



New Zealand  
**Historic Places Trust** *Pouhere Taonga*

# Statement of Intent

Pānui Whāinga  
2008 – 2011





# CONTENTS

Joint Statement from the Chairs of the Board and Māori Heritage Council	2
<b>Part 1: Outcomes, Objectives And Strategies</b>	
1.1 Overview	3
1.2 Our Role	4
1.3 Environmental Scan: Expectations and Challenges	6
1.4 Long Term Outcomes for Culture and Heritage	8
1.5 Heritage and NZHPT Outcomes	8
1.6 Organisational Health and Capability.	10
<b>Part 2: Statement Of Proposed Service Performance</b>	
NZHPT Proposed Key Priority Outputs 2008-11	11
2.1 Heritage Leadership, Education, Information and Advice	12
2.2 Working with Iwi, Hapū and Whānau	15
2.3 Heritage Properties Managed by NZHPT	17
2.4 Archaeology	19
2.5 Improving Heritage Survival	21
2.6 Registration	25
<b>Part 3: Prospective Financial Statements 2007/08</b>	
3.1 Statement of Responsibility	27
3.2 Financial Planning Assumptions	28
3.3 Prospective Statement of Financial Performance	31
3.4 Prospective Statement of Financial Position	33
3.5 Prospective Statement of Movement in Equity	34
3.6 Prospective Statement of Cashflows	35
3.7 Prospective Statement of Accounting Policies	36

# Joint Statement from the Chairs of the NZHPT Board and Māori Heritage Council

New Zealand's landscape is rich in historic places that are inseparable from our national and cultural identities. These places of significance to our many peoples help us to remember, to learn, to belong, and to share our stories with others. They provide inspiration for artistic creativity, a foundation for tourism and economic development, a welcome for returning travellers, and are symbols of who we are as New Zealanders. The uniqueness of our heritage places lies in the immediacy of connection between descendant and forbear, tūpuna and tipuna. When such places are threatened, communities unite, dedicating remarkable passion and effort to their preservation.

The NZHPT has the role of guardian of the nation's historic heritage places. It is charged by Parliament with identifying, recording and caring for the nation's significant ancestral sites and buildings, and ensuring that these are passed on to future generations. In doing this, it works with thousands of New Zealanders including its 25,000 members, 24 branch committees and many other agencies nationally and locally. It seeks to empower others to respect, care for, and protect their own special places through creative, intelligent and prudent use of the range of functions entrusted to us. Registration, statutory processes, advocacy, education and the interpretation of the 48 heritage properties NZHPT administers, work collectively to ensure our heritage can be valued by a larger number of New Zealanders.

The NZHPT appreciates its funding support from the Government and from other sources as recognition of the importance of historic heritage throughout New Zealand. While recent and much-needed funding increases from Government have helped

NZHPT to carry out its functions and responsibilities more effectively, current funding falls short of that recommended by the Organisational Capability Review in 2005, and that which the Board considers necessary to ensure that all of the current functions of NZHPT are delivered well.

As a consequence, a key priority in the coming year will be to continue our pursuit of opportunities for additional self-generated revenue. Should such revenue not close the gap, it will be necessary to decide upon the reductions in outputs and the alternative property management arrangements required to ensure the organisation becomes financially sustainable.

It will be more necessary than ever to prioritise work in a manner that serves the greater interests of heritage and to manage our assets well. It will also require understanding by those concerned that NZHPT may not always engage with every heritage issue. This small organisation is challenged to focus on the relative heritage value of any given issue, to make the necessary strategic choices, and to work more effectively with agencies such as local government.

This Statement of Intent identifies priority projects and improvements for the next three years, consistent with NZHPT's Strategic Plan. The NZHPT will meet its accountabilities to the Government, other funders and the peoples of New Zealand to expend its funding wisely to achieve the best possible heritage outcomes across the nation.

As the saying of Ngāti Tūwharetoa proclaims, *'ko te tūmanako, me haere tahi tātou'*.  
*Let us do this together.*



John Acland  
Chair NZHPT Board  
Tumuaki a te Poari Te Pouhere Taonga

Date: 27 June 2008



Tumu te Heuheu DCNZM  
Chair Māori Heritage Council  
Tiamana o te Kaunihera Taonga Tuku Iho Māori

Date: 27 June 2008

# 1.0 Outcomes, objectives and strategies

## 1.1 Overview

Those of us who call Aotearoa New Zealand home know that while 800 – 900 years of human settlement may be relatively short by world standards, not only is our heritage rich, varied and unique, it is as important as that of any other country, and to us as New Zealanders, it is even more important.

Historic heritage has

- ▶ intrinsic value to those of us personally associated with a particular place
- ▶ social value, both for its contribution to our national identity through creating a physical link to the events that have shaped our society, and through the sense of place, of belonging and of identity that it provides each of us as New Zealanders
- ▶ economic value through its ability to contribute to heritage tourism and to provide social cohesion, the latter a common prerequisite of small successful market economies.

Increasing public awareness of these values, combined with sustained economic growth and urban development, means that the demand for our services has continued to increase at an unprecedented rate. Likewise, the expectations of visitors to our properties for heritage tourism, the expectations of the community for heritage advocacy to protect threatened heritage places, and expectations for advice on heritage conservation from private and community property owners, have all continued to escalate.

Over the past two years, improving the effectiveness of the New Zealand Historic Places Trust Pouhere Taonga, has been a key focus of our work programme. Modest increases in funding combined with new approaches to governance and management have enabled NZHPT to strengthen its organisational capability and its service delivery capacity.

Looking forward, a key priority for NZHPT will be to resolve the issues of financial sustainability. NZHPT will therefore continue the drive to increase our revenue base, be more efficient in carrying out our statutory obligations, and focus our resources on those activities that add the greatest heritage value.

This Statement of Intent sets out the specific strategic priorities of NZHPT over the next three years and the key objectives for the 08/09 financial year.



Bruce Chapman  
Chief Executive

## 1.2 Our Role

The role of the New Zealand Historic Places Trust (“NZHPT”) as defined by the *Historic Places Act 1993*, is “to promote the identification, protection, preservation and conservation of the historical and cultural heritage of New Zealand”. Over the past 50 years it has become New Zealand’s leading national historic heritage agency and is seen by the public as the guardian of New Zealand’s national historic heritage.

While the powers and functions of the NZHPT are established within the Historic Places Act, the organisation is governed and managed as an autonomous Crown Entity under the *Crown Entities Act 2004*. The primary source of funding for the organisation is the New Zealand Government through Vote Arts, Culture and Heritage.

### Nature and Scope of Functions and Activities

As an Autonomous Crown Entity, NZHPT must have regard to government policy when directed to by its responsible Minister. Under the *Historic Places Act 1993* the Minister may not give a direction to NZHPT in relation to heritage matters.

The NZHPT has a range of service delivery responsibilities by which it provides national leadership for the identification and protection of our historic heritage and delivers for the Crown those statutory requirements that it is charged with under the Act. These responsibilities can be grouped into four classes, as follows:

#### (1) Mandatory responsibilities under the Act

- ▶ Administering the archaeological authority provisions (Part 1)
- ▶ Maintaining the national Register of historic places, historic areas, wāhi tapu and wāhi tapu areas (Part 2).

#### (2) Responsibilities assigned by the Government

- ▶ Administering and allocating the National Heritage Preservation Incentive Fund
- ▶ Assessing and making recommendations for the conservation of historic heritage prior to the disposal of Crown land.

