut, a suite of walking information products and the annual Banks Peninsula Walking Festival;
- securing walking access on the popular Woodills South track at Akaroa;
- supporting development of the Head to Head walkway around Lyttelton Harbour/Whakaraupo;
- developing accommodation on Quail Island/Ōtamahua jointly with the Department of Conservation;
- supporting the Banks Peninsula Conservation Trust and its vision to create a pest free Banks Peninsula;
- developing more walking and cycling opportunities from Little River.

The Trust regards securing public access as the most significant long-term legacy it can achieve with its funds, noting that this has often coincided with securing land for biodiversity protection. This is a unique point of difference from other organisations working on Banks Peninsula. The Trust has developed a Walking and Cycling Strategy to more specifically guide its decision making on access projects. The CCC Public Open Space Strategy provided a guiding framework for the Trust’s Walking and Cycling Strategy

The Trust’s independence, and its capital base, gives it the ability to secure opportunities as they become available and to work more flexibly and rapidly than most government bodies.

To date the Trust has operated on the premise that it will distribute its initial capital of \$3.5 million on projects. In its first seven years (2010-2017), the Trust will have distributed nearly 30% of the initial capital.

This Statement of Intent signals that the Trust expects to fully deplete the remainder of its capital completing the projects listed above, although not within the three year period covered by this Statement of Intent. During the period of this Statement of Intent, the Trust will work toward securing the long-term future of its assets with other bodies.

## Contents

1	Introduction.....	1
2	Objectives .....	1
3	Governance statement.....	1
3.1	Guiding Principles .....	1
3.2	Responsibility to the Christchurch City Council.....	2
3.3	Subsidiary and Monitored Companies .....	2
3.4	Financial Results .....	2
3.5	Distributions .....	2
4	Nature and Scope of Activities .....	3
5	Performance targets and measures .....	4
5.1	Non-financial performance targets .....	4
5.2	Financial performance targets .....	5
6	General matters.....	6
6.1	Information to be provided to the Christchurch City Council .....	6
6.2	Accounting policies.....	6
6.3	Acquisition of shares in any company .....	6
6.4	Ratio of consolidated Trust funds to total assets.....	6
6.5	Estimate of distributions of accumulated profits and capital reserves.....	6
6.6	Commercial value of the investment .....	6
6.7	Activities for which compensation is sought from any local authority .....	6
Appendix A.	Trust objectives .....	7
Appendix B.	Trust Region.....	9
Appendix C.	Summary of Significant Accounting policies.....	10
Appendix D.	Investment Strategy .....	12
D.1	Trust’s Investment Principles .....	12
D.2	Available Funds.....	13
D.3	Methods to achieve principles .....	13
Appendix E.	Project detail .....	14
E.1	Te Ara Pātaka (Summit Walkway) .....	14
E.2	Rod Donald Hut .....	14
E.3	Walking information products .....	14
E.4	Protecting access on Woodall’s track at Akaroa .....	14
E.5	Developing tramping accommodation on Quail Island.....	14
E.6	Supporting Head to Head walkway .....	14
E.7	Grant funding partner organisations.....	15
E.8	Continued support for Banks Peninsula Walking Festival.....	15

E.9	Developing new walking/cycling opportunities around Little River .....	15
E.10	Supporting the Banks Peninsula Predator-Free initiative .....	15

# 1 Introduction

Rod Donald Banks Peninsula Trust (RDBPT, the Trust) is a Council-Controlled Organisation (CCO) as defined in the Local Government Act 2002, and a Trust for charitable purposes. It is governed by Trustees, the majority of whom are appointed by Christchurch City Council (CCC, the Council).

The negotiation and determination of a Statement of Intent (SOI) is a public and legally required record of the accountability relationship between the Trust and its Settlor, the Christchurch City Council.

This SOI is prepared in accordance with Section 64(1) of the Local Government Act 2002. It sets out the objectives, governance, nature and scope of activities, and targets and performance measures.

The SOI is reviewed annually by Christchurch City Council and covers a three-year period.

