



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

**Statement of Intent**

**For the year**  
**1 July 2021 - 30 June 2022**

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

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Note that Cynthia Roberts will retire from the Trust at the end of her term on 30 June 2021 and there are currently two vacant co-opted positions. The Trust has run a successful recruitment process to fill these co-opted positions and will present a third appointment to Council for ratification to fill the Council appointed position vacated by Cynthia Roberts.

Trustee Bob Webster has signalled his intention to step down at 30 June 2022.

## Executive summary

The Rod Donald Banks Peninsula Trust Te Pātaka o Rākaihautū 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 Trust is a Christchurch City Council controlled organisation and presents its goals and performance measures for 2021-22 to the Council in this Statement of Intent.

*The nature and scope of activities planned for the next three years support the Trust's four strategic pillars:*

- Taking a leadership role to secure and extend public walking and biking **access** on a network of well-marked and managed tracks;
- Taking a support role 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, iwi and community bodies as appropriate.

*Activities planned build on existing projects and relationships and include:*

- The Trust will take ownership of 500ha of iconic land in the Lyttelton harbour basin, on 1 July 2021 to create a conservation park called Te Ahu Pātiki. The purchase secures enduring access on several of the Te Ara Pātaka tramping network tracks and the summits of Mt Herbert/Te Ahu Pātiki and Mt Bradley. The principal activity in FY22 will be to set up a new entity in partnership with Te Hapū o Ngāti Wheke and Orton Bradley Park and transfer ownership of the land to this new entity.

The Trust will also continue with its other projects, including:

- securing public access on the Te Ara Pātaka track from the new park boundary to Sign of the Packhorse Hut and in time extending Te Ara Pātaka to connect Christchurch to Akaroa and loop back to SH75 via the Southern Bays and creating new connections from Little River;
- 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;
- supporting development of the Head to Head walkway around Lyttelton Harbour/Whakaraupō;
- supporting the Banks Peninsula Conservation Trust and Ecological vision - including Pest Free Banks Peninsula 2050 and the Peninsula having four indigenous forest areas of more than 1000ha each;
- building knowledge of how income from carbon sequestration projects can assist with native biodiversity enhancement and advocating for this;
- building a stronger partnership with Christchurch City Council through joint projects to support its Public Open Space Strategy; Biodiversity and Climate Change goals and,
- building stronger partnerships with other organisations and initiatives

The Trust regards securing public access as the most significant long-term legacy it can achieve, 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's independence and capital base give it the ability to secure opportunities as they become available and to work more flexibly and rapidly than government bodies. The CCC Public Open Space Strategy provides a guiding framework.

To date the Trust has operated on the premise that it will distribute its initial capital of \$3.5 million on projects in support of its four strategic pillars. In 2019 the Trust signalled to the Council that it expected to fully deplete the bulk of its capital completing the projects listed above, and a Joint Working Party with the Council recommended a further injection of funding. The Trust now understands that Christchurch City Council intends to provide further capital funding and ongoing operational funding through its Long Term Plan commencing in FY24.

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## 1 Introduction

Rod Donald Banks Peninsula Trust Te Pātaka o Rākaihautū (RDBPT, the Trust) is a Council Controlled Organisation (CCO) as defined in the Local Government Act 2002 (LGA), and is 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 the Council.

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

The SOI is reviewed annually by the 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 strategic 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, Mana Moana and Mana Tangata;
- b) the potential for alignment between the activities of the Trust and any existing or future projects or initiatives of the 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 the 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 Banks Peninsula communities
- 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 2010-2040 provides a guiding framework for the Trust's Strategy. The Trust anticipates working closely with the Council regarding the walking and biking framework for Banks Peninsula as the Public Open Space Strategy is reviewed.

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

In accordance with the LGA, the RDBPT will submit an annual SOI to the Council for consultation and approval. The SOI sets out the Trust's objectives, intentions and performance targets.

The Trustees will ensure that the Council 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. As of December 2020 it held the equivalent of 59% of its original funds, but this includes donations toward the purchase of the Te Ahu Pātiki block that will be spent when the purchase completes on 1 July 2021.

RDBPT continues to signal that in completing its current projects it is likely to deplete its capital below the level where it can operate but understands that provision has been made to top-up the Trust's capital fund and provide an operational grant effective from FY24 (commencing 1 July 2023).