#### (3) Non-discretionary commitments

- ▶ Promoting the protection of Māori heritage
- ▶ Managing a portfolio of nationally significant heritage properties
- ▶ Acting in accordance with heritage covenants with private owners
- ▶ Monitoring compliance with archaeological authorities, heritage covenants, interim registration and heritage orders
- ▶ Advocating heritage protection where the NZHPT’s involvement is obligatory.

#### (4) Discretionary responsibilities to recognise, protect and promote heritage

- ▶ Making submissions on planning documents and resource consent applications
- ▶ Achieving heritage protection, by such methods as heritage covenants and heritage orders
- ▶ Delivering heritage education, training and promotion programmes.

### Heritage Vision and Values

The Board’s vision and mission for the delivery of its heritage responsibilities are as follows:

- ▶ **Vision:** Our heritage is valued, respected and preserved for present and future generations.
- ▶ **Mission:** To identify, protect and promote heritage.

In meeting its responsibilities, the NZHPT has derived and promotes a set of values that can be ascribed to the heritage of New Zealand. The delivery of the outcomes in this Statement of Intent is shaped by these values.

The heritage places of New Zealand:

- ▶ Are rich, varied and unique
- ▶ Are central to our national identity and well-being, now and in the future
- ▶ Embody the stories of all generations, cultures, traditions and communities
- ▶ Include the heritage places of Māori which are integral to their whakapapa and identity
- ▶ Make a creative contribution to the diversity of our national life
- ▶ Deserve the best recognition and care for the benefit of future generations
- ▶ Are resources for increasing economic growth, including tourism.

## **Organisational Structure**

NZHPT is governed by a Board comprising nine members, six of whom are appointed by Government and three of whom are elected by the membership of the organisation every three years.

The Board is responsible for the strategic direction of the organisation and in setting this also has regard to government priorities and desired outcomes.

NZHPT also incorporates the Māori Heritage Council. The Council has eight members all of whom are appointed by Government. The Council has specific statutory functions under the Historic Places Act for the promotion and conservation of many aspects of Māori heritage. While not in a governance role, the Council works very closely with the Board, often holding joint meetings to ensure that the work of the organisation is strategically aligned with the responsibilities and preferences of both bodies.

Management of the organisation is delivered through a decentralised organisational structure as follows:

- ▶ The national office in Wellington provides national service and support functions
- ▶ The NZHPT Māori Heritage team is established within NZHPT's staff structure at its national, regional and area offices
- ▶ A National Heritage Destinations Group manages the 17 staffed properties and a further 31 unstaffed properties throughout New Zealand for which NZHPT is responsible
- ▶ There are regional offices in Auckland, Wellington and Christchurch and area offices in Kerikeri, Tauranga and Dunedin
- ▶ The NZHPT has over 25,000 members, and 24 Branch committees throughout New Zealand elected by the members who act as volunteers to the organisation.

The NZHPT also works in close co-operation with other stakeholders, communities, individuals and agencies nationally and locally.

## **Accountability**

Under the *Crown Entities Act 2004*, Board members must comply with the Board's collective duties, their individual duties as members, and any directions made by the responsible Minister.

NZHPT must report annually to Parliament in its performance against its Statement of Intent. In addition, NZHPT provides quarterly reports to its Minister on progress towards achieving performance targets.

## 1.3 Environmental Scan: Expectations and Challenges

### Context

NZHPT continues to operate in an environment characterised by a growing interest in heritage, recognition of its social, cultural, environmental and economic benefits, and awareness of its importance to national identity.

As can be expected, however, sustained economic growth and consequential development and land use change mean that there is ongoing conflict between heritage protection and development pressures.

While development pressures may show some slowing with the easing of the economy over the next 12 months, it is expected that there will be ongoing pressure for coastal, tourism and infrastructural development impacting some of the areas with very significant heritage values. Stakeholder expectations of the NZHPT from all sides and for the entire range of services we deliver therefore are expected to continue increasing.

NZHPT's historic properties continue to be significant both for their economic benefits through heritage tourism, as well as their status as iconic places whose stories engender a sense of place, belonging and identity that make an important contribution to national identity. Over the past two years visitor numbers have steadily increased, in some cases against a trend of declining regional visitor numbers.

The outcomes sought and the outputs produced by the NZHPT, as expressed in this Statement of Intent, constitute the NZHPT's response to the environment in which it is operating. The response includes both a regulatory and an advocacy approach, consistent with the NZHPT's statutory functions, and a major focus on the interpretation and development of its properties.

### Expectations

The NZHPT has witnessed many changes in the way in which New Zealanders experience and express their relationship to the historic heritage of the country. Today public expectations of the NZHPT, as the national heritage agency, continue to increase both in terms of their diversity and their total demand.

- ▶ Historic heritage is of increasing importance for all New Zealanders in defining a distinct national identity that is recognised internationally.
- ▶ Māori communities are increasingly concerned and active in the protection and management of their heritage and expect to be consulted and assisted.
- ▶ There is increased interest in the heritage of all ethnic groups within New Zealand's culturally diverse community.
- ▶ There are growing community expectations that the NZHPT will play a stronger heritage advocacy role that leads to greater heritage protection in resource management processes.
- ▶ New Zealanders, overseas visitors and the tourism industry expect to find publicly accessible heritage places of importance to national and cultural identity presented and interpreted to international standards.



## Challenges

In meeting the expectations of the New Zealand public, the NZHPT is acutely aware of the significant challenges it faces. These include:

- ▶ Achieving financial sustainability for the core functions of the organisation
- ▶ Prioritising the allocation of limited resources to those heritage places that are most significant and most at risk
- ▶ Funding the increasing gap between the conservation and tourism demands for the maintenance, development and interpretation of 48 NZHPT properties and available resources
- ▶ Creating a heightened awareness amongst the wider public of the value and relevance of heritage
- ▶ Managing the expectations of a diverse range of stakeholders
- ▶ Improving heritage survival rates – through the development and more widespread use of provisions in District Plans that both regulate and incentivise private owners to retain and conserve significant heritage places
- ▶ Meeting the expectations of Māori to protect and support the conservation of Māori heritage
- ▶ Managing the risks associated with participating in legal processes while carrying out the organisation's heritage advocacy and protection functions
- ▶ Maintaining the Register as an up-to-date and reliable source of information on historic places.

## Legislation

- ▶ The *Local Government Act* 2002 requires regional councils and territorial authorities to facilitate a process to identify outcomes sought by their communities and to adopt long-term council community plans that set out how to achieve the outcomes identified. Through this process, in which the NZHPT participates, heritage outcomes are assuming greater regional and local prominence.
- ▶ The *Resource Management Amendment Act* 2003 established that the protection of historic heritage from inappropriate subdivision, use and development should be recognised and provided for as a matter of national importance. Although the full impact of this measure is yet to be seen, it is expected to increase the weight given to historic heritage in policies, plans and consent processes. This will require significant input as second generation district and regional plans are prepared.
- ▶ Under the *Crown Entities Act* 2004 the NZHPT has become an autonomous Crown entity, and more demand has been placed on the NZHPT's governance and accountability performance in consequence.

## Service Delivery

This Statement of Intent defines how the NZHPT will meet these challenges and deliver on the expectations of the New Zealand public.

It is anticipated that in Year 1 (2008/09) for organisational capability we will seek to

- ▶ Refine the organisation's processes of prioritisation to ensure the allocation of limited resources to those heritage places that are most significant and most at risk.
- ▶ Achieve a position of long term financial sustainability through a combination of further development of self generated revenue (including grants and donations, merchandising, cost recovery and membership subscriptions) and if necessary, making appropriate reductions in outputs.