## 2 Objectives

RDBPT exists for the benefit of the present and future inhabitants of Banks Peninsula and for visitors to Banks Peninsula.

Its founding deed gives it a wide set of objectives of sustainable management, and the protection, preservation and enhancement of the environment, recreation, culture and heritage. The objectives are listed in full in Appendix A.

The RDBPT has crystallised its wide objectives into four key pillars; **Access, Biodiversity, Knowledge and Partnership**. These pillars are used as criteria to select and assess projects and underpin day-to-day work.

In pursuing the objectives of the RDBPT, the Trustees are required to have regard to:

- a) the views of Te Hapū o Ngāti Wheke (Rāpaki), Te Rūnanga o Koukourārata, Wairewa Rūnanga, Te Taumutu Rūnanga and Ōnuku Rūnanga in respect to the value of Banks Peninsula's Mana Whenua (Land), Mana Moana (Waterways) and Mana Tangata (People);
- b) the potential for alignment between the activities of the Trust and any existing or future projects or initiatives of the Christchurch City Council;
- c) whether other sources of funding or support are available, including assistance provided through industry or regional development policies and programmes of local authorities or central government;
- d) the objectives, roles and activities of any other organisation engaged in similar activities on Banks Peninsula.

## 3 Governance statement

RDBPT is governed by up to nine Trustees, with up to seven Trustees appointed by Christchurch City Council. The Trustees manage the affairs of RDBPT in accordance with their legal obligations, the objectives of the Trust and the terms of the RDBPT Trust Deed.

### 3.1 Guiding Principles

The Trustees' decisions reflect the following values:

- Leading - the RDBPT is a trusted and credible body making unique and courageous decisions and instigating projects
- Linking - the RDBPT focusses on the big picture issues of Banks Peninsula and links people and projects supporting their passion for Banks Peninsula.

- Enhancing - the RDBPT works as an entrusted steward/guardian enhancing the historic work of previous generations
- Enduring - The funds and work of the Trust are to be used to create an enduring legacy for Banks Peninsula.

In furthering these values, RDBPT adheres to the following principles:

- Respecting and engaging with the Banks Peninsula community
- Building high-trust relationships
- Transparency between partners
- No surprises, full disclosure
- Behaving in an ethical manner
- Being formal in its processes – with agreements documented and approved
- Assessing and measuring all its projects against its four pillars of access, biodiversity, knowledge and partnership
- Keeping the public and the Council informed through its website and annual newsletter.

The Trust has developed a Walking and Cycling Strategy to more specifically guide its decision making on access projects. The CCC Public Open Space Strategy provided a guiding framework for the Trust's Walking and Cycling Strategy

### **3.2 Responsibility to the Christchurch City Council**

In accordance with the Local Government Act 2002, the RDBPT will submit an annual SOI to the Council for consultation and approval. The SOI will set out the Trust's objectives, intentions and performance targets.

The Trustees will ensure that CCC is informed of all major developments affecting the Trust's state of affairs. Information will be communicated to the Council by the RDBPT through the annual report and the half-yearly report.

The Trust will endeavour to operate on a 'no surprises' basis for all issues of relevance to the Council. Early notice will be given to the Council of issues requiring its consent.

### **3.3 Subsidiary and Monitored Companies**

The RDBPT has no investments in other companies.

### **3.4 Financial Results**

The Trustees will receive and review the RDBPT's financial and other reports regularly, and will provide financial statements to the Council on a 6-monthly basis.

### **3.5 Distributions**

RDBPT developed an investment policy in 2012 based on the eventual distribution of its entire capital fund and signalled then that the rate and method of this distribution would depend on the opportunities arising that matched the objectives. By the end of the seven year period (July 2010 -June 2017), RDBPT anticipates it will have distributed nearly 30% of its opening funds.

RDBPT signals in this SOI that in completing its current projects the Trust is likely to deplete its capital below the level where it can operate.

## 4 Nature and Scope of Activities

RDBPT was named to honour the memory of MP Rod Donald and his commitment to Banks Peninsula. The Trust's hallmark has been entrepreneurship and practical achievement, important values to Rod Donald. The RDBPT has and will continue to manage its funds well and use them to achieve outcomes that individual groups and projects cannot achieve on their own.