The SOI including financial forecasts are based on the premise that the injections proposed in the draft LTP are approved by the Council and the Trust therefore continues to operate as a CCO of Council for at least another 10 years.

## 4 Nature and Scope of Activities

RDBPT was named to honour the memory of former 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.

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

- Taking a leadership role to secure and extend public walking and biking **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 and community bodies as appropriate on all of its projects.

The principal project and focus in FY22 is the setting up of the Te Ahu Pātiki conservation park in the Lyttelton/Whakaraupō basin on 500ha of land that will come into the ownership of the Trust on 1 July 2021. Some further parcels on the western boundary of the new park are also being acquired to rationalise the boundary to existing fencelines. This project includes protecting the park with a QEII covenant, securing enduring public access on the track network with walking easements, and improving fencing. The park will secure long-term public access on the Te Ara Pātaka tramping network and enhance landscape, biodiversity and harbour catchment values. The Trust has entered into a Memorandum of Understanding with Te Hapū o Ngāti Wheke and Orton Bradley Park to create a new entity to own the Park, with the aim to establish that new entity by 1 December 2021. While the final structure of the new entity is not yet defined the intention is for each party to have an equal role in decision making for development and operation of this new park. In the meantime the Trust is working closely with both during the interim period to ensure major decisions are made jointly with these parties.

Once Te Ahu Pātiki Park has transferred to the new entity, the principal focus for the Trust will then be to extending the Te Ara Pātaka tramping network.

Other projects will involve maintaining existing Trust assets and working to secure further public access over private land to create extensions of the Te Ara Pātaka network. As this relies on negotiations with willing land-owners, there may be considerable variance in costs and timeframes from the targets in this SOI.

Should the Trust fully deplete its capital, and no further funding is granted by the Council then it will seek to wind down and cease operating as a CCO. Whether the assets are then donated to other parties, such as the Department of Conservation, or a new Trust continues to operate without CCO status and seeks funding elsewhere would be determined at that point. The Trust anticipates clarity regarding its future by 1 July 2021 after the 2021 LTP is adopted.

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

- Taking ownership of and establishing the new Te Ahu Pātiki conservation park in Lyttelton/Whakaraupō basin
- Acquire an additional 6ha of adjacent land to enable the new Park boundary to follow existing fencelines.
- Securing an easement across the neighbouring property linking the park to the Sign of the Packhorse Hut
- Developing and managing Te Ara Pātaka (Summit Walkway) in partnership with DOC, CCC and landowners
- Owning and managing Rod Donald Hut
- Developing and providing walking information products, e.g. website, brochures and signage
- Supporting the Head to Head walkway around Lyttelton/Whakaraupō Harbour
- Funding partner organisations through grants
- Supporting biodiversity enhancement via Banks Peninsula Conservation Trust led initiatives
- Leading the Banks Peninsula Native Forest-Climate Change group
- Supporting the Banks Peninsula Pest Free initiatives
- Co-ordinating the Banks Peninsula Walking Festival
- Developing new walking and biking opportunities around Little River

Some of the Trust's ongoing projects are run on a social enterprise basis:

- Rod Donald Hut
- Walking information products
- Banks Peninsula Walking Festival

These social enterprises are undertaken principally for the public benefits they bring; however the Trust's goal is for these projects to will eventually be self-funding and provide a small contribution toward the Trust's overall operating costs.

Further information on these projects and social enterprises is in Appendix E.

## 4.1 Impacts of Covid-19

The Trust has benefited from the increase in domestic tourism due to the border closures following Covid-19 with an increase in the use of its Rod Donald Hut. However, revenue from the sale of walking publications has dropped due to the lack of international visitors.

Revenue from brochure sales is a small proportion of the Trust's income so the decline in revenue over this period is not material.

The Trust considers that its work is even more important in the post lockdown Covid-19 period. The lockdown demonstrated the importance and popularity of walking for mental and physical health for the

people of Christchurch. The work of the Trust provides more opportunities for this on Banks Peninsula within easy distance of the urban city, and provides a drawcard to bring more domestic visitors and later international visitors back to the area. The Te Ahu Pātiki conservation park is a major good news story and opportunity for Christchurch to appeal to domestic visitors from across New Zealand.

