



**Notice is hereby given of the Meeting of the
Southland Museum & Art Gallery Trust Board Inc
to be held in the Kakapo Meeting Room,
Environment Southland, 220 North Road, Waikiwi,
Invercargill on Friday 20 May 2022 at 9.00 am.**

Mrs C Hadley
Mr C McIntosh
Mr S Parry
Ms E Cook

Thilini Amarasingha
For Secretary

Southland Museum and Art Gallery Trust Board - Public

20 May 2022 09:00 AM



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11. **PUBLIC EXCLUDED SESSION**

Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting; namely

- (a) Confirmation of Minutes of the Public Excluded Session of the SMAG Trust Board Meeting held on 05 May 2022
- (b) Appointments Briefing from Sheffield Recruitment

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
(a) Confirmation of Minutes of the public excluded session of the SMAG Trust Board Meeting held on 05 May 2022	Section 7(2)(i) To enable any local organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	Section 48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.
(b) Appointments Briefing from Sheffield Recruitment	Section 7(2)(i) To enable any local organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	Section 48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7.

**MINUTES OF THE SOUTHLAND MUSEUM AND ART GALLERY TRUST BOARD
MEETING HELD IN THE COUNCIL CHAMBERS, INVERCARGILL CITY COUNCIL, 101
ESK STREET, INVERCARGILL ON THURSDAY 05 MAY 2022
AT 3.09 PM**

PRESENT: Cr D Ludlow (Chair)
Cr A Amundsen
Cr L Soper
Cr Menzies
Ms E Cook
Mrs Henderson (via Zoom)

IN ATTENDANCE: Mr S Gibling (Group Manager – Leisure and Recreation)
Mr R McWha (Assistant Group Manager – Leisure and Recreation)
Mr W Marriott (Manager – Museum and Heritage Services)
Mr J Cross (Management Accountant)
Mrs T Amarasingha (Secretary)

1. APOLOGIES

Mayor Tong
Cr Highsted
Mr Eagles
Ms Neave

Moved Cr Menzies, seconded Ms Cook and **RESOLVED** that the apologies be accepted.

2. PUBLIC EXCLUDED SESSION

Moved Cr Ludlow, seconded Cr Amundsen and **RESOLVED** that the public be excluded from the following parts of the proceedings of this meeting; namely,

- (a) Confirmation of Minutes of the Public Excluded Session Held on 7 April 2022.
- (b) Report on Collection Rationalisation
- (c) Correspondence – PRLaw Letter of Engagement

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
(a) Minutes of the public excluded session held on 7 April 2022	Section 7(2)(i) Enable any local organisation holding	Section 48(1)(a) That the public conduct of this item would be likely to

	the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	result in the disclosure of information for which good reason for withholding would exist under Section 7
(b) Report on Collection Rationalisation	Section 7(2)(a) Protect the privacy of natural persons, including that of deceased natural persons	Section 48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7
(c) Correspondence – PRLaw Letter of Engagement	Section 7(2)(g) Maintain legal professional privilege	Section 48(1)(a) That the public conduct of this item would be likely to result in the disclosure of information for which good reason for withholding would exist under Section 7

3. INTEREST REGISTER

A2531243

Members to review the interest register and send any updates to Thilini Amarasingha.

4. CONFIRMATION OF MINUTES OF THE MEETING HELD ON THURSDAY 7 APRIL 2022

A3869213

Moved Ms Cook, seconded Cr Soper and **RESOLVED** that the minutes of the meeting held on Thursday 7 April 2022 be accepted as a true and correct record.

4.1 MATTERS ARISING FROM PREVIOUS MINUTES

Nil.

5. ACTION SHEET

A3884032

The Board noted that the Action Item “Manawhenua Representation Jane Davis” should remain on the Action sheet.

Ms Cook will contact Jane Davis’s family to invite them to the farewell function for retiring Board Members at He Waka Tuia.

6. ITEMS FOR REVIEW

A3493547

Nil.

