



ROD DONALD BANKS PENINSULA TRUST
Te Pātaka o Rākaihautū

STATEMENT OF INTENT

For the year ending
30 June 2017

V2-2

**ROD DONALD BANKS PENINSULA TRUST STATEMENT OF INTENT (SoI)
For the year ending 30 June 2017**

CONTENTS

1. INTRODUCTION	4
2. OBJECTIVES OF THE TRUST.....	4
3. NATURE AND SCOPE OF ACTIVITIES OF THE TRUST	6
4. GOVERNANCE STATEMENT	7
5. ACCOUNTING POLICIES	10
6. PERFORMANCE TARGETS AND MEASURES.....	10
7. CURRENT PROJECTS	11
8. PERFORMANCE INDICATORS.....	16
9. INFORMATION TO BE PROVIDED	17
10. ACQUISITION OF SHARES IN ANY COMPANY	18
11. RATIO OF CONSOLIDATED TRUST FUNDS TO TOTAL ASSETS.....	18
12. ESTIMATE OF DISTRIBUTIONS OF ACCUMULATED PROFITS AND CAPITAL RESERVES ...	18
13. COMMERCIAL VALUE OF INVESTMENT.....	18
14. ACTIVITIES FOR WHICH COMPENSATION IS SOUGHT FROM ANY LOCAL AUTHORITY ...	19
APPENDIX 1 - MAP OF AREA ADMINISTERED BY THE FORMER BANKS PENINSULA DISTRICT COUNCIL	20
APPENDIX 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	21
APPENDIX 3 – INVESTMENT STRATEGY.....	23

1. INTRODUCTION

This Statement of Intent (Sol) is prepared in accordance with Section 64(1) of the Local Government Act 2002.

The Sol specifies for the Rod Donald Banks Peninsula Trust (RDBPT) the objectives, the nature and scope of the activities to be undertaken, and the performance targets and other measures by which the performance of the Trust may be judged in relation to its objectives, amongst other requirements.

The process of negotiation and determination of an acceptable Sol is a public and legally required expression of the accountability relationship between the RDBPT and its Settlor the Christchurch City Council, and its Trustees.

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

The RDBPT's registered office is at the offices of Christchurch City Council, 53 Hereford Street, Christchurch.

The contact details for the RDBPT and its officers are:

Postal Address: P.O. Box 5, Little River, Banks Peninsula 7591,

Email Address: manager@roddonaldtrust.co.nz

Physical Address: c/o DJCA, Level 3, 50 Victoria Street, Christchurch 8013

The RDBPT is a council-controlled organisation (CCO) for the purposes of the Local Government Act 2002.

2. OBJECTIVES OF THE TRUST

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 One 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 Banks 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 Koukourāata, 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. NATURE AND SCOPE OF ACTIVITIES OF THE TRUST

The long term vision of the RDBPT is that Banks Peninsula is restored to its traditional status as Te Pātaka o Rākaihautū – the storehouse that nourishes. This vision encompasses the following goals for Banks Peninsula:

- a rich biodiversity;
- all streams are re-vegetated;
- the lakes and rivers flow with clean water;
- people are active in their care of the environment;

- it is regarded as a special recreation place and is actively but respectfully used by people;
- people of Banks Peninsula are prospering and passionately participate in engaged conservation;
- there is a walkway right around Banks Peninsula connecting all communities;
- a centre for environmental education and creative environmental thinking is established;
- people describe Banks Peninsula as an Ecological Island.

The RDBPT cannot achieve these goals on its own or in the short term. Instead, the RDBPT will focus on acting as a facilitator, conduit and connector - to assist groups and projects which have aims that align with the objects of the RDBPT.

The RDBPT has been established to honour the memory of Rod Donald and his commitment to the Banks Peninsula area. Therefore, the RDBPT's hallmark will be entrepreneurship and practical achievement; these were important values to Rod Donald. The RDBPT's funds will be well husbanded and will be used to achieve things that individual groups and projects cannot achieve on their own.

The "Performance Indicators" section of this Sol sets out the initial goals of the RDBPT. These Performance Indicators reflect the initial actions that the RDBPT will take towards achieving the RDBPT's long term vision.

Four key pillars will underpin the Trust as it works on projects to achieve these goals. These pillars are:

- Access
- Biodiversity
- Knowledge
- Partnership

4. GOVERNANCE STATEMENT

This statement gives readers an overview of RDBPT's main governance policies, practices and processes to be adopted or followed by the RDBPT Trustees.