For heritage outcomes we will seek to

- ▶ Improve heritage survival rates – through placing greater emphasis on working with local and central government to develop and implement a range of regulatory and incentive techniques in District Plans that encourage private owners to retain and conserve significant heritage places.
- ▶ Make further improvements and additions to the Register.
- ▶ Complete a limited number of development and interpretation projects at our properties.
- ▶ Complete property management plans for all remaining properties.
- ▶ Further upgrade the NZHPT web site as resources permit.

In subsequent years (Year 2 – 2009/10 and Year 3 – 2010/11), we anticipate continuing with these initiatives and if sufficient revenue can be obtained, complete a series of upgrades at a limited number of our properties for conservation and interpretation purposes.

## 1.4 Long Term Outcomes for Culture and Heritage

### Government Priorities:

- ▶ Economic transformation
- ▶ Families – young and old
- ▶ National identity.

### Culture and heritage outcomes

The Government, through the Ministry for Culture and Heritage, has defined a series of long term outcomes for the sector. The NZHPT, as the lead historic heritage agency, contributes strongly to the delivery of these outcomes.

Long term outcomes sought by the Government for the culture and heritage sector:	The NZHPT contributes to the achievement of these outcomes by:
Insight and enrichment	Providing heritage information and interpretation nationally and locally in a range of media, thereby inspiring public awareness, insight and engagement
Economic prosperity	Promoting the contribution of heritage to sustainable ways of achieving economic growth
A sense of place	Leading the promotion of New Zealand's heritage, thereby building our distinctiveness, our sense of nationhood and our identity internationally
Strong communities	Working with others to identify heritage and advocate its protection nationally and locally, thereby contributing to strong communities which value and benefit from their heritage

## 1.5 Heritage and NZHPT Outcomes

Many agencies contribute to heritage outcomes. The table on the following page shows the heritage outcomes defined by NZHPT and how NZHPT contributes to these.

The particular outcomes towards which the NZHPT is working within the term of this Statement of Intent have been defined taking into account the role that the NZHPT is expected to perform and the environment in which it is operating.

The NZHPT will seek to deliver these outcomes over the long-term as outlined in the *Strategic Plan Mahere Rautaki 2005 – 2010*.

Although these outcomes are expressed in ways specific to the relevant output classes, much of the NZHPT's work flows across numerous output classes.

Government Outcomes					
Insight and enrichment		National Identity		Economic prosperity   A sense of place   Strong communities	
Heritage Outcomes	<b>Māori heritage</b> Management by whānau, hapū and iwi of their heritage places with support from the NZHPT Māori heritage is integral to the delivery of all the NZHPT's outcomes.	<b>Understanding heritage</b> All New Zealanders are able to appreciate and understand our heritage and its importance to national and cultural identity.	<b>A network of heritage properties and sites of significance to national identity</b> Quality heritage experiences accessible for people to enjoy  Telling the stories of our history where it happened.	<b>Heritage of value to people and communities in all localities</b> Integral to the identity and well-being of our communities and our nation  Actively and successfully identified, protected and promoted  Valued, respected and contributing to economic transformation.	
NZHPT Intermediate Outcomes		<b>Heritage leadership, education, information and advice</b> Increased understanding of heritage and its importance to national and cultural identity  Heritage information accessible to and used by other agencies, owners, and communities  Improved quality of care of heritage by owners and managers.	<b>The NZHPT's heritage properties</b> Leading a national network of well-conserved, interpreted and publicly accessible heritage properties and sites of importance to national identity  Selected properties conserved and interpreted to exemplary standards  Other NZHPT properties managed and maintained to defined standards.	<b>Significant archaeological sites and information</b> Protected through the HPA authority process wherever possible  Improved statutory compliance and archaeological site survival rates.	<b>Significant heritage places</b> Improved heritage survival rates  Improved heritage provisions in 2nd generation regional and district plans and Long Term Council Community Plans  Protection enhanced through the NZHPT's heritage protection and statutory advocacy work  Conservation of nationally significant heritage in private ownership is assisted by the National Heritage Preservation Incentive Fund  Protection of heritage values in land proposed for disposal by Crown Agencies.
		<b>The Register</b> Heritage of importance to local and national identity, including sites at risk, identified and registered The Register is more accurate, nationally consistent and discriminating.			
NZHPT Capability		NZHPT is more visible, strategic and innovative.			

## 1.6 Organisational Health and Capability

Over the past two years, the Organisational Capability Development Programme has been a significant feature of the NZHPT work programme. Those programmes that were identified as comprising the first stage of the work programme have been completed and are now accepted and working features of the organisation's activities. One further capital initiative, the development of an intranet has been funded for development in 2008/09.

A number of significant activities will occur under this heading in 2008/09:

- ▶ Completion of the Intranet development programme
- ▶ Complete development and implementation of the bi-cultural development programme
- ▶ Complete a comprehensive review of the effectiveness of a number of management and communication tools put in place over the past two years
- ▶ Further develop Key Performance Indicators that more accurately reflect the social value added by the organisation
- ▶ Implement a number of third party revenue initiatives.



## 2.0 Statement of Proposed Service Performance 2008-09

### NZHPT Proposed Key Outputs 2008-11

NZHPT has one output class funded through Vote Arts, Culture and Heritage. The delivery of outputs in the next three years to progress the desired outcomes has been further classified, based on the purposes of NZHPT as specified in the Historic Places Act, into the following areas:

- ▶ Leadership, Education, Information and Advice
- ▶ Working with Iwi, Hapū and Whānau
- ▶ Heritage Properties Managed by NZHPT
- ▶ Archaeology
- ▶ Improving Heritage Survival
- ▶ Registration.

Māori Heritage is integral to national and cultural identity and to the delivery of all the NZHPT outcomes. Therefore the interests of Māori heritage will be incorporated in all output areas. In addition, the specific support work that NZHPT intends to undertake to support management by whānau, hapū and iwi of their heritage places has been identified as a separate output.

## 2.1 Heritage Leadership, Education, Information and Advice

### NZHPT outcome:

- ▶ Increased understanding of heritage and its importance to national and cultural identity
- ▶ Heritage information accessible to and used by other agencies, owners and communities
- ▶ Improved quality of care of heritage by owners and managers.

We intend to progress these outcomes by delivering the following outputs over the next three years:

2008 – 09	2009 – 10	2010 – 11
Develop, source and implement new public awareness survey	Implement new public awareness survey	
Implement the NZHPT stakeholder relations and communication strategy	Implement the stakeholder strategy, focusing on key delivery partners and the relationships sought with each	
Complete development of the website to improve access to heritage stories and information, including linking our site to other relevant sites. This will include information regarding Māori heritage, properties, statutory advocacy, Incentive Fund, archaeology and registration.	Maintain the website to ensure information is updated and relevant	
Contribute to policy and legislation reviews and respond to Ministerial and Parliamentary requests as required within specified deadlines and to required standards		
At least one project is undertaken by every Branch Committee to facilitate interest in and understanding of heritage and its importance.	At least one project is undertaken by every Branch Committee to facilitate interest in and understanding of heritage and its importance.	At least one project is undertaken by every Branch Committee to facilitate interest in and understanding of heritage and its importance.