RDBPT has identified securing public walking access as the most important enduring legacy for Banks Peninsula, and the one which it is uniquely positioned to progress. The Trust's independence and its capital base give it the ability to work more flexibly and rapidly to secure opportunities as they become available than many government bodies..

Access is often achieved in conjunction with protecting native biodiversity, developing well-marked tracks, providing public information, and always with partner participation.

RDBPT intends to continue carrying out activities of the following nature and scope over the next three years:

- Taking a leadership role to secure and extend public walking and cycling **access** on a network of well-marked and managed tracks;
- Taking a support role to assist others to secure and enhance areas of native **biodiversity**;
- Taking a leadership role in the dissemination of **knowledge** with regard to public walking access and a support role with regard to biodiversity, culture and heritage
- Working in **partnership** with statutory or community bodies as appropriate on all of its projects.

The activities planned over the next three years aim to complete and further the projects RDBPT has in progress or has adopted. The majority of the costs associated with these projects is incurred through securing public walking access over private land. As this relies on negotiations with willing land-owners, there may be considerable variance in costs and timeframes from the targets in this SOI..

In anticipation that the Trust will at some point fully deplete its capital, it will look to find long-term solutions to the ownership and management of its assets.

RDBPT's current projects, and those to which funds have already been pledged, include:

- Te Ara Pātaka (Summit Walkway),
- Rod Donald Hut
- Walking information products
- Protecting access on Woodills track at Akaroa
- Developing tramping accommodation on Quail Island
- Supporting Head to Head walkway
- Grant funding partner organisations
- Supporting the Banks Peninsula Predator Free initiative
- Continued support for the Banks Peninsula Walking Festival
- Developing new walking and cycling opportunities around Little River

Further information on these projects is in Appendix E.



## 5 Performance targets and measures

### 5.1 Non-financial performance targets

This section lists the Trust's non-financial key performance indicators, and the anticipated achievements in the 2017-18 year.

<b>Indicator 1.</b>	<b><i>The Trust has determined four key pillars on which its projects will be based; Access, Biodiversity, Knowledge, and Partnerships.</i></b>
	Assess potential projects brought to the Trust's attention against these four pillars to determine whether they should be added as a Trust project and action those that are deemed a priority
	Make submissions to relevant policy documents in support of the pillars.
<b>Indicator 2.</b>	<b><i>Provide leadership and tangible support for the projects achieving Access</i></b>
	Progress Te Ara Pātaka through securing public access and adding user facilities, including continued management of Rod Donald Hut and development of a long-term plan for assets.
	Support the development of the Head to Head walkway.
	Sell the property containing Woodills South track when a public walking easement has been secured.
<b>Indicator 3.</b>	<b><i>Provide tangible support for biodiversity</i></b>
	Secure a conservation covenant on the regenerating forest on the above property.
	Continue support for the Banks Peninsula Conservation Trust and other groups involved with biodiversity protection and enhancement.
	Participate in the Banks Peninsula Predator free initiative
<b>Indicator 4.</b>	<b><i>Provide tangible support and leadership for projects building the Knowledge pillar.</i></b>
	Keep the Trust's map, brochure and web products updated, develop new brochures for Lyttelton Harbour /Whakaraupō and work on a long-term strategy for their ownership.
	Work with other agencies including the Department of Conservation and Christchurch City Council to share and disseminate information about Banks Peninsula.
	Support the Banks Peninsula walking festival
<b>Indicator 5.</b>	<b><i>Provide tangible support for and work with a range of partners</i></b>
	Inform the public and relevant interest groups about on-going activities and progress of the Trust
	Identify other bodies which have funds available for projects aligned with the objectives of the RDBPT, develop strategic relationships with these bodies with the aim of a 4:1 leverage on Trust capital where possible.