Role of the Trustees

The Trustees will manage the affairs of RDBPT in accordance with their legal obligations, the objectives of RDBPT and the terms of the RDBPT Trust Deed.

In addition the Trustees' decisions will reflect the following values and principles:

- *Leading* – the RDBPT should be a trusted and credible body making unique and courageous decisions and instigating projects
- *Linking* – the RDBPT will focus on the big picture issues of Banks Peninsula and link people and projects.
- *Influencing* – the RDBPT will engage with existing people and groups, supporting their passion for Banks Peninsula.
- *Enhancing* – the RDBPT will work 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 the Peninsula

The Trust will adhere to the following principles in its own work and partnerships:

- Respect and engage with the Banks Peninsula community
- High trust relationships
- Transparency between partners
- No surprises, full disclosure
- Behave in an ethical manner
- Be well documented
- Have a process for dispute resolution and exiting
- Be formal in its processes – things properly approved and documented.
- Have clear benefits for the Peninsula community

Responsibility to Settlor

i. Statement of Intent

In accordance with the Local Government Act 2002, the RDBPT will submit an annual draft Statement of Intent (Sol) to the Council for consultation and approval. The Sol will set out the RDBPT's overall objectives, intentions and performance targets.

ii. Information flows

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

The RDBPT will endeavour to operate on a “no surprises” basis with regard to all issues of relevance to the Settlor. Early notice will be given to the Settlor of issues that arise requiring its consent.

Trustees

Trustees have been appointed by Christchurch City Council unless indicated as co-opted.

Simon Mortlock
PO Box 13 474
Christchurch 8141

Andrew Turner
PO Box 209
Lyttelton 8841

Bob Webster
20 Hyndhope Road
Halswell 8025

Brian Patrick
15 Laura Kent Drive,
Woolston
Christchurch

Christine Williams
49a Studholme Street
Somerfield
Christchurch 8024

Debbie Tikao
51 Hawkesbury Ave
St Albans
Christchurch 8014

Cynthia Roberts
PO Box 17-727
Sumner 8840

Stuart Wright-Stow (co-opted)
255 Okuti Valley Road
Little River 7591

Subsidiary and Monitored Companies

The RDBPT has no investments in other companies.

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.

Distributions

In 2012, the Trust developed an investment policy based on the eventual distribution of the entire capital fund. The rate and method by which this distribution is to be achieved will depend on the emergence of opportunities matching the Trust's objectives. As a guideline the Trust has invested its funds and planned its operational arrangements to expend *up to* \$1,461,900 over the first 5 year period 1 July 2012 to 30 June 2017 and the remainder in years to follow. The amount \$1,461,900 represented 40% of the capital funds that the Trust expected to have at the start of the first 5 year period on 1 July 2012.

For the purpose of financial forecasting the Trust then anticipated what it would spend in the first year and apportioned the balance evenly across the remaining 4 years. This was re-assessed in the 2013-14 SOI at which point 40% of the opening balance was \$1,385,000, and apportioned into an even annual capital spending sum of \$346,250 for the four years to 30 June 2017.

In practice the amounts spent have been and will continue to be determined by the availability of suitable projects that leave an enduring legacy for Banks Peninsula, and the Trust's ability to participate in them. For the first three years the Trust's capital spending averaged closer to \$236,598 per annum and it now expects to complete the first five year period well within the 40% capital expenditure target.

This figure of \$346,250 has continued in this SOI for the 2017-18 and 2018-19 years. The Trust flags that it will be reviewing its investment policy and goals in strategic planning for the next 5 year period, and this figure is likely to be adjusted in the 2017-18 SOI.

In the financial year 2012-13 the Trust committed three years of grant funding from its annual income to two partner organisations - the Banks Peninsula Conservation Trust and Orton Bradley Park - totalling \$50,000 per annum. These organisations have aims that align with the Trust's objectives and the funding is aimed at assisting them to achieve financial sustainability. The commitment to Banks Peninsula Conservation Trust was extended for a further year in 2015 with the additional sum of \$15,000 toward a volunteer co-ordinator.

5. ACCOUNTING POLICIES

As a result of the adoption in New Zealand of the accounting standards framework developed by the External Reporting Board, the RDBPT adopted Public Benefit Entity (PBE) Accounting Standards from 1 July 2014.