We intend to measure our performance against these outcomes in 2008/09 as follows:

Performance Measures	Actual 2006/07	Forecast 2007/08	Target 2008/09
<b>Leadership</b>			
Maintain public awareness rate in annual survey	80%	80%	80%
NZHPT profiled in Māori media	N/A	2	2
Targeted membership campaigns conducted	7	10	11
Provide public education services	60	43	36
<b>Education and Advice</b>			
Maintain magazine circulation	18,830	19,521	19,521
Website Increase the number of unique user sessions for the website	430,462	421,428	480,000
Increase the number of page views for Heritage Destinations and Education sections	HD: 96,381 (9.13%) Ed: 15,300 (1.5%)	HD: 92,618 (7.9%) Ed: 12,208 (1.1%)	HD: 120,000 (10%) Ed: 31,500 (3%)
Improve the depth of sessions (2 or more page-views per session)	26.3%	29.1%	32%
Undertake events that promote public awareness of significant heritage places	n/a	n/a	8
Provide educational, promotional or training services to local authorities and professional groups	19	29	51
Evaluations from education activities rate 8 or above on 10 point scale.	n/a	n/a	80%
Complete Branch Committee projects			24

Trends and Estimated Levels of Activity:

Activities	Actual 2006/07	Forecast 2007/08	Estimated 2008/09
<b>Other initiatives to improve heritage protection and heritage best practice</b>			
Review external conservation plans and management strategies	17	17	15
Covenants negotiated over heritage properties	8	9	9
<b>Membership:</b>			
<i>Heritage</i> magazine published	4	4	4
" <i>Heritage this Month</i> " newsletter emailed to members where email address supplied and other interested public on a monthly basis	11	11	11
Members are sent a local heritage newsletter at least once per year	N/A	1	1

Proposed Costs for these outputs:

<b>Operating Expenditure</b>	<b>\$2,271,000</b>
<b>% of Total Operating Expenditure</b>	<b>16%</b>



## 2.2 Working with Iwi, Hapū and Whānau

Māori heritage is integral to national and cultural identity and to the delivery of all the NZHPT's outcomes. Therefore this output area should also be read in conjunction with deliverables under all other output headings.

### NZHPT outcomes:

- Identification, protection, management, and kaitiakitanga by iwi, hapū and whānau of their heritage places with support from NZHPT
- Māori heritage and its relationship to iwi, hapū, and whānau is integral to the delivery of all the NZHPT's outcomes.

We intend to progress these outcomes by delivering the following outputs over the next three years:

2008 – 09	2009 – 10		2010 – 11
Continue to develop relationships with iwi, hapū and whānau			
Protect Māori heritage values by providing Māori Values Assessments in respect of Crown Land disposal and applications for Archaeological Authorities			
<b>Maori Built Heritage</b> Develop resources and workshop programmes to support Māori Built Heritage conservation maintenance capability in Māori communities	Develop resources and workshop programmes to support Māori Built Heritage traditional materials use capability in Māori communities	Develop resources and workshop programmes to support Māori Built Heritage matauranga marae / knowledge of place capability in Māori communities	
<b>Rock Art</b> Complete joint research project into kokowai (red ochre pigment) characterisation and conservation (contingent on third party funding)	Develop guidelines for rock art site protection and management		
Further develop Māori Heritage Strategy	Implement Māori Heritage Strategy in consultation with iwi, hapū and whānau		
Further develop NZHPT Māori Heritage policy, guidelines, manuals and plans		Review of policies	
Develop guidelines for heritage management within Iwi Management Plans	Implement in consultation with iwi, hapū and whānau		
Collaborate with iwi to identify important at-risk Māori heritage sites, including archaeological sites, and implement registration and protection			
Ensure development of NZHPT heritage destinations is informed by Māori Heritage and its relationship to iwi, hapū, and whānau			

We intend to measure our performance against these outcomes in 2008/09 as follows:

Performance Measures	Actual 2006/07	Forecast 2007/08	Target 2008/09
Develop and maintain durable relationships with iwi, hapū and whānau to assist in their capacity to identify, manage and protect Māori heritage as measured by a survey of representatives with whom NZHPT has been working.	10	10	10
Undertake Māori Values Assessments in conjunction with iwi, hapū, whānau, for archaeological authority processing			Within statutory time frames
Provide training and education services to iwi, hapū and whānau	10	10	10

Trends and estimated levels of activity:

Activities	Actual 2006/07	Forecast 2007/08	Estimated 2008/09
Provide Māori communities advice, training and assistance for the conservation and maintenance of Māori Built Heritage	22	25	25
Support to Māori rock art projects	3	2	2
Māori Heritage policy documents guidelines, manuals and plans	3	3	3

Proposed Costs for these outputs:

<b>Operating Expenditure</b>	<b>\$1,498,000</b>
<b>% of Total Operating Expenditure</b>	<b>10%</b>

## 2.3 Heritage Properties Managed by NZHPT

### NZHPT outcomes:

- ▶ Providing a national network of well-conserved, interpreted, accessible and visible heritage properties of importance to national identity
- ▶ Selected properties conserved and interpreted to exemplary standards
- ▶ Selected NZHPT properties managed and maintained to defined standards
- ▶ Identify properties that will be selected for other uses where resources do not permit ongoing maintenance and development.

We intend to progress these outcomes by delivering the following outputs over the next three years:

2008 – 09	2009 – 10	2010 – 11
Prepare Property Management Plans for all properties owned and managed by the NZHPT (48 properties)	Review the property portfolio and implement approved changes to management arrangements, plus consider opportunities to acquire and/or manage additional properties	
Develop policy and guidelines on the development of the NZHPT property portfolio		
Further develop the national interpretation project to highlight the importance of NZHPT properties to national identity and culture		
5 interpretation projects	2 interpretation projects	2 interpretation projects
2 interpretation plans	2 interpretation plans	2 interpretation plans
Prepare a volunteer policy and guidelines for NZHPT properties	Develop programmes to improve volunteer involvement at properties	
	Prepare a NZHPT property-based education policy	Develop programmes to improve educational programmes at properties
Year Two of Local Engagement Project		
Implement cyclical maintenance at properties owned and/or managed by NZHPT, subject to budget constraints		

We intend to measure our performance against these outcomes in 2008/09 as follows:

Performance Measures	Actual 2006/07	Forecast 2007/08	Target 2008/09
<b>Visitor numbers</b>			
Total visitor numbers to NZHPT staffed properties	155,000	175,000	170,000
<b>Visitor satisfaction</b>			
Maintain high level of visitor satisfaction at staffed properties	90%	90%	90%

## Trends and Estimated Levels of Activity

Activities	Actual 2006/07	Forecast 2007/08	Estimated 2008/09
48 properties (100% of total properties managed by NZHPT) will have a Property Management Plan	N/A	17 (38%)	45 (100%)
17 properties (38% of total properties managed by NZHPT) will have an approved conservation plan	10 (22%)	17 (38%)	17 (38%)

Proposed Costs for these outputs:

<b>Operating Expenditure</b>	<b>\$4,748,000</b>
<b>% of Total Operating Expenditure</b>	<b>33%</b>

Capital Expenditure:

In addition to operational service delivery, it is intended to undertake the following capital works projects during 2008/09:

Summary of Heritage Destinations Capital Works 2008/09	Estimated Capital budget from Special Funds already secured	Estimated Capital budget from Crown Capital Funding	Total
Interpretation projects	65,000	1,226,000	1,291,000
Improvements to visitor facilities	-		
Chattel management	100,000	50,000	150,000
<b>Total Capital Works</b>	<b>165,000</b>	<b>1,276,000</b>	<b>1,441,000</b>

## 2.4 Archaeology

Archaeological site protection aims to ensure:

- ▶ Survival of archaeological features in New Zealand's diverse and distinctive landscape
- ▶ Sustainability of archaeological resources as a primary source of information about New Zealand's past
- ▶ Continuity of the relationship between New Zealanders and sites of spiritual and cultural significance to them.