7. FINANCIALS

7.1 FINANCIAL REPORT

A3884169

Mr Cross spoke to the report and noted two amendments to the recommendations of the report as below.

Amendments for Recommendation 1:

1. Receive the "Financial Report for the ~~8~~ 9 months ended ~~28th February~~ 31 March 2022".

To Remove the Recommendation 2, because the financial delegation would be a matter for the members of the upcoming SMAG Trust Board.

~~3. Approve the final version of "The Financial Delegations Policy" (Appendix 2).~~

Moved Ms Cook, seconded Cr Amundsen and **RESOLVED** that the Southland Museum and Art Gallery Trust Board:

1. Receive the "Financial Report for the 9 months ended 31 March 2022".
2. Approve the final version of "The Prevention of Fraud, Dishonesty and Corruption Policy" (Appendix 1)

8. REPORTS

8.1 SMAG Manager's Report for March 2022

A3876273

Mr Marriott presented the report.

Norm Hickey, the head photographer of Te Papa will start taking photographs of the Taoka Māori Collection and the Pacifica Collection in two weeks' time until the end of June.

Mr Marriott explained the upcoming engagement process for the care of the Pacifica collection with the members of the Pacifica families who like to be engaged.

The Board discussed and suggested finding ways to display and highlight SMAG Collections in He Waka Tuia regularly to the public. It was suggested to use the display windows of the He Waka Tuia to digitally display the SMAG Collections.

Moved Cr Ludlow, seconded Ms Cook and **RESOLVED** that Southland Museum and Art Gallery Trust Board:

1. Receive the report "SMAG Manager's Report for March 2022".

8.2 Rules Review Report

A3886135

Mr Marriott presented the report and said that the process has been started last year to review the Trust deed. The new Trust Deed was attached as Appendix 2 to be adopted.

It was noted that the new Trust deed would establish a position for the Iwi representatives of the four Runaka and also establish a role for the Iwi Liaison Committee.

The Board was informed of the suggested amendment to section 3.1 in Appendix 2 from Mr Eagles as below;

3.1 The enhancement, preservation and maintenance of the collection are the paramount responsibilities of the Board.

The Board discussed and agreed on the suggested amendment.

The Board also discussed and agreed to amend Section 8.1.4 as below;

8.1.4 and a duly elected representative (1) ~~of the Te Rūnanga o Ngāi Tahu and of~~ the four Rūnaka - Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga on behalf of Ngāi Tahu appointed by resolution of the respective Councils of the four Rūnaka;

The Chairperson and Board members thanked everyone who has contributed and supported successfully completing the process of Trust Deed Deed Review.

Moved Cr Ludlow, seconded Cr Soper and **RESOLVED** that Southland Museum and Art Gallery Trust Board:

1. Receive the report "Rules Review Report"
2. Receive the report "Trust Deed Review" from PRLaw (Appendix 1)
3. Resolve that the current Rules of the Southland Museum and Art Gallery Trust Board (incorporated) be revoked
4. Resolve that the Constitution and Rules be adopted as the new Constitution and Rules of the Board (Appendix 2) including the alteration to section 3.1 and section 8.1.4. as below:

Section 3.1 The enhancement, preservation and maintenance of the collection are the paramount responsibilities of the Board.

Section 8.1.4 and a duly elected representative (1) of the Te Rūnanga o Ngāi Tahu and the four Rūnaka - Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga appointed by resolution of the respective Councils of the four Rūnaka;

5. Note that upon confirming the above recommendations, that the incumbent Board members will retire and will be succeeded immediately by four initial board members, being:
 - a. Chief Executive Officer of the Invercargill City Council, Clare Hadley;

- b. Chief Executive Officer of the Southland District Council, Cameron McIntosh;
- c. Chief Executive Officer of the Gore District Council, Stephen Parry;
- d. Rūnaka appointee, Evelyn Cook.