PBE Accounting Standards allow the RDBPT to elect which of the four tiers of the framework it will report under. The RDBPT has elected to report under Tier 2 of the framework and will adopt Public Sector PBE Accounting Standards with reduced disclosure requirements. These standards are broadly the same as has been adopted in the last several years under New Zealand International Financial Reporting Standards with differential reporting.

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

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

6. PERFORMANCE TARGETS AND MEASURES

Financial Performance Targets

The financial performance targets for the Trust are as follows:

	2016/17	2017/18	2018/19
Operating Surplus			
Revenue ¹	267,287	85,940	72,695
Trust Management ²	-89,100	-90,882	-92,700
Operating costs ³	-22,564	-23,015	-23,476
Minor projects ⁴	-10,000	-10,200	-10,404
Commitments to partners ⁵	-90,000	-25,000	0
Operating Surplus/(Deficit)	55,623	-63,157	-53,885
Trusts Funds			
Opening funds ⁶	2,820,000	2,529,373	2,119,966
Operating Surplus/(Deficit)	55,623	-63,157	-53,885
Strategic grants and project expenditure ⁷	-346,250	-346,250	-346,250
Closing balance ⁸	2,529,373	2,119,966	1,719,831

¹ Revenue is made up of interest income only, except in 2016/17 when the Trust has a signed sale and purchase agreement to sell its land holding in Le Bons Bay to the Langer Trust for incorporation into its Panama Reserve at a value of \$180,000. 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.

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

³ Operational costs including the management contract, including accountancy, insurance, audit fees etc and have had a nominal 2% annual increase applied.

⁴ Minor projects are those which do not directly leave an enduring legacy such as advocacy work or the Trust website

⁵ Includes final payment of \$10,000 to BPCT in September 2016, \$5,000 commitment to Governors Bay Jetty Restoration Trust and \$50,000 to Josef Langer Trust (nominally a loan, but with the expectation that it will be written off and therefore effectively become a grant when agreed work is complete) and two years of grant payment of \$25,000 to Orton Bradley Park.

⁶ Opening funds for 2016/17 reflects 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, term deposits less payables as at 30 June 2016. It does not include the capital assets that the Trust has built up.

⁷ The rationale behind the \$346,250 annual figure is as explained above under distributions. Note that in practice spending is unlikely to be spread evenly over the 3 years as shown in the forecast, as it will depend on the availability of opportunities matching the Trust's objectives. The even spread shown above is for the purpose of revenue forecasting only and provides a reference point against which actual expenditure can be compared. The heading Strategic grants and project expenditure is now used rather than the term Capital spending used in former SOIs. These funds are to be spent on projects that leave an enduring legacy, but the Trust itself prefers not to own the end capital asset where possible.

⁸ The Trust has shown its total commitments for the three year period ending 30 June 2019 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" section.

Other Performance Measures

In addition to the above financial performance measures, the RDBPT Trustees will use other measures including the performance indicators listed below to assess the RDBPT's performance over the 2016/17 to 2018/19 financial years.

The indicators given incorporate the Trust's work in assessing opportunities that arise, keeping the public informed of its progress, building relationships and supporting its four key pillars as well as more specific goals for its major projects. The Trust intends to increase its focus on biodiversity; the Lyttelton/Whakaraupō basin; and to research a wider involvement with environmental issues.

The Trust also signals that this SOI is for the last year of the Trusts' first 5 year plan as described in the investment strategy begun in the 2012-13 SOI. This year the Trust anticipates completing a number of its current projects undertaken in this first 5 years and planning ahead for the next 5-year period.

7. CURRENT PROJECTS

The Trust has six major projects underway and much of its efforts in the coming year will progress these projects. The Trust also has some new aspirations for the year listed after the current projects.

Te Ara Pātaka (Summit Walkway)¹

The Te Ara Pātaka (Summit Walkway) project is developing the existing walkway from Gebbies Pass to Hilltop along the summit ridgeline of Banks Peninsula (as originally envisaged by Christchurch MP and conservationist Harry Ell) into a route suitable for novice trampers, with education about the environment en route. The project incorporates the Packhorse Hut built by Ell, the Rod Donald Hut and a network of feeder tracks linking to the Summit Walkway from communities below.

The project predominately supports the pillars of Access and Partnership. While access exists along the routes at present, in places it crosses private land, and the Trust is working to secure long-term public access on these crossings.