## 5 Performance targets and measures

### 5.1 Non-financial performance targets

This section lists the Trust's non-financial key performance indicators, and the goals from its 10-year Strategic Plan that the Trust intends to progress in the FY22 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 through implementing the CCC Public Open Space Strategy.</i></b>
	A network of well managed walking and biking trails with long term secure public access that provide free walking and connect major communities.
	Te Ara Pātaka is nationally recognised as a walking route from Christchurch to Akaroa with a network of track connections.
	The Head to Head Walkway connecting Godley Head to Adderley Head is completed as a continuous and principally coastal pathway around Lyttelton Harbour.
	Unformed legal roads are valued and effective as a delivery tool for walking and biking.
<b>Indicator 3</b>	<b><i>Provide tangible support for biodiversity</i></b>
	Increase protection for areas with high biodiversity value in conjunction with public walking/cycling access; purchasing land if necessary.
	Active support for Banks Peninsula Ecological Vision goals to protect all old-growth forest remnants of more than 1ha, examples of all rare ecosystems and four indigenous forest areas of more than 1000ha each.
	Support the Pest Free Banks Peninsula group in its work toward Banks Peninsula being effectively free of pest animals.
	Address the Climate and Ecological Emergency through encouraging native biodiversity to regenerate on a landscape scale, assisted by its income from carbon sequestration where possible.
<b>Indicator 4</b>	<b><i>Provide tangible support for projects building the Knowledge pillar, and leadership around walking access knowledge.</i></b>
	Trails are used to educate people and connect them to the natural environment and mātauranga Maori with the aim of building environmental guardians.
	Regularly publish and update material on the walking and biking trails and work with other agencies to enhance their publications.
	Develop methods to transfer knowledge through events, on-line information channels and support for a Banks Peninsula Geopark.
	Promote information about the biodiversity, culture, heritage and geology of Banks

Peninsula and its potential for carbon sequestration.

**Indicator 5** *Provide tangible support for and work with a range of partners*

Working in partnership with others to achieve greater outcomes than we could individually.

Relationships with key stakeholders are formalised with appropriate agreements and delivering as agreed.

Ngai Tahu's role as kaitiaki is acknowledged and supported through productive partnerships with Papatipu Rūnanga on Te Pātaka o Rākaihautū

A mutually supportive partnership with Christchurch City Council recognising the Trust as an effective delivery vessel.

## 5.2 Financial performance targets

The financial performance targets for the next three years are based on the following assumptions

- The purchase of the main Te Ahu Pātiki park land settles on 1 July 2021
- The Trust has an agreement to purchase a further small area of land adjacent to the Park which is expected to settle during the first half of the year. This land will be added to the Te Ahu Pātiki Park.
- Operational activity in FY22 is focussed on setting up the conservation park and working with partners Te Hapū o Ngāti Wheke and Orton Bradley Park to create a new entity to own and manage the Te Ahu Pātiki park land. the Trust anticipates transferring any balance of donation funds for the project to the new entity.

	Notes	FY22 2021-22	FY23 2022-23	FY24 2023-24
<b>Operating Surplus</b>				
Revenue	1	\$401,696	\$50,365	\$1,496,598
Trust Management	2	-\$96,445	-\$98,374	-\$100,341
Operating costs	3	-\$97,915	-\$99,104	-\$100,517
Operating Surplus/(Deficit)		\$207,366	-\$147,113	\$1,295,739
<b>Trusts Funds</b>				
Opening funds	4	\$2,538,096	\$994,931	\$737,818
Operating Surplus/(Deficit)		\$207,336	-\$147,113	\$1,295,739
Strategic grants and project expenditure	5	-\$1,750,500	-\$110,000	-\$190,000
<b>Closing balance</b>		<b>\$994,931</b>	<b>\$737,818</b>	<b>\$1,843,557</b>

### Notes

- 1 Revenue in all years consists of interest income plus sales.
- In FY22 it also includes a donation of \$300,000 toward the park from Orton Bradley Park plus an assumption of \$50,000 in other donations.
- In FY24 it includes a capital grant of \$1,350,000 and an annual operating grant of \$100,000 from Christchurch

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City Council LTP

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- 2 Trust Management reflects the cost of the current management contract with Peninsula Projects. This may change as Peninsula Projects is not expected to provide the Management service after the end of financial year FY22.