Cr Ludlow noted Ms Neave's contribution to the Board as the long-serving member of the Board. It was informed to the Board that Ms Neave would not be able to attend the farewell function at He Waka Tuia. The Board members and staff were invited to a dinner with Ms Neave at end of June to recognise her service.

Moved Cr Ludlow, seconded Ms Cook and **RESOLVED** that Southland Museum and Art Gallery Trust Board have a private function at end of the June and the date to be advised.

9. CORRESPONDENCE

Nil.

10. GENERAL BUSINESS

Nil.

There being no further business, the meeting closed at 3.54 pm.



ACTION SHEET

Held on 5 May 2022

Originating Date	Item #	Item Description	Action to be taken	Action by	Due date
06/06/19		Manawhenua Representation Jane Davis	A decision was made to meet with Jane's whanau following the lifting of Covid-19 isolation levels.	Ms Cook	WIP

SOUTHLAND MUSEUM & ART GALLERY TRUST BOARD 2021/22 – TIMELINE											
Item Due For Review 2021/22											
	Jul	Aug	Sep	Oct	Nov	Dec	Feb	Mar	Apr	May	Jun
DRAFT Annual Report reviewed		✓									
Final Annual Report Signoff [Due to ICC & SDC]			30/9								
Management fee automatic payment form updated			✓								
Business Plan Workshop				✓							
Business Plan Review					✓						
Bequest Term deposit renewal								✓			
AGM						✓					
Review of Draft Statement of Intents						✓					
Draft Statement of Intent [Due to ICC & SDC]							28/2				
6 Monthly Financials [Due to ICC & SDC]							28/2				
Fraud Policy / Delegation policy review									✓		
Final Statement of Intent [Due to ICC & SDC]											30/6
Trustees review interest register	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

FORMATION OF AN APPOINTMENTS COMMITTEE

To:	Southland Museum and Art Gallery Trust Board
Meeting Date:	Friday 20 May 2022
From:	Wayne Peter Marriott, Manager Museum and Heritage Services
Approved:	Richard McWha, Assistant Group Manager Leisure and Recreation
Approved Date:	Monday 16 May 2022
Open Agenda:	Yes
Public Excluded Agenda:	No

Recommendations

It is recommended that the Southland Museum and Art Gallery Trust Board:

1. Write to the Chief Executive Officers of the Invercargill City Council, Southland District Council and Gore District Council, and invite them, or their nominee to join the Appointments Committee (Clause 8.1.1 – 4);
2. Write to the Chair and Chief Executive Officers of Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga and invite the collective appointment of a representative of the four Rūnaka to join the Appointments Committee (Clause 8.1.4);
3. Write to the Chair and Chief Executive Officers of Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga and invite the collective appointment of a representative of the four Rūnaka as a member of the Board (Clause 9.1.2).

Background

On 5 May 2022 the Southland Museum and Art Gallery Trust Board (Inc.) approved a number of amendments to the Trust Deed. The new Trust Deed has established the opportunity for a Board of up to five people to be appointed by the Appointments Committee, as well as a sixth member to be appointed directly by the four Rūnaka of Murihiku.

From the date of the adoption of the new rules until the Board appointed through the Appointments Committee process, the Initial Board Members are the Chief Executive Officers of the Invercargill City Council, Southland District Council and Gore District Council, and the duly elected representative of the four Rūnaka –Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga, Evelyn Cook.

Governance

The Initial Board Members are required to take the necessary steps to establish the Appointments Committee (Clause 7.2).

The Appointments Committee will be composed of the Chief Executive Officers of the Invercargill City Council, Southland District Council and Gore District Council, or their nominee and the duly elected representative of the four Rūnaka –Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga.

Sheffield Recruitment have been contracted to support the Initial Board, as well as the Appointments Committee.

Attachments

Appendix 1 - Southland Museum and Art Gallery Trust Board (Inc.) Rules as approved 5 May 2022 (A3905940)

SOUTHLAND MUSEUM AND ART GALLERY TRUST BOARD

(INCORPORATED)

1. NAME

The name shall be the "Southland Museum and Art Gallery Trust Board (Incorporated)" hereinafter called "the Board."