To these ends, the NZHPT seeks the following outcomes:

- ▶ Significant archaeological sites protected and archaeological information recovered through the HPA authority process wherever possible
- ▶ Improved statutory compliance and archaeological site survival rates.

We intend to progress these outcomes by delivering the following outputs over the next three years:

2008 – 09	2009 – 10	2010 – 11
Implement the Archaeological Authority process in accordance with the requirements of the Historic Places Act		
Collaborate with New Zealand Archaeological Association, iwi and other agencies to identify important and at risk sites, including sites of interest to Māori, and implement registration and protection		
Continue to gazette post-1900 important and at-risk sites on a case-by-case basis		
If third party resources permit, undertake research on a proactive basis to investigate strategic outcomes for sites affected by geomorphological processes, e.g. Stage II of the Coromandel coastal project, and Manukau Harbour study	Develop monitoring and excavation strategies with external research providers to implement outcomes of the initial research into climate change, as part of the National Archaeological Research Framework	
Complete and publish research undertaken as part of the Wellington Inner City Bypass Project		
Develop guidelines on Human Remains, Midden Sampling and Analysis as part of the NZHPT external guideline series	Continue to prepare and promote the external archaeological guideline series	
Complete the Digital Library Project and make the full catalogue available online; and develop further web logs of archaeological investigations (if third party funding resources permit)	Continue to improve the availability of archaeological information on the website	

We intend to measure our performance against these outcomes in 2008/09 as follows:

Performance Measures	Actual 2006/07	Forecast 2007/08	Target 2008/09
Proportion of archaeological authorities that protect or avoid archaeological sites <sup>1</sup>	n/a	n/a	20%
Archaeological authorities processed within statutory timeframe	94%	90%	95%

Trends and Estimated Levels of Activity:

	Actual 2006/07	Forecast 2007/08	Estimate 2008/09
Archaeological authorities processed	368	330	330
Investigate reports of site damage	>100	105	100
Authorities reviewed under S18 of the <i>Historic Places Act 1993</i>	28	30	35
Archaeological authority compliance conditions monitored	45	60	100

Proposed Costs for these outputs:

<b>Operating Expenditure</b>	<b>\$1,802,000</b>
<b>% of Total Operating Expenditure</b>	<b>13%</b>

<sup>1</sup> Section 10 of the *Historic Places Act 1993* protects all archaeological sites from any work that may modify, damage or destroy the site. Any persons wishing to modify, damage or destroy a site must apply for an authority from the NZHPT. This target measures the percentage of authorities that act to provide some form of protection when works will be occurring, but does not include avoidance achieved through negotiation which results in no archaeological authority being necessary.

## 2.5 Improving Heritage Survival

### NZHPT outcomes:

- ▶ Improved survival rates for heritage places in both public and private ownership
- ▶ Improved heritage provisions in second generation regional and district plans, and Long Term Council Community Plans (LTCCPs)
- ▶ Protection of significant heritage places is enhanced through the NZHPT's heritage protection and statutory advocacy work
- ▶ Protection of significant heritage values in land proposed for disposal by Crown agencies.

These outcomes apply to all forms of historic and cultural heritage including built, archaeological and Māori heritage and will be pursued through a combination of Statutory Advocacy, the National Heritage Preservation Incentive Fund and through input to the processes for Crown Land Disposal.

### 2.5.1 Statutory Advocacy

We intend to improve heritage survival outcomes by delivering the following outputs over the next three years:

2008 – 09	2009 – 10	2010-11
Provide advice and assistance with second generation plans and input into LTCCPs to assist with and advocate for effective heritage provisions		
Promote heritage and urban design case studies relating to the urban design protocol  (Contingent on external funding)		
Further develop and promote the Sustainable Management of Historic Heritage Guidelines		
Draft new technical guidance (to replace the NZHPT 2000 guidelines series) relating to the building code and historic heritage pertaining to earthquake protection, safety, access and energy efficiency	Specialist sections written as required, publish and distribute guidelines (Contingent on external funding)	
Identify incentives as well as regulatory measures involving planning mechanisms to encourage heritage survival	Implement incentive mechanisms through second generation plans and Council policies	
Implement strategies for the protection and conservation of registered places and areas		
Continue to undertake local and regional studies to identify significant heritage at risk, as third party funding permits		
Advocate the protection of the most significant places in Resource Management Act (RMA) processes, including sites of significance to Māori		

We intend to measure our performance against these outcomes in 2008/09 as follows:

Performance Measures	Actual 2006/07	Forecast 2007/08	Target 2008/09
Proportion of policy decisions that have been positively enhanced by NZHPT involvement	n/a	60%	60%
Proportion of resource consent decisions that have been positively enhanced by NZHPT involvement	n/a	60%	60%

#### Trends and Estimated Levels of Activity

	Actual 2006/07	Forecast 2007/08	Estimate 2008/09
<b>Policy</b>			
Number of occasions policy advice provided to central government and local authorities relating to plan and policy documents	134	81	95
Number of policy submissions submitted to central government and local authorities relating to plan and policy documents		70	106
Number of appeals submitted to local authorities relating to plan and policy documents	n/a	3	4
Number of policy documents reviewed where preliminary advice was provided prior to formal notification	n/a	n/a	60
<b>Consents:</b>			
Number of occasions consent advice provided on resource consent and related processes including the Building Act	2059	1044	900
Number of consent submissions submitted to local government under the RMA and related legislation		171	195
Number of consent appeals submitted to local government under the RMA and related legislation	n/a	8	6
Number of proposals where preliminary advice was provided prior to consent lodgement	n/a	n/a	395

Proposed Costs for these outputs:

<b>Operating Expenditure</b>	<b>\$1,754,000</b>
<b>% of Total Operating Expenditure</b>	<b>12%</b>



## 2.5.2 National Heritage Preservation Incentive Fund

We intend to improve heritage survival outcomes by delivering the following outputs over the next three years:

2008 – 09	2009 – 10	2010 – 11
Investigate partnerships with other funds that have complementary objectives		
Administer and allocate the fund in accordance with policy		

We intend to measure our performance against these outcomes as follows:

Performance Measures	Actual 2006/07	Forecast 2007/08	Target 2008/09
Percentage of fund allocated to projects in accordance with the policy	100%	90%	100%
Work completed and grants uplifted	n/a	n/a	80%

Trends and Estimated levels of Activity

	Actual 2006/07	Forecast 2007/08	Estimate 2008/09
Applications approved	16	14	15
Annual allocation of fund, less administration fees, allocated	\$567,035	\$670,000	\$464,000
Approved applications monitored and reported	100%	100%	100%

Proposed Costs for these outputs:

<b>Operating Expenditure</b>	<b>\$520,000</b>
<b>% of Total Operating Expenditure</b>	<b>4%</b>

### 2.5.3 Disposal of Land by Crown Agencies Processes

We intend to improve heritage survival outcomes by delivering the following outputs over the next three years:

2008 – 09	2009 – 10	2010 – 11
Develop review process for evaluating success of NZHPT involvement	Refine NZHPT’s engagement in the disposal of land by Crown agencies permanent process	
Contribute to any review of the process carried out by other departments as required		

We intend to measure our performance against these outcomes as follows:

Performance Measures	Actual 2006/07	Forecast 2007/08	Target 2008/09
Proportion of assessments provided to standard within agreed timeframes	n/a	n/a	100%
Proportion of recommendations agreed upon with agency to achieve protection of significant heritage values	n/a	n/a	75%

Trends and Estimated levels of Activity

	Actual 2006/07	Forecast 2007/08	Maximum 2008/09
Number of assessments provided in response to the Land of Potential Interest System (administered by LINZ) prepared in accordance with policy	n/a	90	100
Number of assessments provided to Government departments in response to the NZHPT notification process prepared in accordance with policy	n/a	270 (9 months)	380
Proportion of responses which recommend protection measures	n/a	24%	25%

Proposed Costs for these outputs:

<b>Operating Expenditure</b>	<b>\$185,000</b>
<b>% of Total Operating Expenditure</b>	<b>1%</b>

## 2.6 Registration

Registration of historic places, historic areas, wāhi tapu and wāhi tapu areas is both a foundation and also a critical lever for NZHPT to progress all other heritage understanding, protection and conservation outcomes.