The project plan identifies core partners as Department of Conservation, Christchurch City Council and Orton Bradley Park. Other partners are the landowners en route, the Rūnanga whose rohe cover the routes, local businesses, and users of the track such as tramping clubs, youth organisations and schools.

With some of these partners the Trust will seek opportunities for sponsorship or other funding to provide facilities such as the shelters, and interpretation.

The project supports all the goals of the Trust's walking strategy.

This year the Trust aims to:

- complete signage on Te Ara Pātaka and feeder tracks
- provide information about how to use the track and to market it.
- hold, in partnership with others, a celebration for Te Ara Pātaka, featuring a centennial acknowledgment of MP Harry Ell's vision
- progress development of data collection systems, track shelters and interpretation in conjunction with partners including rūnanga,
- complete access agreements with private owners,
- facilitate end to end track shuttle services and
- develop a long term plan for the ownership and maintenance of the assets created.

The Trust also signals its long-term intention to extend the Te Ara Pātaka where possible, and will work to progress this if opportunities become available.

Rod Donald hut

The lack of a second hut along Te Ara Pātaka route was identified as a major barrier to the use of the existing network of tracks and the Trust had determined to involve itself in providing such a hut from the outset of the project. In 2014 it purchased a 10ha property at the head of Western Valley at the half way point along the route that included a small crib. It has since upgraded the building to meet the Department of Conservation's Back Country Comfort Seekers (BCC) Serviced standard, and the hut is now open to the public and bookable via the DOC website.

The hut project furthers all four pillars: Access in terms of facilitating use of the Te Ara Pātaka tracks; Biodiversity as the Trust is now the owner of a property managed for the purpose of native bush regeneration; Partnership as the hut is incorporated into the

¹ (This project was described in former SOI's under the name Spine of the Lizard. The Peninsula rūnanga have selected the name Te Ara Pātaka and this has been adopted by Department of Conservation, with Summit Walkway retained as a secondary name)

DOC booking and information system, and Knowledge as interpretation is being developed and there is potential for further work with biodiversity interpretation.

This year the Trust aims to:

- complete its first full year of management of the hut
- move into financially sustainable running of the hut
- carry out annual maintenance,
- develop interpretation on the biodiversity at the hut property and surrounding area.
- explore the best method for future ownership and care of the hut

Purple Peak Curry reserve

The Trust has been involved as a partner in a project led by New Zealand Native Forests Restoration Trust (NZNFRT) and supported by Christchurch City Council, to develop a large new reserve in the Grehan Valley above Akaroa abutting the well-established and highly respected Hinewai reserve. The project supports the pillars of Biodiversity, Access, Partnership and Knowledge. The primary purpose of the reserve is to facilitate the natural restoration of native forest, with the very tangible by-product of enhancing the Akaroa water catchment. Public walking access is provided on existing and new tracks. The reserve formally opened to the public in February 2016. The Trust will continue to work with NZNFRT and the Maurice White Native Forest Trust who own the adjacent Hinewai reserve. The Maurice White Native Forest Trust has is managing the new reserve. This Trust has worked to provide public information using its maps and brochures and in conjunction with the City Council.

This year the Trust aims to:

- provide ongoing support for NZNFRT
- take up opportunities to extend or augment the reserve if they arise

Panama reserve

The Trust has purchased a 107ha block of land containing regenerating native forest in Le Bons Bay, with the intention of merging it into the Josef Langer Trust's adjacent Panama reserve. The project supports the Trust goals of Biodiversity, Access, Partnership and Knowledge. The reserve is to be primarily managed for the natural restoration of native forest. Free public access is to be provided on walking tracks, with the on the ground work and management provided by the Josef Langer Trust. Both Trusts have agreed to work in partnership to explore whether the block can be registered under the Permanent Forest Sink Initiative for carbon credits to assist with the financial viability of native forest restoration projects.

The Trusts have an agreement that the RDBPT will sell its stake in the reserve to the Josef Langer Trust in November 2016 for \$180,000. This sum includes a \$50,000 interest free loan to the Josef Langer Trust. The Josef Langer Trust will be released from all liability to repay the loan provided that it completes an agreed set of work including: placing a conservation covenant over the land, opening a small family camping area and creating a walking track from the property to the existing walk up Keller's Peak.