2. REGISTERED OFFICE

The Registered Office of the Board shall be situated at 108 Gala Street, Invercargill.

3. PURPOSE AND AIMS OF THE BOARD

3.1 The enhancement, preservation and maintenance of the collection are the paramount responsibilities of the Board.

3.1 The purpose and aims of the Board shall be to foster, promote and celebrate a sense of connection, understanding and awareness of the importance of the cultural, social and natural history of Murihiku, Southland; Rakiura (Stewart Island); Te Rua o Te Moko (Fiordland); Tini Heke (Snares Islands); Motu Ihupuku (Campbell Island); Auckland Islands, Adams Island and Antipodes Island Group – the Subantarctic Islands).

3.3 The Board will also enhance the opportunity for Mana Whenua to connect directly with taoka.

3.4 The Board shall serve the community and its development. This can be done by providing vision, leadership and support for the acquisition, care, research, communication, loan and exhibition of the material evidence and related information.

4. TREATY OF WAITANGI – TE TIRITI O WAITANGI

4.1 The Board and the Board Members acknowledge the unique relationship between iwi and the Crown established through the Preamble and Articles of the Treaty of Waitangi, and the Ngāi Tahu Claims Settlement Act 1998, and will be guided by recommendations of the Waitangi Tribunal, or its successor, in any negotiations or discussions between the Board and Mana Whenua.

4.2 The Board acknowledges the special place of the *Herald* (Bunbury) Sheet of the Treaty of Waitangi, signed at Ruapuke Island on 10 June 1840 by Hone Tūhawaiki, Kaikoura Whakatau, Te Matenga Taiaroa; and Thomas Bunbury and Joseph Nias on behalf of the Crown.

4.3 The Board acknowledges the special relationship between themselves and Te Rūnanga o Ngāi Tahu and the four Rūnaka - Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga as intergenerational guardians of Taoka Māori held within the collection. The four Rūnaka/ Rūnanga have appointed representatives to the Iwi Liaison Komiti which meets quarterly to discuss issues relating to the collections and exhibitions.

5. TRANSFER OF MUSEUM PROPERTY

All the property and assets of the Southland Museum and Art Gallery, including the income arising therefrom and all legacies, monies bequeathed or donated to the Board, shall be vested in the Board and shall be held by the Board in accordance with and subject to the rules or trusts following.

6. POWERS OF BOARD

6.1 The said Board shall have all the powers of a Trust Board under Part II of the "Charitable Trusts Act 1957" (the Act) and the powers in Schedule I of Powers and Discretions annexed and shall take purchase and hold all goods and chattels and personal property whatever now owned by the Board or acquired by gift bequest purchase or exchange for the purpose of the said Museum and Art Gallery and shall direct the activities of the Southland Museum and Art Gallery and administer the funds in conformity with the provisions of the Act and these Rules.

6.2 The Board shall have full control and discretion as to the management of the collection and assets of the Southland Museum and Art Gallery and shall manage the affairs and control all the assets and funds of the Museum thereof in accordance with the terms of the Act and these Rules and shall have power consistent with the Act and Rules to make by-laws and regulations for the internal management of the collection.

6.3 The Board shall have full control and direction to negotiate and receive short term and long term loans of collection items, provided the such loans are consistent and in accordance with the terms of the Act and these Rules.

6.4 The Board shall have the power to contract with the Invercargill City Council or any other local authority or corporate body for the provision of services or management of services in respect to the collection.

7. INITIAL BOARD MEMBERS

7.1 The Board Members as at the date of these Rules are the Chief Executive Officers of the Invercargill City Council, Southland District Council and Gore District Council, namely Clare Valerie Hadley, Cameron Alistair McIntosh and Stephen Francis Parry; and the duly elected representative of the four Rūnaka –Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga, namely Evelyn Anne Cook ("the Initial Board Members").