NZHPT outcomes:

- ▶ Heritage of importance to local and national identity, including sites at risk, identified and registered
- ▶ The Register and NZHPT Information on registered heritage is helpful, accessible and widely used.

We intend to progress these outcomes by delivering the following outputs over the next three years:

2008 – 09	2009 – 10	2010-11
Continue to resolve deficient registrations as resources permit		
Undertake agreed programme to complete new registrations based on heritage significance and risk, and review registrations	Continue programme to complete new registrations, based on heritage significance and risk, resolve deficient registrations and review registrations	
NZHPT Properties Registration Project: Progress upgrades and registration proposals as appropriate		
Implement outcomes of the review of the Register Online		
Register Images Project to increase the number of Register entries with images accessible from the Register Online		
Continue to implement national thematic registration projects		
Work with selected government departments to register government owned heritage		
Seek partnerships with local authorities and other agencies to work collaboratively for registration		
Implement the recommendations of the Registration Efficiency Project including investigating database opportunities and revising the nomination process	Continue to Implement the recommendations of the Registration Efficiency Project	

We intend to measure our performance against these outcomes as follows:

Performance Measures	Actual 2006/07	Forecast 2007/08	Target 2008/09
Proportion of new additions to the Register entered onto the Register Database at the end of each quarter	n/a	100%	100%
Proportion of Register entries are accessible via the www.historic.org.nz website	98%	98%	98%
Proportion of Register entries on the Register Online with an associated image	n/a	16%	30%
Proportion of Register entries on the Register Online with supporting information	14.5%	19%	25%
Proportion of occasions the Register Online is updated within two weeks of registration decisions	n/a	n/a	100%
Unique visitor sessions per month to Register information on the www.historic.org.nz website	22, 575	25,500	24,000

#### Trends and Estimated levels of Activity

	Actual 2006/07	Forecast 2007/08	Estimate 2008/09
Additions to Register			
Proposals for registration resolved ( <i>historic places</i> )	39	41	38
( <i>historic areas</i> )		4	
( <i>wāhi tapu and wāhi tapu areas, historic places and historic areas of interest to Māori</i> )	12	10	
Maintaining Integrity of Register			
Existing registrations reviewed or removed as per s37 & s37A of <i>Historic Places Act 1993</i>	17	15	14
Deficient registrations resolved	60	65	29
Technical changes to existing Register entries approved	135	133	138
Information upgrades to existing Register entries completed	16	58	13
Number of copies of NZHPT Annual Information distributed	n/a	154	154

Proposed Costs for these outputs:


<b>Operating Expenditure</b>	<b>\$1,633,000</b>
<b>% of Total Operating Expenditure</b>	<b>11%</b>

## 3.0 Prospective Financial Statements 2008/09

### 3.1 Statement of Responsibility for the Prospective Financial Statements 2008/09

In accordance with FRS-42, Prospective Financial Statements, the Board and the management of the New Zealand Historic Places Trust hereby state that:

- ▶ The Board and the management of New Zealand Historic Places Trust have been responsible for the preparation of these prospective financial statements, including the appropriateness of the assumptions underlying them, and the judgments used in therein.
- ▶ These prospective financial statements will be updated in accordance with S139 of the *Crown Entities Act* 2004 obligation to prepare a Statement of Intent at the start of each financial year.



John Acland  
Chairman

Date: 27 June 2008



Bruce Chapman  
Chief Executive

Date: 27 June 2008

## 3.2 Financial Planning Assumptions

### 3.2.1 Overview:

NZHPT's forecast total income for 2007/08 will be approximately \$12.8 million. This includes \$10.5 million from the Crown and \$2.3 million from NZHPT's membership base, properties, grants and other income.

During the 2007/08 year it was a priority of NZHPT to establish a sustainable financial plan to enable organisational health to be addressed, capital maintenance programmes to be implemented and prioritised service delivery levels to be sustainable. While an increase in Crown baseline funding over the next three years, as agreed in Budget May 2008, will partially address the identified required amount, there remains a significant shortfall. Planning has been undertaken and alternative revenue streams will be actively pursued during the 2008/09 year to try to reduce this gap.

The major assumptions that have been made in developing this Statement of Intent are:

- ▶ Crown funding for NZHPT will remain as announced in Budget 2008
- ▶ Implementation of further business improvement capability initiatives will continue in accordance with the recommendations of the Organisational Capability Review within funding limitations
- ▶ While continuing to maintain delivery of core services in other output classes, there will be additional focus on delivering key projects at a selected number of properties within the NZHPT portfolio only
- ▶ Some properties currently managed by NZHPT will deteriorate due to insufficient deferred maintenance funding available
- ▶ Membership fees will be increased during the 2008/09 financial year
- ▶ NZHPT will remain a going concern
- ▶ Outcomes sought by Government remain consistent.

### 3.2.2 Government Funding

Government has confirmed the following funding for NZHPT over the next three years:

	Estimated outturn 2007/08 \$000s	Prospective 2008/09 \$000s	Prospective 2009/10 \$000s	Prospective 2010/11 and outyears \$000s
Operating baseline	10,003	11,303	11,803	12,303
Incentive Fund	500	500	500	500
Crown Land disposal	-	185	185	185
<b>Total Operating</b>	<b>10,503</b>	<b>11,988</b>	<b>12,488</b>	<b>12,988</b>
Capital	2,000	500	-	-

### 3.2.3 Self-Generated Revenue

Approximately 18% of NZHPT's total funding is currently self-generated (2007/08 estimated \$2.3 million). Sources include membership fees, property income, grants, interest and bequests.

While it is NZHPT's intention to continue to pursue third party revenue options, it is not possible to accurately predict future targets, particularly for grant income, at this point. Planning therefore has been undertaken on the assumption of what can be delivered within agreed Crown funding and conservative third party revenue. Any additional grant funding has not been factored in as the corresponding expenditure for those projects will only be undertaken if the additional grant income is secured.

	Estimated Outturn 2007/08 \$000s	Prospective 2008/09 \$000s	Prospective 2009/10 \$000s	Prospective 2010/11 \$000s
Membership	540	569	600	600
Magazine advertising and sales revenue	60	60	60	60
Merchandising	200	195	200	200
Property Admissions and Functions	680	801	800	800
Grants/Bequests	300	35	70	70
Interest	350	270	250	250
Sundry	150	132	140	180
Other sources			100	200
<b>Total</b>	<b>2,280</b>	<b>2,062</b>	<b>2,220</b>	<b>2,360</b>

### 3.2.4 Projected Expenditure

After allowing for a small increase in operating expenditure for inflation and salary increases across all outputs, it has been assumed that any additional expenditure incurred as a result of the increased Crown revenue in 2008/09 will be prioritised to continue the business improvement capability initiatives and within the property output class.