## 5.2 Financial performance targets

The financial performance targets for the Trust are as follows

	2017/18	2018/18	2019/20
Operating Surplus			
Revenue <sup>1</sup>	323,092	55,064	32,764
Trust Management <sup>2</sup>	-89,100	-90,882	-92,700
Operating costs <sup>3</sup>	-17,410	-17,758	-18,113
Minor projects <sup>4</sup>	-2,000	-2,000	-2,000
Commitments to partners <sup>5</sup>	-50,000	-5000	-5000
<b>Operating Surplus/(Deficit)</b>	<b>164,582</b>	<b>-60,576</b>	<b>-85,049</b>
Trusts Funds			
Opening funds <sup>6</sup>	2,453,506	2,045,088	1,156,512
Operating Surplus/(Deficit)	164,582	-60,576	-85,049
Strategic grants and project expenditure <sup>7</sup>	-573,000	-828,000	-323,000
<b>Closing balance<sup>8</sup></b>	<b>2,045,088</b>	<b>1,156,512</b>	<b>748,462</b>

<sup>1</sup>Revenue is made up of interest income only, except in 2017/18 when the Trust expects to sell its land holding at 168 Grehan Valley Road for at least \$250,000. Minor income from walking product sales and hut fees is not included as these areas of Trust business are treated as self-funding cost centres and used to offset costs. The revenue is calculated using a flat interest rate of 3.5% across all the Trust investments.

<sup>2</sup>The management contract with Peninsula Projects to provide the Trust's operational management service is subject to renegotiation annually.

<sup>3</sup>Operational costs include accountancy, insurance, audit fees etc. and have had a nominal 2% annual increase applied.

<sup>4</sup>Minor projects are those such as advocacy work or web development

<sup>5</sup>Includes continued grants to Banks Peninsula Conservation Trust and Orton Bradley Park in 2017/18 and after that only a grant to Orton Bradley Park for track maintenance.

<sup>6</sup>Opening funds for 2017/18 reflect the remaining amount of the Trust's original liquid capital. It is a forecast based on an estimate of the sum of the Trust's bank balance, receivables, and term deposits less payables as at 30 June 2017. It does not include the capital assets that the Trust has built up.

<sup>7</sup>The heading Strategic grants and project expenditure is funds spent on projects that leave an enduring legacy. RDBPT prefers not to own the end capital asset created where possible. The pattern of spending shown is based on achieving public access on Te Ara Pātaka and other projects progressing toward an optimal timetable. In practice it is likely to vary.

<sup>8</sup>The Trust has shown its total commitments for the three year period ending 30 June 2020 and this is reflected in the forecast closing balance figures. There are no commitments beyond this period.

The Trustees will report financial results as set out below in the 'Information to be provided to Council' section.

## **6 General matters**

### **6.1 Information to be provided to the Christchurch City Council**

The RDBPT will provide an annual Statement of Intent and a half-yearly report to the Council in accordance with Section 64(1) of the Local Government Act 2002.

The RDBPT will provide an annual report including audited financial and performance statements in accordance with Section 67 of the Local Government Act 2002.

Information of a descriptive nature will be provided in a separate annual newsletter and will include any other information the trustees consider appropriate.

The RDBPT will provide its annual report and newsletter to the Banks Peninsula Community Board for their information and, if invited by the Community Board, will attend an annual workshop to discuss its activities and the respective Board activities. If called on by the Council it will hold up to two additional meetings per year with Community Board representatives.

### **6.2 Accounting policies**

The current accounting policies are attached to this Statement of Intent in Appendix C.

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

### **6.3 Acquisition of shares in any company**

RDBPT will notify the Council before acquiring securities or debt shares in any company.

### **6.4 Ratio of consolidated Trust funds to total assets**

RDBPT's funds are equal its total assets. The ratio of total trust funds to total assets is therefore 1:1. (NOTE – is this actually true or old words? To me as a lay person we have got some fixed assets and some funds>

### **6.5 Estimate of distributions of accumulated profits and capital reserves**

The Trustees will explore options to attract funds from other sources to grow the trust fund and/or to serve the trust objectives.

### **6.6 Commercial value of the investment**

The commercial value of the investment is equal to the net assets of the RDBPT. The current asset of the RDBPT is approximately \$3,343,763 including cash, property and other assets (31 December 2016). The commercial value will be reviewed on a 6-monthly basis when the financial reports for the RDBPT are prepared.