7.2 The Initial Board Members shall immediately upon the adoption of these Rules, take the necessary steps to establish the Appointments Committee to be established pursuant to clause 8.1, and once the Appointments Committee has been established shall provide such administrative and other support as that Committee may require to enable the appointment of Board Members pursuant to clause 9.

7.3 Once all the Board Members have been appointed pursuant to clause 9 the Initial Board Members shall cease to hold office.

8. APPOINTMENTS COMMITTEE

8.1 An Appointments Committee (4) shall be established comprising:

8.1.1 the Chief Executive Officer of the Invercargill City Council or his/her nominee (1);

- 8.1.2 the Chief Executive Officer of the Southland District Council or his/her nominee (1);
- 8.1.3 the Chief Executive Officer of the Gore District Council or his/her nominee (1);
- 8.1.4 and a duly elected representative (1) of the four Rūnaka - Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga on behalf of Ngāi Tahu appointed by resolution of the respective Councils of the four Rūnaka;
- 8.2 The functions of the Appointments Committee are:
- 8.2.1 The appointment of Board Members (Clause 9.1.1)
- 8.2.2 The filling of vacancies in Board Members (Clause 9.9)
- 8.2.3 The removal of Board Members (Clause 9.1.1)
- 8.3 The Appointments Committee shall meet as and when necessary for the purpose of carrying out its functions.
- 8.4 A meeting of the Appointments Committee may be called by any member of the Committee on 7 days written notice to other members of the Committee.
- 8.5 At each meeting of the Appointments Committee those present shall elect a Chairperson who, in the case of an equality of votes, shall have a casting vote as well as deliberative vote.
- 8.6 Other than as provided in this Deed the Appointments Committee shall determine its own procedures.
- 8.7 At any meeting of the Appointments Committee, any 3 members including the Rūnaka representative shall form a quorum.
- 8.8 Every question before the Appointments Committee shall be decided by a majority of votes, however it is hoped that all matters will be decided by the consensus of members.
- 8.9 The Appointments Committee will seek nominations of persons for consideration as Board Members of the Trust from the public and shall, prior to the appointment process taking place, publicly call for nominations for Board Members of the Trust.
- 8.10 The Appointments Committee shall appoint Board Members from the list of persons nominated and in making any appointment shall take into account the following criteria:
- 8.10.1 Board Members should be interested in and able to promote the objectives of the Trust;
- 8.10.2 Board Members should be persons known in their communities for their following attributes, which are in no way intended to be listed in order of priority:
- a. business acumen,
 - b. governance skills,
 - c. competence in financial stewardship,
 - d. expertise and knowledge in arts, and/or
 - e. culture and heritage matters;

- 8.10.3 Board Members should be familiar with and have a demonstrated passion and knowledge of an appreciation of arts, culture and heritage issues, education, tourism and regional developmental issues, promotional issues, access to collections and iwi perspective and cultural awareness especially of issues relating to Taoka Māori; or have and be willing to gain;
- 8.10.4 All persons appointed as Board Members shall hold office in accordance with clause 9.5 until the Annual Meeting which takes place at the expiry of any Board Members term of office or immediately after the expiry of the term.
- 8.11 The Appointments Committee may at any time revoke the appointment of a Board Member, excluding the Rūnaka appointed Member.
- 8.12 Board Members appointed at the inaugural meeting of the Appointments Committee will have lots drawn to stagger the rotation of Trustees. One (1) Board member will be appointed for an initial term of 1 year; two (2) for an initial term of 2 years and two (2) for an initial term of 3 years. Board members appointed for the initial term of 1 year and 2 years respectively, may by resolution of the Appointments Committee be eligible to serve a third consecutive term. This does not apply to the Board Members appointed for an initial term of 3 years; nor does it apply to the Board Member appointed by the four Rūnaka.
- 8.13 All appointments of Board Members will be by a unanimous decision of the members of the Appointments Committee
- 8.14 The majority of Board Members must reside within the geographic boundaries of Invercargill City Council, Southland District Council or Gore District Council, unless by agreement of all members of the Appointments Committee that an appointment(s) from outside the defined area is of significant advantage to the Board.
- 8.15 The Appointments Committee will have the power to co-opt up to two (2) members to provide additional skills for a fixed period, of not more than twelve (12) months. Such appointments shall be made with the unanimous support of all Committee members present at the meeting.