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- 3 Operating costs include accountancy, insurance, audit fees, meeting costs, web hosting, strategic planning, minor projects (such as advocacy or web development), professional fees not separately budgeted, the costs of goods and services sold, including the Trust's social enterprises, and operational grants to partners.

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- 4 The FY22 Opening Balance is an estimate based on the Trust's cash position at 17 June 2021 plus estimated revenue less estimated costs to the end of June and an estimated \$243,000 raised through crowd funding for the setup of Te Ahu Pātiki park.  
  
The Opening funds will reduce by \$1,075,500 on 1 July 2021 to complete purchase of the 500ha main block for Te Ahu Pātiki conservation park. The remaining Trust fund balance forecast after this purchase is \$1,462,596 (held as cash and term deposits).

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- 5 Strategic grants and project expenditure in 2021-22 includes settlement costs for:
  - the purchase of the main Te Ahu Pātiki block on 1 July,
  - an additional parcel of land to Te Ahu Pātiki park for which a sale and purchase agreement is already in place,
  - an allowance for a further purchase of bush land belonging to a neighbouring property
 It includes ongoing grant funding for Banks Peninsula Conservation Trust and Orton Bradley Park.

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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 LGA.

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

The RDBPT will provide an Information and Records Management Strategy meeting its obligations under the Public Records Act 2005 including archiving its records with the support of the Council staff.

A separate annual newsletter will provide more information about the Trust's projects 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 SOI 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.

### **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 cash asset of the RDBPT (as of June 2021) is approximately \$2,344,762 including cash, investments and donations held for the Te Ahu Pātiki purchase. The value of its equity including property and intangible assets is \$2,694,761. 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's area of interest

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 area.



Once the Trust has clarity on whether further funding is allocated in the LTP, it may approach the Council to change its Deed and extend its area of interest to enable new funding to be used in the Banks Ecological district.

## 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

This strategy is aimed at the 5 year period from the start of the financial year on 1 July 2018 to the end of the financial year on 30 June 2023.

### D.1 Investment Principles

#### Summary

- The trust funds are managed for the medium term with the intention that the original capital funds may be close to exhausted by around 2023.
- This intention may change over time and the investment principles will be adjusted to match any changed timeframes.
- The Trust has generally aimed to achieve capital injection through partnerships with other organisations, i.e. for every \$1 the Trust invests in projects that further its objectives, it seeks \$4 from partners or other sources. However, where assets are key to the Trust goals it will proceed without partners.

#### Investment Objectives

1. To retain sufficient funds in the Trust's current account to provide sufficient cashflow for day to day operations and to invest the remainder of the funds in order to generate the best return possible for the Trust.
2. To invest for income rather than capital growth as the Trust's aim is to maximise income to support the achievement of the Trust's objectives.
3. To achieve, on average, better than the Official Cash Rate for each investment class.

#### Risk tolerance

1. To maintain a prudent spread of investments so that any risk on the capital fund is managed and minimised.
2. To make investment decisions that are informed and do not risk the on-going viability of the Trust.
3. To only invest in investment classes that Trustees are informed about and understand.
4. To invest the Trust's funds in compliance with the Christchurch City Council's Investment Policy.

#### Compliance with the Council's Investment Policy

The Trust will ensure compliance by:

1. Only acquiring securities or debt shares in any company after having notified Council.
2. Investing with banks that hold an investment grade rating of at least BBB.
3. Ensuring that no more than 30% of fixed income investments fall outside the Council's Investment Policy.

## Selection Criteria

The Trust will invest in organisations that are well established, strong performers and which it expects will deliver a regular healthy dividend in future years, e.g. power, telco, banks, property, energy, retirement companies.

## Delegations

1. The Trust's Employment, Audit and Risk Committee will oversee the management of investments and compliance with these principles on behalf of the Board and will report all investment decisions and outcomes to the Board on a regular basis.
2. Re-investment of funds for periods greater than one year or for amounts greater than \$500,000 will require a decision by:
  - a) The Board; or
  - b) If the Board is not available, then the Manager in conjunction with the Chair; or
  - c) If the Chair is not available, then the Manager in conjunction with another Board Member.
  - d) In both instances of the Board not being available, the decision will need to be ratified at the next Board Meeting.

## D.2 Available Funds

The following table calculates the Trust's anticipated opening balance on 1 July 2021 based on the current position in mid June. Liabilities include payment of invoices presented in June and July.