Capital projects during 2008/09 include IT initiatives (\$385,000), website development (\$150,000), chattel management (\$150,000) and property development (\$1,291,000). This will be funded from special funds received in previous years (\$165,000), Crown capital received in previous years (\$1,311,000) and new Crown capital received in 2008/09 (\$500,000)

Projected Expenditure by Output:

	Estimated Outturn 2007/08 \$000s	Prospective 2008/09 \$000s	Prospective 2009/10 \$000s	Prospective 2010/11 \$000s
Leadership	1,887	2,271	2,300	2,400
Working with Whānau, Hapū and Iwi	1,456	1,498	1,500	1,600
Properties	3,651	4,748	4,960	5,100
Archaeology	1,826	1,802	1,800	1,900
Improving Heritage Survival	2,388	2,459	2,498	2,598
Registration	1,476	1,633	1,650	1,750
<b>Total Operating Expenditure</b>	<b>12,648</b>	<b>14,410</b>	<b>14,708</b>	<b>15,348</b>
<b>Capital Expenditure Crown Funded</b>	<b>1,206</b>	<b>1,811</b>	-	-
<b>Capital Expenditure Special Funds</b>	<b>113</b>	<b>165</b>	-	-
<b>Total Expenditure</b>	<b>13,967</b>	<b>16,386</b>	<b>14,708</b>	<b>15,348</b>

The accompanying accounting policies form an integral part of these prospective financial statements.



### 3.3 Prospective Statement of Financial Performance

#### For the year ended 30 June 2009

	Actual	Estimated Outturn	Prospective
	2007	2008	2009
	\$000s	\$000s	\$000s
<b>Operating Revenue</b>			
Government Funding	9,903	10,503	11,988
Grants	256	300	35
Property	840	880	996
Interest	334	350	270
Membership	658	600	629
Donations	100	130	81
Sundry	140	20	51
Total Revenue	12,231	12,783	14,050
<b>Operating Expenditure</b>			
Audit Fees - External Audit	46	45	45
Administration	2,163	2,300	2,261
Bad & doubtful debts	-	-	-
Personnel	5,911	6,690	7,323
Property	1,169	800	1,630
Incentive Fund	623	670	520
Rental costs on operating leases	127	135	129
Depreciation	128	180	337
Communications	191	400	774
Membership	483	480	481
Board Fees	98	128	128
Travel & Accommodation	847	820	782
Total Expenditure	11,786	12,648	14,410
<b>Operating surplus (deficit) for the year</b>	445	135	(360)

The operating surplus/(deficit) results partially from the timing of expenditure against income received in different years and which have been tagged as Special Funds in equity. The table overleaf shows a breakdown of operating surplus/(deficit) between operations and tagged funds:

The accompanying accounting policies form an integral part of these prospective financial statements.

Reconciliation of operating surplus/(deficit) between operations and tagged special funds			
	Actual 2007 \$000s	Estimated 2008 \$000s	Prospective 2009 \$000s
Net surplus from operations  (Note: 2007/08 budget surplus relates to grant money raised to undertake capital however expenditure 2007/08 estimated surplus relates to the inability to deliver some projects resulting in savings in expenditure due to staff capacity)	497	235	(120)
Net movement in branch committee operations	(5)		
Net movement in Special Funds where expenditure is incurred in a different year from when the income was received	(47)	(100)	(240)
Net operating surplus/(deficit)	445	135	(360)

The accompanying accounting policies form an integral part of these prospective financial statements.

### 3.4 Prospective Statement of Financial Position

#### As at 30 June 2009

	Actual <sup>1</sup>	Estimated Outturn	Prospective
	2007	2008	2009
	\$000s	\$000s	\$000s
<b>EQUITY</b>			
Accumulated Funds	6,248	7,802	9,658
Crown Capital Fund	517	1,311	-
Branch Accumulated Funds	308	308	308
Specified Funds & Bequests	2,246	2,033	1,628
Trust Property Maintenance & Development Fund	95	95	95
Revaluation Reserve	20,970	20,970	20,970
<b>Total Equity</b>	<b>30,384</b>	<b>32,519</b>	<b>32,659</b>
<b>Equity is represented by:</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5,093	6,060	3,961
Accounts Receivable	108	100	100
Stock on Hand	36	60	60
<b>Total Current Assets</b>	<b>5,237</b>	<b>6,220</b>	<b>4,121</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	27,693	28,332	30,071
Intangibles Assets	-	500	400
<b>Total Non-Current Assets</b>	<b>27,693</b>	<b>28,832</b>	<b>30,471</b>
<b>Total Assets</b>	<b>32,930</b>	<b>35,052</b>	<b>34,592</b>
<b>CURRENT LIABILITIES</b>			
Accounts Payable and Accruals	1,264	1,300	1,000
Provision for Incentive Fund Grants	862	800	500
Employee Entitlements	346	350	350
GST Payable	41	50	50
<b>Total current liabilities</b>	<b>2,513</b>	<b>2,500</b>	<b>1,900</b>
<b>NON-CURRENT LIABILITIES</b>			
	33	33	33
<b>Total Liabilities</b>	<b>2,546</b>	<b>2,533</b>	<b>1,933</b>
<b>NET ASSETS</b>	<b>30,384</b>	<b>32,519</b>	<b>32,659</b>



John Acland  
Chairperson



Bruce Chapman  
Chief Executive

The accompanying accounting policies form an integral part of these prospective financial statements.

1 For the purposes of this SOL, comparatives have been restated in accordance with NZIFRS

### 3.5 Prospective Statement of Movements In Equity For the year ended 30 June 2009

	Actual	Estimated Outturn	Prospective
	2007	2008	2009
	\$000s	\$000s	\$000s
<b>Opening Equity</b>	29,094	30,384	32,519
Crown Capital Funding	850	2,000	500
Operating Surplus/(Deficit) for the year to Accumulated Funds	497	235	(120)
Net reconciliation movement between NZGAAP and NZIRFS	(5)	-	-
Net movement in Branch Committee Equity	(5)	-	-
Net movement in Special Funds for items recognised in Statement of Service Performance	(47)	(100)	(240)
<b>Closing Equity</b>	<u>30,384</u>	<u>32,519</u>	<u>32,659</u>

The accompanying accounting policies form an integral part of these prospective financial statements.

### 3.6 Prospective Statement of Cash Flows

#### For the year ended 30 June 2009

	Actual	Estimated Outturn	Prospective
	2007	2008	2009
	\$000s	\$000s	\$000s
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash was received from:			
Government Funding	9,903	10,503	11,988
Grants	256	300	35
Other Operating Activities	1,731	1,718	1,757
Interest	313	270	270
	<u>12,203</u>	<u>12,791</u>	<u>14,050</u>
Cash was applied to			
Payment of Suppliers	(5,342)	(5,828)	(7,435)
Payment to Employees	(5,866)	(6,686)	(7,238)
Net Goods and Services Tax	(54)	9	-
	<u>(11,262)</u>	<u>(12,505)</u>	<u>(14,673)</u>
Net cash from operating activities	<u>941</u>	<u>286</u>	<u>(623)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash was applied to:			
Purchase of Fixed Assets	(822)	(1,319)	(1,976)
Net cash from investing activities	<u>(822)</u>	<u>(1,319)</u>	<u>(1,976)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash was received from:			
Crown Capital	850	2,000	500
Branch Equity Introduced	-	-	-
	<u>850</u>	<u>2,000</u>	<u>500</u>
Net increase / (decrease) in cash	969	967	(2,099)
Opening Cash Balance	4,124	5,093	6,060
Closing Cash Balance	<u>5,093</u>	<u>6,060</u>	<u>3,961</u>
<b>Represented by</b>			
Petty Cash & Imprest Balances	5	20	20
Short Term Deposits	3,617	4,040	1,941
Specified Fund & Bequest deposits	1,471	2,000	2,000
	<u>5,093</u>	<u>6,060</u>	<u>3,961</u>

The accompanying accounting policies form an integral part of these prospective financial statements.