9. CONSTITUTION OF THE BOARD

- 9.1 The Board shall consist of the following members:
- 9.1.1 Five (5) persons appointed by the Appointments Committee. The Appointments Committee may at any time revoke any one or more of the appointments due to any Board Member failing to comply with these Rules or any policies and/or procedures of the Board.
- 9.1.2 The four Rūnaka – Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; and Hokonui Rūnanga will appoint a member of the Board (1) as a representative of the four Rūnaka - Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; Hokonui Rūnanga, who may at any time revoke such appointment.
- 9.2 The Role of the Secretary of the Board will be filled by the holder of the management contract.
- 9.3 The appointment of and revocation of a Board member and any successor shall take effect on notification to the Secretary of the Board.

- 9.4 A member of the Board shall ipso facto cease to hold office if he or she:
- 9.4.1 Resigns by notice in writing delivered to the Board; or
 - 9.4.2 Dies; or
 - 9.4.3 Declines to act; or
 - 9.4.4 Is declared bankrupt or becomes insolvent; or
 - 9.4.5 Is convicted of a Category 3 or 4 offence (as those terms are defined under the Criminal Procedure Act 2011); or
 - 9.4.6 Is a person prohibited from managing companies under Section 382(1) of the Companies Act 1993 (or any Act in substitution); or
 - 9.4.7 Is a person who is deemed to be subject to a compulsory treatment order under Part II Mental Health (Compulsory Assessment and Treatment) Act 1992 or any Act in substitution; or
 - 9.4.8 Is a person in respect of whom an Order has been made under Section 30 or 31 of the Protection of Personal and Property Rights Act 1988 or any Act in substitution; or
 - 9.4.9 Is a person who is subject to an order made under Section 31 of the Charities Act 2005 disqualifying the person from being an officer of a charitable entity.
 - 9.4.10 Is absent from four consecutive meetings of the Board without the leave from the Board.
- 9.5 The term of office for Board Members will be three years (3), with a maximum of two (2) terms, at which time following a period of not less than one term (3 years) a former Board Member may resubmit their application to the Appointments Committee.
- 9.6 The term of the appointed Board Member of the four Rūnaka will be three (3) years with the right of further reappointment by the four Rūnaka.
- 9.7 At any time, there shall be no more than 6 nor fewer than 3 Board Members.
- 9.8 At any meeting of the Board, any 3 Board Members shall form a quorum.
- 9.9 If at any time the number of Board Members falls below the minimum number provided for in this clause, the Appointments Committee will procure the number of Board Members to such minimum number as soon as reasonably practical.
- 9.10 Notwithstanding anything to the contrary in this Deed, all acts and decisions of the remaining Board members or Board member in relation to the Trust pending the increase in the number of Board members will be valid and binding.

10. BORROWING POWER

The Board may borrow or raise such sums of money as the Board may think necessary or expedient and may secure the repayment of such sums by way of mortgages sub-mortgages or otherwise on all or any part of the undertaking property or assets of the Board or by bonds debentures or other securities or by bills of exchange promissory notes or other negotiable instruments and such mortgages or

other securities may contain such covenants powers and obligations as the Board thinks fit provided that the Board may only give security if not less than seventy five percent (75%) majority of members present and entitled to vote so decide.