Total cash and investments at 17 June 2021	\$2,344,761
Current liabilities and expenses forecast to 30 June 2021 (includes invoices for work carried out in May and estimate for June)	(\$51,482)
Anticipated revenue to 30 June 2021 (principally the transfer of Givealittle donations for the Te Ahu Pātiki project)	\$244,817
Anticipated opening balance 1 July 2021	\$2,538,096

## D.3 Methods to achieve principles

The Trust's opening funds balance on 1 July 2021 is expected to be \$2,538,096.

The purchase settlement of \$1,075,500 for the main block of Te Ahu Pātiki land occurs on 1 July 2021. An additional \$293,000 is forecast to advance development of Te Ahu Pātiki including the following key expenditure to set up the park:

- Establish the new Park entity described earlier
- Acquiring additional land to rationalise the western park boundaries with existing fence lines
- Repair and replace fences to enable QEII covenant registration
- Lodging easements on the walking tracks
- A one year contract for interim park maintenance

A new entity will be established in order to own and govern the park. The land will be transferred to this new entity part way through the year, along with any surplus from donations. This is expected to be in the order of \$256,000, however this will depend on the actual donations received and the set-up costs incurred by the Trust prior to the transfer of the land to the new entity.

As remaining 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 will be funded from a mix of income and capital until such time as an operational grant from the Council comes on-stream. At that point it will be funded through income and the operational grant and any use of capital will be from existing funds, not the new capital injection.

## Appendix E Project detail

The following projects are in progress and some expected to continue into FY22 and beyond.

### E.1 Te Ahu Pātiki conservation park

The Trust will take possession of approximately 500ha of land above Charteris Bay in Lyttelton crater on 1 July 2021, including the summits of Mt Herbert and Mt Bradley, the two highest places in the Christchurch City territorial area. The Trust has a Sale and Purchase agreement to acquire a further 6ha on the western boundary to rationalise the new park to existing fencelines, and will continue work to add a further 8ha of adjacent bush land to the park.

The land is to be protected in perpetuity with a conservation covenant for the protection, restoration and enhancement of native biodiversity and with full non-motorised public access, including on tracks protected by way of easements. This park will provide Christchurch with a stunning new asset, biodiversity enhancement, outdoor recreation and knowledge building for generations to come.

Setting up the new park will form the main focus for the Trust in FY22. This will include completing a management plan for the park in conjunction with partners Orton Bradley Park and Te Hapū o Ngāti Wheke.

It is intended that a new entity will be established, in conjunction with the partners, which will likely become the long-term owner of the park. The Trust is currently working with its partners to determine the future governance, ownership and management of the park.

### E.2 Te Ara Pātaka (Summit Walkway)

This is a multi-day tramp connecting Lyttelton and Akaroa craters via the summit ridgelines of Banks Peninsula, with a network of tracks linking to valleys below. The tramp was formally opened in 2016 and is proving popular, including with many families and youth groups from Christchurch.

Ongoing work includes securing an easement from the new Te Ahu Pātiki park to the Sign of the Packhorse Hut across neighbouring land as well as the maintenance of tracks not covered by DOC or the Council. The Trust proposed to improve map signage at track entrances and to investigate provision of day shelters en-route.

The Trust seeks to extend Te Ara Pātaka to Wainui with a water taxi to Akaroa and/or around the Southern Bays, improving links with the Lyttelton Crater Rim walkway and developing an appropriate mechanism to co-ordinate the long-term maintenance and management of these tracks that cross a variety of land ownerships and are managed by different agencies may be made. A connection to Little River is also envisaged.

### E.3 Managing and maintaining existing assets

The Trust has built up a suite of assets that it intends to continue managing and maintaining. These include the Rod Donald Tramping Hut on Te Ara Pātaka, walking information products, and the Banks Peninsula Walking Festival.

#### E.3.1 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. The Trust intends to continue running the hut as a social enterprise over the coming year, to use it to build goodwill with youth groups and other organisations, act as a front face for the Trust and work toward meeting all of its costs, including oversight by the Trust Manager.

Work over the three-year timeframe may include finding a long-term owner for this asset if the Trust is unsuccessful in securing future funding from the Council.

### E.3.2 Walking information products

The Trust has developed the Banks Peninsula Walk Directory, available both in print and on-line, and a suite of walking brochures. Again, these products operate as a social enterprise, and the Trust intends to continue this as it also builds goodwill and enhances the Trust's profile.