## 3.7 Prospective Statement of Accounting Policies

### For the year ended 30 June 2009

#### Reporting Entity

The New Zealand Historic Places Trust Pouhere Taonga (NZHPT) is a statutory body established under section 4 of the *Historic Places Act 1980* and continued under Section 38 of the *Historic Places Act 1993*, as amended by the *Crown Entities Act 2004*. The NZHPT became an Autonomous Crown Entity for the purposes of section 7 of the *Crown Entities Act 2004* effective from 25 January 2005. The prospective financial statements have been prepared in accordance with New Zealand International Financial Reporting Standards (NZIFRS), the *Public Finance Act 1989*, the *Crown Entities Act 2004* and in compliance with FRS-42 Prospective Financial Statements. The financial operations of the Branch Committees of the NZHPT have been consolidated into these prospective financial statements.

#### Measurement Base

The prospective financial statements have been prepared on an historical cost basis, modified by the revaluation of certain fixed assets.

#### Accounting Policies

The following accounting policies that materially affect the measurement of prospective financial performance and prospective financial position have been applied:

#### Prospective Figures

The prospective figures for 30 June 2009 are those approved by the Board at the beginning of the financial year. These figures have been prepared in accordance with NZIFRS and are consistent with the accounting policies adopted by the Board for the preparation of the financial statements.

Actual results achieved for the period covered are likely to vary from the information presented and these variations may be material.

#### Revenue

The NZHPT derives revenue through the provision of outputs to the Crown, from membership subscriptions and income from properties managed.

Crown revenue received for operating purposes is recognised as revenue when earned.

Crown funding received as a capital injection is accounted for in the Statement of Movements in Equity.

Membership subscriptions are recognised in the period received.

Other revenue is recognised as income when earned.

#### Goods and Services Tax (GST)

All items in the prospective financial statements are exclusive of GST with the exception of accounts receivable and accounts payable, which are stated inclusive of GST.

#### Financial Instruments

The NZHPT is a party to financial arrangements as part of its everyday operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. Revenues and expenses in relation to all financial instruments are recognised in the Prospective Statement of Financial Performance. All financial instruments are recognised in the Prospective Statement of Financial Position.

## Income Tax

The NZHPT is a public authority in terms of the *Income Tax Act 1994* and consequently is exempt from income tax.

## Inventories

Inventories are stated at the lower of cost or net realisable value after making appropriate provisions for obsolete items.

## Investments

Investments are stated at the lower of cost or net realisable value. Any decreases are recognised in the Prospective Statement of Financial Performance.

## Accounts Receivable

Accounts receivable are stated at their expected realisable value after providing for doubtful and uncollectible debts.

## Fixed Assets

### *Property, Plant and Equipment*

Land and buildings are stated at fair value as determined by an independent registered valuer (Beca Valuations Ltd, as at 30 June 2006). Fair value is determined using market-based evidence wherever possible and otherwise depreciated replacement cost. Additions between revaluations are recorded at cost. Management will make an assessment on an annual basis to determine if there is any material movement.

The results of revaluing land and buildings are credited or debited to an asset revaluation reserve. Where a revaluation results in a debit balance in the revaluation reserve, the debit balance will be expensed in the Statement of Financial Performance.

The NZHPT has interest in Land and Buildings in the following categories:

(i) *NZHPT owned Land and Historic Buildings*

These are properties for which the NZHPT has freehold title.

(ii) *Vested Land and Historic Buildings*

These properties have been formally vested in the NZHPT in terms of the *Reserves Act 1977*. A vesting order can only be revoked with the agreement of the NZHPT and consequently the NZHPT's interest is deemed to be permanent.

(iii) *Controlled and Managed Buildings*

These are properties for which the NZHPT has a control and management order from the Crown in terms of the *Reserves Act 1977*. The Crown can require the NZHPT to return these assets at any stage.

Costs incurred by the NZHPT in restoring these buildings to their original condition are capitalised. Costs of maintaining these assets once renovation is complete are charged to the period in which they are incurred.

## Chattels, Artefacts and Library

Chattels, artefacts and library assets are stated at fair value. Items donated or bequeathed to the NZHPT are recorded at their fair value. Depreciation has not been provided on these assets, which are managed to be preserved in perpetuity as required by the *Historic Places Act 1993*.

## Intangibles

Computer software is disclosed as an intangible asset and is recorded at cost.

## Depreciation

Depreciation is provided on a straight line basis at a rate that will write off the cost of the assets to their estimated residual value over their useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows. Heritage buildings owned or vested in the NZHPT are depreciated in accordance with FRS-3.

Computer Hardware	3 years
Computer Software	3 years
Leasehold Improvements	5 years
Farm Equipment	5 years
Furniture	5 years
Office Equipment	5 years
Displays & Interpretation	10 years
Land Development	15 years
Building Internal	40 years
Building Structure	100 years

## Cost Allocation

Direct costs are charged directly to specific outputs. Indirect costs are allocated across outputs based on a percentage of total direct costs.

“Direct costs” are those costs attributable to a significant activity.

“Indirect costs” are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

## Provision for Employee Entitlements

Provision is made in respect of the NZHPT’s liability for annual leave, long service and retirement leave. In accordance with New Zealand International Financial Reporting Standards, provision has also been made in respect of NZHPT’s liability for sick leave.

Annual leave liability which is expected to be settled within 12 months of reporting date is measured at nominal values on an actual entitlement basis at current rates of pay. Entitlements that are payable beyond 12 months, such as long service leave and retirement leave, are calculated on an actuarial basis. Provision for sick leave has also been calculated on an actuarial basis.



## Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the NZHPT invests as part of its day-to-day cash management.

Operating activities include all activities other than investing and financing activities. The cash inflows include all receipts from sale of goods and services and other sources of revenue that support the NZHPT's operating activities. Cash outflows include payments made to employees, suppliers and taxes.

Investing activities are those activities relating to the acquisition and disposal of current and non-current securities and any other non-current assets.

## Commitments

Future payments are disclosed as commitments at the point a contractual obligation arises, to the extent that they are equally unperformed obligations. Commitments relating to employment contracts are not disclosed.

## Contingent Liabilities

Contingent liabilities are disclosed at the point at which the contingency is evident.

## Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease expenses are recognised on a systematic basis over the period of the lease.

## Donations and Bequests

Donations and bequests received without restrictive conditions are treated as operating revenue on receipt in the Statement of Financial Performance. Those with restrictive conditions are treated as Other Revenue and transferred to Specified Funds and Bequests from Accumulated Funds. The net on each of these funds from interest earned and payments made is treated in the same manner.

## Changes in Accounting Policies

These prospective statements, including comparative balances, have been prepared in accordance with International Financial Reporting Standards. The change in reporting basis has resulted in the requirement to include a provision for sick leave. An adjustment of \$5,000 has been made to Employee Entitlements with Equity being reduced by the corresponding amount. There have been no other changes in accounting policies since the date of the last audited financial statements.



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