11. ANNUAL AND OTHER MEETINGS

- 11.1 The Financial Year of the Board shall run from the 1st of July to the 30th of June in the following year and accounts for the year then immediately passed shall be taken as soon as may be conveniently possible following each 30th of June.
- 11.2 The Annual Meeting of the Board shall be held no earlier than the 1st day of September and no later than the 31st day of December in each year on a day to be fixed by the Board of which not less than seven (7) days notice shall be given by the Secretary by notice addressed to each member.
- 11.3 At the Annual Meeting of the Board a report on the activities of the Board and a report on the general affairs of the Museum shall be presented to the Meeting together with a duly audited statement of receipts and payments for the financial year then past and a statement in respect of the same financial year of cash assets and liabilities and of any special funds held by the Board.
- 11.4 The Board will, within 12 months of the adoption of these Rules, develop and complete a Statement of Intent to give effect to the purpose and aims of the Board. The Statement of Intent will be submitted to the Councils and to the four Rūnaka in draft form not less than three months prior to the end of the financial year and the Councils and the four Rūnaka shall be invited to submit comments in respect of the Statement of Intent which shall be had regard to by the Board in finalising the Statement of Intent. The Statement of Intent will be reviewed once each year no later than the end of the financial year and the Councils and the four Rūnaka shall be given the opportunity to comment each year in respect of the Board's Statement of Intent.
- 11.5 The Board will also outline its compliance with the Collection Management policy in the annual report.
- 11.6 The Board shall meet as often as it may deem necessary to transact the business of the Board but so that at least one meeting shall be held during each period of three months in any financial year.
- 11.7 A Special General Meeting may be convened at any time and shall be convened on receipt by the Secretary of a written requisition for such a meeting signed by the Chair or Deputy Chair or by not less than two members.
- 11.8 In respect of any ordinary meeting or Special General Meeting of the Board at least seven days' notice shall be given by the Secretary to members by circular letter of such meeting or meetings and a quorum for each such meeting or for the Annual Meeting shall be four members.
- 11.9 In the event of no quorum being present the meeting shall be adjourned by members present from time to time until a quorum is present.
- 11.10 At any meeting of the Board the Chair or in the Chair's absence the Deputy Chair (if any) shall take the chair. In the event of both the Chair and the Deputy Chair being absent any member present may be chosen as Chair by the members attending the meeting.

12. RESOLUTIONS OF THE BOARD

All resolutions submitted to any meeting of the Board unless otherwise specifically provided in these rules shall be decided by the voice of a majority of the members present and entitled to vote. All voting shall be done by voices or at the request of any voting member present on a show of hands but the voting shall be by ballot if a majority of voting members present shall so decide by resolution. In any event the Chair shall have a deliberate and if necessary a casting vote.

13. ROLES OF BOARD MEMBERS

13.1 The Board shall comprise the following positions who shall unless otherwise stipulated be appointed at the first meeting of the Board in each financial year:

13.1.1 A member of the Board shall be elected as Chair and a member of the Board shall be elected as Deputy Chair.

13.1.2 Subject to any contract of engagement which the Board may have with any other party a secretary shall be appointed. The Secretary of the Board shall be appointed by the holder of the management contract whose duties shall be to give notice of all meetings, to keep minutes and orders of all meetings of the Board and any committees and to perform such other duties as the Board may decide and as are normally incidental to the Office of a Secretary.

13.1.3 A member of the Board may be elected as Treasurer or the Board may appoint a Treasurer (who may also be a Secretary) and shall have the custody of the books of account and charge of the funds of the Trust. It shall be the duty of the Treasurer to see that all statutory and other requirements with reference to the financial matters of the Trust are complied with and that the provisions of these rules as to such matters are carried out so far as lies in its powers and to perform such other duties as the Board may decide and as are normally incidental to the office of Treasurer.

13.1.4 The Board may delegate such powers of the Secretary and Treasurer to a duly appointed Administrator as they shall see fit, who shall be responsible to the Secretary and Treasurer duly appointed and the Board will confirm the Administrator's appointment at each AGM.

13.1.5 The Board may appoint a Patron, Honorary Auditor and Solicitor. None of the appointees shall be a member of the Board but each appointee may be invited to attend meetings of the Board without the right to vote.