### **6.7 Activities for which compensation is sought from any local authority**

Currently there are no activities for which compensation will be sought from any local authority.

## Appendix A. Trust objectives

The RDBPT is a trust for charitable purposes.

The RDBPT exists for the benefit of the present and future inhabitants of Banks Peninsula and for visitors to Banks Peninsula.

The RDBPT's activities will focus on the area within the district which was administered by the Banks Peninsula District Council immediately prior to its amalgamation with the Christchurch City Council (the Banks Peninsula area). A map of the Banks Peninsula area is included as Appendix B to this Statement of Intent.

The objectives of the RDBPT are:

- (a) to promote sustainable management and conservation (consistent with the purposes and principles of the Resource Management Act 1991 and the Conservation Act 1987 and any replacement legislation) of the natural environment in the Bank Peninsula area;
- (b) to establish, support or facilitate environmental based projects that are focussed on:
  - (i) the maintenance and development of recreation facilities including parks, reserves, walkways and affordable camping grounds in the Bank Peninsula area ;
  - (ii) providing public access to recreation facilities including parks, reserves, walkways and affordable camping grounds in the Bank Peninsula area;
  - (iii) the reinstatement and preservation of native vegetation in the Bank Peninsula area;
  - (iv) the enhancement of the natural biodiversity of the Bank Peninsula area;
  - (v) the restoration of the Bank Peninsula area waterways to their natural state; and
  - (vi) the protection of native endangered species present in the Bank Peninsula area;
- (c) to establish, support or facilitate projects that are focussed on the protection, preservation and enhancement of areas of historical or cultural significance, or the built heritage of the Bank Peninsula area;
- (d) to undertake or facilitate in any other way research projects or scientific enquiries to carry out the Objects;
- (e) to provide educational opportunities to further the public's understanding or enjoyment of the natural, historical and cultural qualities of the Bank Peninsula area;
- (f) to commission or otherwise support research and monitor projects relating to the status and quality of the natural and physical environment throughout the Bank Peninsula area;
- (g) to purchase or lease land to:
  - (i) carry out any improvements on land for the sustainable management of the environment or more general environmental or conservational purposes of the Trust,
  - (ii) provide facilities or opportunities for the educational purposes of the Trust;
- (h) to source and allocate funds for projects which support, promote or otherwise contribute to the Objects;
- (i) to seek the support and involvement of appropriate persons, organisations and agencies, (including the Christchurch City Council) and work alongside or collaboratively with such persons, organisations and agencies to carry out the Objects;
- (j) to hold seminars, tutorials and lectures within the Bank Peninsula area and throughout Canterbury to demonstrate research relating to the objects, and to encourage the public to become involved with or to generally promote the aims and purposes of the Trust to the community;

- (k) to carry out any other charitable purpose which is capable of being carried out in connection with the Objects or may directly, or indirectly, advance the Objects;
- (l) to raise money and to seek, accept and receive gifts, donations, grants, endowments, legacies and bequests of money or in kind for the Objects; and
- (m) to do all such other acts and things that are incidental or conducive to the attainment of the Objects.

In pursuance of the objectives of the RDBPT, the Trustees are required to have regard to:

- (a) the views of Te Hapū o Ngāti Wheke (Rāpaki), Te Rūnanga o Koukourārata, Wairewa Rūnanga, Te Taumutu Rūnanga and Ōnuku Rūnanga in respect to the value of Banks Peninsula's Mana Whenua (Land), Mana Moana (Waterways) and Mana Tangata (People);
- (b) the potential for alignment between the activities of the Trust and any existing or future projects or initiatives of the Christchurch City Council;
- (c) whether other sources of funding or support are available, including assistance provided through industry or regional development policies and programmes of local authorities or central government;
- (d) the objectives, roles and activities of any other organisation engaged in similar activities on Banks Peninsula.

## Appendix B. Trust Region

The map below shows the area formerly administered by Banks Peninsula District Council. The Trust's deed directs that its funds are to be used to achieve objectives within this region.