This year the Trust aims to:

- work with the Josef Langer Trust to ensure the work set out is completed
- ensure public information put out by the Trust on the Panama reserve is up dated once the walking track is complete

Lyttelton Head to Head walkway

The Trust is supporting the Lyttelton/Mt. Herbert Community Board project to develop a walkway around the Lyttelton Harbour basin from Godley Head to Adderley Head. The project supports the Trust goal of Access. The Trust is participating in the working party set up by the Community Board and has signalled its willingness to work with others towards securing public access across private land.

Comprehensive mapping project

Creating a comprehensive inventory in 2013-14 of all the existing walks on Banks Peninsula, their relation to one another and to communities provided essential background information to the Trust. The information was released to the public in an overview map book, a website (www.bpwalks.co.nz), and a series of brochures documenting 21 walks in the Akaroa area that were not being publicised or documented by other agencies. These products are now supplied to all Banks Peninsula visitor information centres and a number of other retail outlets on the Banks Peninsula and in the City.

The project has supported the pillars of Knowledge, Access and Partnership. It has made a contribution to Banks Peninsula tourism by filling an information gap, and the Trust has built many relationships with other organisations through the project. The Trust is committed to keeping the inventory and associated products up-to-date, improving the website and is developing more brochures in conjunction with other Banks Peninsula organisations, including the Lyttelton Information Centre and Department of Conservation.

This year the Trust aims to:

- complete its brochures on the Lyttelton Harbour,
- keep all its products and website up to date.

New aspirations for 2016-17 include:

Akaroa track links

The Trust signals its intention to secure long term access on Akaroa walking tracks and critical loop links which are not on reserve or public land should appropriate opportunities arise.

Supporting Community led projects

The Trust has been approached by community organisations for assistance with their projects from time to time. It will continue to assess such opportunities to be clear on how they meet the Trust goals, determine whether it should assist, and if so, the most appropriate manner.

Health and Safety

The Trust will develop a health and safety plan to comply with the Health and Safety at Work Act 2015, and may run a seminar or workshop to assist landowners with walking tracks across their land to better understand their responsibilities and any issues with public liability.

Strategic planning

During this year the Trust will determine its strategic direction for the 5 year period commencing in July 2017.

8. PERFORMANCE INDICATORS

Indicator 1

The Trust has determined four key pillars on which its projects will be based; Access, Biodiversity, Knowledge, and Partnerships.

Achievement

Assess all potential projects brought to the Trust's attention against these four pillars to determine whether they should be added to the Trust's project list and action those that are deemed a high priority.

Make submissions to relevant policy documents in support of the pillars.

Indicator 2

Provide tangible support for the key projects and leadership building the Access pillar

Achievement

Enable public walking and cycling access to support the objectives of the Trust's Walking strategy through continual review of potentially strategic property to secure long term public access, and through development of tracks on the grounds.

Progress the Te Ara Pātaka project according to the Phase 1 project plan, including continued management of Rod Donald Hut.

Support the Lyttelton Head to Head walkway development.

Indicator 3

Provide tangible support for biodiversity

Achievement

Support groups as appropriate who are directly working to improve biodiversity and mechanisms to achieve this.

Develop a property management plan for the Rod Donald Hut property with a focus on increasing biodiversity gains in line with its QEII covenant.

Indicator 4

Provide tangible support and leadership for projects building the Knowledge pillar, providing opportunities to further the public's understanding and enjoyment of the natural, historical and cultural qualities of Banks Peninsula

Achievement

Keep the Trust's map, brochure and web products updated with changes and new walks in the new reserves and develop new brochures for the Lyttelton harbour area.

Work with other agencies including DOC and Christchurch City Council to share information about Banks Peninsula.

Develop an interpretation plan for the Te Ara Pātaka in conjunction with rūnanga, DOC, landowners and other stakeholders.

Hold a seminar to disseminate information on health, safety and liability around public walking on private land.

Indicator 5

Provide tangible support for and work with a range of partners

Achievement

Inform the public and relevant interest groups, including the Banks Peninsula Community Board about on-going activities and progress of the Trust and attend meetings where appropriate.

Continue to develop and build relationships with, and gain the trust of, existing interest groups with aims aligned to those of the RDBPT, along with relevant rūnanga, government agencies and territorial authorities, including to jointly fund projects of common interest.