Work over the three-year timeframe may include a new brochure for Wairewa and finding a long term owner for these assets if the Trust is unsuccessful in securing future funding from the Council.

### E.3.3 Banks Peninsula Walking Festival

The Banks Peninsula Walking Festival is a community collaboration led by the Trust and involving Project Lyttelton, Akaroa District Promotions, Little River/Wairewa Community Trust and the Diamond Harbour Community Association. It has been run annually in November since 2013 and built up a strong reputation and following. The Festival aims to cover its costs through grants and ticket sales. The main cost is the Festival Co-ordinator, a position contracted through the Trust.

## E.4 Supporting Head to Head walkway in Lyttelton Harbour

The Trust participates in the Head to Head Working Party, a sub-committee of the Banks Peninsula Community Board. The Trust's primary role is finding access routes to connect existing Head to Head walkway sections 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. The Trust is currently working to progress an easement across Living Springs, and will look to formalise its relationship around the Head to Head walking with an MOU with Council.

## E.5 Supporting Banks Peninsula Ecological Vision

The Trust is a signatory to the Banks Peninsula Ecological Vision. The Te Ahu Pātiki conservation park in the Lyttelton Harbour/Whakaraupō basin fills the missing link to create over 1700ha of continuous land protected for biodiversity. It therefore significantly contributes to the Banks Peninsula Ecological Vision's goal of securing four areas of contiguous 1000ha protected land.

The Trust has an ongoing grant commitment to the Banks Peninsula Conservation Trust running through to the FY24 financial year to support its Volunteer Co-ordinator and Covenant Engagement programme, in support of the Ecological Vision.

### E.5.1 Banks Peninsula Pest Free 2050

The Trust along with Department of Conservation, Banks Peninsula Conservation Trust, Christchurch City Council and others have signed the Banks Peninsula Pest-Free Memorandum of Understanding, incorporating the government's NZ Predator free programme. The Trust has supported this initiative to date with a grant enabling trialling of a new goat eradication methodology and a new Pest Free co-ordinator position managed by Banks Peninsula Conservation Trust, but further funding has not been allocated or forecast. The Trust will keep a watching brief on progress but has not allocated funding to support future initiatives.

## E.6 Building knowledge of carbon sequestration income to support native biodiversity

The Trust is developing knowledge about carbon sequestration using native biodiversity. In particular how income derived via the ETS system may be used to assist with leveraging more native regeneration across Banks Peninsula along with supporting Banks Peninsula Conservation Trust and landowners involved with conservation activities. The Trust leads a collaborative group consisting of representatives from DOC, CCC, ECAN, QEII National Trust, BPCT, Manaaki Whenua/Landcare Research, Hinewai Reserve, and Lucas and Associates landscape planners.

## **E.7 Developing new walking/biking opportunities around Little River**

There are currently no public off-road walks departing directly from Little River except for the Little River Rail Trail. The Trust is seeking to create an off-road connection to Rod Donald Hut and links to Te Ara Pātaka from Little River.

## **E.8 Building stronger relationships with Council and others**

The Trust sees the need for an ongoing entity to advocate for Banks Peninsula tracks and trails, support agencies, develop an associated volunteer network, and to ensure that Banks Peninsula's role as a walking and biking destination for residents and visitors grows with high quality and well-maintained tracks, and enhanced biodiversity and is seeking ongoing funding from the Council so that it can continue to fulfil this role.

The Trust is working to build a stronger relationship with the Council through shared projects, including:

- working with Council staff to improve the signage, waymarking and maintenance of peri-urban tracks around Akaroa, Diamond Harbour and the Lyttelton settlements to match the Trust's popular brochure series.
- working with Strategic Planning staff to improve walking linkage planning through the Council's current Public Open Space and Biodiversity strategies, and making use of some unformed legal roads where appropriate.

The Trust has formalised its relationship with Department of Conservation through a shared MOU, and this is a living document that is added to as new projects develop. It has also developed an MOU with the Te Pātaka o Rākaihautū ;/Banks Peninsula GeoPark Trust and with Stuff Limited.

The Trust expects to have formalised its relationship via an MOU with Orton Bradley Park and Te Hapū o Ngāti Wheke in support of its work to form the Te Ahu Pātiki conservation park.