## Appendix C. Summary of Significant Accounting policies

This summary is set out in a form consistent with the form in which the accounting policies will be set out when presented with the financial statements of RDBPT. No financial statements are included with this SOI.

### Statement of Significant Accounting Policies

#### a) Basis of financial statement preparation

In accordance with the Accounting Standards Framework the RDBPT is a Public Sector PBE. The RDBPT while meeting the requirements to apply Tier 3 PBE Accounting standards (is not publically accountable and has expenses less than \$2 million) has elected to apply Tier 2 PBE standards with effect from 1 July 2014.

The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain non-current assets.

The functional and presentation currency is New Zealand dollars, and all values are rounded to the nearest dollar.

#### b) Revenue

Revenue is measured at the fair value of consideration received. Interest income is recognised using the effective interest method.

#### c) Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

#### d) Income tax

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

#### e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits, and other short-term highly liquid investments with maturities of three months or less.

#### f) Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost less impairment provision.

#### g) Trade and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost.

#### h) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

#### i) Goods and Services Tax

The Rod Donald Banks Peninsula Trust is registered for GST. All amounts stated are exclusive of GST where applicable.

j) 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.

k) 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.



## Appendix D. Investment Strategy

This appendix describe the:

- Rod Donald Banks Peninsula Trust Investment Principles
- Available funds
- Method to achieve principles

### D.1 Trust's Investment Principles

The strategy is aimed at the 5 year period from the start of the financial year on 1 July 2017 to the end of the financial year on 30 June 2022. It incorporates the following principles:

- In support of its Trust Deed and Statement of Intent, the Trust will invest funds locally and ethically. Locally means in the first instance Canterbury and then New Zealand, but not overseas.
- Ensure a prudent spread of investments so that risk on the capital fund is minimised.
- To limit risk the following conditions have been applied to investments falling outside the Christchurch City Council Investment Policy:
  - At the time of their investment and subsequent reinvestment:
    - no more than 30% of fixed income investments will be in instruments falling outside the Christchurch City Council Investment Policy,
    - will exclude non-credit rated bank deposit takers and
    - any such investments should be assessed by the Investment Sub-Committee for credit risk acceptability.
- The Trust will only acquire securities or debt shares in any company after having notified Council.
- Ensure funds are available to cover the annual basic running costs of the Trust.
- Expend up to the remainder of the capital in investments over the 5-year period 1 July 2017 to 30 June 2022 in ways that will leave a long-term legacy.
- Aim to achieve capital injection through partnerships with other organisations – i.e. for every \$1 the Trust invests, it would look for \$4 to come from partners or other sources.
- Any decisions on re-investment for periods greater than one year or greater than \$500,000 are to be approved by the Board with the proviso that if the Board is not available a decision can be made by the Manager in conjunction with the Chair or another Board member if the Chair is not available and will need to be affirmed at the next Board meeting.

## D.2 Available Funds

The following table reflects the Trust's available cash and investments as at 24 January 2017.

Current investments

Bank	Amount
BNZ cash	\$92,131
BNZ term deposit	\$180,000
Kiwibank term deposits	\$1,835,000
TSB term deposit	\$500,000
Total cash and investments at 24 January 2017	\$2,607,131
Current liabilities and expenses forecast to end of year	\$(112,442)
Anticipated revenue to end of year	\$50,948
Total cash and term deposit funds anticipated July 2017	\$2,453,506

## D.3 Methods to achieve principles

The total capital sum forecast as available for use from the start of the financial year on 1 July 2017 is \$2,453,506.

As funds mature they will be reinvested using the principles to produce income for the Trust. A mix of longer and shorter term investments will be used to ensure that the Trust has access to sufficient capital funds each year to meet the demands of any projects that have been accepted and are in its forecast, or are pending. However, the Trust may break a longer term deposit if a sufficiently compelling opportunity arises and this cannot be avoided. The capital will be used on projects that leave an enduring legacy.

The annual operational expenditure of the Trust, its minor operational projects, and grants to assist with the operational activities of partner organisations will be funded from a mix of income and capital.