9. INFORMATION TO BE PROVIDED**Statutory Information Requirements***i. Annual Statement of Intent*

The RDBPT will provide this in accordance with Section 64(1) of the Local Government Act 2002. The Trustees will include any other information they consider appropriate.

ii. Half yearly report

The RDBPT will provide a half yearly report in accordance with Section 66(1) of the Local Government Act 2002. This will comply with Tier 2 PBE Accounting Standards

and generally accepted accounting practice and include any other information the Trustees consider appropriate.

iii. Annual report

The RDBPT will provide an annual report including audited financial and performance statements in accordance with Section 67 of the Local Government Act 2002. This will comply with Tier 2 PBE Accounting Standards and generally accepted accounting practice. Information of a descriptive nature will be provided in a separate annual review and will include any other information the trustees consider appropriate.

The RDBPT will provide its annual report and annual review to the Lyttelton/Mt Herbert and Akaroa/Wairewa Community Boards (or their successors) for their information,

Other information to meet the needs of the Christchurch City Council

The RDBPT will invite the Chairpersons of the Akaroa/Wairewa and Lyttelton/Mt. Herbert Community Boards to attend one of its Board meetings each year. If called on by the Council the RDBPT will meet with these representatives on a further two occasions in any one financial year.

The RDBPT Trustees will attend a joint workshop of the Akaroa/Wairewa and Lyttelton/Mt. Herbert Community Board once per year to discuss the RDBPT's activities and the respective Board activities.

10. ACQUISITION OF SHARES IN ANY COMPANY

The Trust will acquire securities or debt shares in any company only after having notified Council.

11. RATIO OF CONSOLIDATED TRUST FUNDS TO TOTAL ASSETS

The RDBPT's funds equal its total assets therefore the ratio of total trust funds to total assets is 1:1.

12. 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.

The RDBPT will identify projects that it wishes to support. This support may be in the form of the distribution of accumulated profits or the through use of the capital. Any projects identified and the related estimated distributions of accumulated profits will be signalled in the RDBPT's six monthly reports to the Council. The RDBPT will develop a distributions policy in regard to these distributions.

13. COMMERCIAL VALUE OF INVESTMENT

The commercial value of the investment is equal to the net assets of the RDBPT. The current asset of the RDBPT is approximately \$3,714,893 including cash, property and

other assets (31 December 2014). The commercial value will be reviewed on a 6 monthly basis when the financial reports for the RDBPT are prepared.

14. 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 1 - MAP OF AREA ADMINISTERED BY THE FORMER BANKS
PENINSULA DISTRICT COUNCIL**



APPENDIX 2 – 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 3 – INVESTMENT STRATEGY

This appendix lays out the

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

Trust's Investment Principles

The strategy is aimed at the 5 year period from the start of the financial year on 1 July 2012 to the end of the financial year on 30 June 2017. 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 of the Christchurch City Council Investment Policy; at the time of their investment and subsequent reinvestment:
 - a. no more than 30% of fixed income investments will be in instruments falling outside of the Christchurch City Council Investment Policy,
 - b. will exclude non credit rated bank deposit takers and
 - c. 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.
- Have some funding available annually for Trust minor projects and grants to partners.
- Funding for the Trust's operational costs, minor projects and grants will be derived from income.
- Expend up to 40% of the capital in investments over the 5 year period 1 July, 2012 to 30 June, 2017 years in ways that will leave a long term legacy.
- Aim to achieve a multiplier effect of 5:1 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.
- Retain approximately 60% of the capital for the next period.
- Any decisions on re-investment 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.

Available Funds

The following table reflects the Trust's available cash and investments as at 8 February 2016.

Bank	Amount	Capital Allocated for
BNZ cash	158,161	
BNZ term deposit	180,000	Earmarked for use after June 2017
Kiwibank	675,000	Available for use by June 2017 or earlier subject to suitable projects
Kiwibank	1,375,000	Earmarked for use after June 2017
TSB	500,000	Earmarked for use after June 2017
Total cash and investments at Feb 8 2016	2,888,161	
Summary	(21,939)	Current liabilities and forecast amount to be spent by end of 2014-15 financial year.
	(191,282)	Amount forecast to be spent in rest of 2015-16 financial year (Feb 9 - June 30 2016)
	35,238	Anticipated revenue up to 30 June 2016
Total cash and term deposit funds July 2016	\$2,710,178	Amount forecast to be the opening balance at start of 2016-17 financial year

Methods to achieve principles

The total capital sum forecast as available for use from the start of the financial year on 1 July 2016 is \$2,710,178.

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.