## Appendix E. Project detail

The following projects are in progress and expected to continue into 2017-18 and beyond.

### E.1 Te Ara Pātaka (Summit Walkway)

A 2½ day tramp connecting the Lyttelton and Akaroa craters via the summit ridgelines of Banks Peninsula with a network of tracks linking to valleys below. The tramp is now formally open and proving popular.

Work for the coming year includes securing access on some private land crossings, developing track entrance map signage and initiating development of two day shelters.

Work over the three to five year timeframe includes extending the route to Wainui and/or around the Southern Bays, and developing appropriate mechanisms for the long term maintenance and management of these tracks.

### E.2 Rod Donald Hut

Rod Donald Hut is owned and managed by the Trust and provides one of the overnight stays on Te Ara Pātaka. Fees are charged through the Department of Conservation booking system. RDBPT intends to continue running the hut as a self-funding cost centre over the coming year, to use it to build goodwill with youth and other organisations and be a front face of RDBPT.

Work over the three to five year timeframe includes finding a long-term owner for the hut.

### E.3 Walking information products

RDBPT has developed and owns the Banks Peninsula Walk Directory, available both in print and on-line, and a suite of walking brochures. Again, these products operate as a self-funding costs centre, and RDBPT intends to continue this as it also builds goodwill and RDBPT's profile.

Work over the coming year includes development of additional brochures for the Lyttelton Harbour basin, specifically Diamond Harbour and then Governors Bay, in conjunction with Lyttelton Information Centre

Work over the three to five year timeframe may include a new brochure for Wairewa and includes finding a long term owner for this asset.

### E.4 Protecting access on Woodall's track at Akaroa

The Woodall's track is one of Akaroa's most popular tracks providing a half day loop route connecting the Woodall's and Purple Peak stock routes. In 2016 RDBPT purchased the property at 168 Grehan Valley to protect public walking access on the track across this property. In 2017 the Trust intends to create a public walking easement and protect the native vegetation by way of conservation covenant, and will then apply to subdivide the property into two lots. The Trust has entered into agreement with purchasers to on-sell the two lots.

### E.5 Developing tramping accommodation on Quail Island

DOC has invited RDBPT to partner with it to upgrade a run-down but attractive historic cottage on Quail Island into family style tramping accommodation over the 2017-18 year.

### E.6 Supporting Head to Head walkway

RDBPT intends to take a more active and creative role in finding access routes on the Head to Head walkway where there is currently no public access available, subject to the agreement of the Working Party in which it participates. It does not anticipate purchasing land to facilitate the Head to Head walkway, but may negotiate easements or make use of formed and unformed legal roads and water transport.

### **E.7 Grant funding partner organisations**

RDBPT will continue to grant funding to Orton Bradley Park and Banks Peninsula Conservation Trust in 2017/18 but signals that these grants will then end as its own funds deplete. A small grant to Orton Bradley Park is envisaged to continue with its work on the Te Ara Pātaka tracks. RDBPT also intends to work with Banks Peninsula Conservation Trust to develop biodiversity interpretation projects.

### **E.8 Continued support for Banks Peninsula Walking Festival**

RDBPT has developed and co-managed the Banks Peninsula Walking Festival with Project Lyttelton, Little River/Wairewa Community Trust and Akaroa District Promotions. RDBPT will continue to support this as the only pan-Peninsula festival and a method to promote knowledge about Banks Peninsula while enjoying walking, including new walks.

### **E.9 Developing new walking/cycling opportunities around Little River**

There are currently no public off-road walks departing directly from Little River except for the Little River Rail Trail. RDBPT will seek to create an off-road connection to Rod Donald Hut and links to Te Ara Pātaka.. No work is planned for the 2017/18 year, but this project is signalled to come on-stream in 2018/19.

### **E.10 Supporting the Banks Peninsula Predator-Free initiative**

The Department of Conservation, Banks Peninsula Conservation Trust and others are working toward a Banks Peninsula Predator-Free initiative, incorporating the government's NZ Predator free programme. RDBPT will support this initiative.