14. COMMON SEAL

The Board shall have a Common Seal which shall be kept in the custody of the Secretary and shall only be affixed to documents pursuant to a resolution of the Board at a meeting of the Board and shall be attested by at least two members of the Board. The Secretary shall keep a register of documents to which all seals are affixed.

15. ALTERATION TO RULES

15.1 The Board may, pursuant to a motion decided by a sixty percent majority or more of the members' votes, by supplemental deed make alterations or additions to the terms and provisions of this deed provided that no such alteration or additional shall:

15.1.1 Detract from the exclusively charitable nature of the Board or result in the distribution of its assets on winding up or dissolution for any purpose that is not exclusively charitable; or

15.1.2 Be made to Clauses 6.1, 16.2.1 and or 19.3 Schedule I Powers 1.1 unless it is first approved in writing by the Department of Inland Revenue.

15.2 Every such approved alteration or addition shall be registered as required by the Charitable Trusts Act 1957 or corresponding enactment.

16. GENERAL

16.1 Committees of the Board

16.1.1 The Board may from time to time appoint committees which may comprise members of the Board and any other suitable person or persons for the purpose of supervising work or works authorised by the Board or making enquiries into any activity or proposed action of the Board. The Board shall determine the extent of the authority of any such committee.

16.1.2 Any committee or person appointed with delegated powers by a resolution passed at a meeting of the Board may without confirmation by the Board exercise or perform the delegated powers or duties in like manner and with the same effect as the Board could itself have exercised or performed them.

16.1.3 Any committee or person to whom the Board has delegated powers or duties shall be bound by the charitable terms of the Trust.

16.1.4 Every such delegation shall be revocable at will and no such delegation shall prevent the exercise of any power or the performance of any duty by the Board.

16.1.5 It shall not be necessary that any person who is appointed to be a member of any such committee, or to whom any such delegation is made, be a member of the Board.

16.2 Expenses

16.2.1 The Board shall not allow any assets income or profits of or in connection with the Board's property at any time to be distributed between or among or paid to the Board Members or any of them provided however the Board Members may be paid at a fair and reasonable rate out-of-pocket expenses incurred by them in connection with the Board's property or its administration.

16.2.2 Board Members, being skilled individuals providing professional services to the Board, will receive an annual remuneration for their services. The Appointments Committee will prepare a policy on remuneration for approval by the Councils and the four Rūnaka. The Annual Remuneration will be set jointly by the Appointments Committee and Regional Heritage Committee in accordance with the remuneration policy and subject always to Clauses 1.1.1-1.1.6 of Schedule 1. The Initial Board Members will not be entitled to any remuneration for their services.

16.3 By-laws

16.3.1 The Board may make amend or rescind by-laws or regulations not inconsistent with these rules for better attaining the objects of the Trust or any of them and without detracting from the generality of the power conferred in particular:

- (a) Prescribing forms of reports and returns to be made by any applicant for the benefits of the Trust or by any agent or servant of the Board.

(b) Providing for any matter not covered or provided for in these rules.

16.4 Liabilities of Board Members

16.4.1 No Board Member shall be liable for any loss not attributable to dishonesty of the Board Member or to the wilful commission by the Board Member of an act known by the Board Member to be in breach of trust or the neglect or default of any solicitor, bank, accountant, auditor, stockbroker, investment adviser or other agent employed in good faith by the Board Member.

16.5 Proceedings

16.5.1 No Board Member shall be bound to take proceedings against a co- Board Member for any breach or alleged breach of trust committed by such co- Board Member.

17. ACCEPTANCE

The Board shall accept for any Museum and Art Gallery purposes sums of money to be devoted to any special object or purpose and such funds shall be invested separately on bank deposit or otherwise.

18. ETHICS

The Board will be guided by the Museums Aotearoa Code of Ethics of Professional Practice.

19. LIQUIDATION OF TRUST

19.1 If, in the opinion of the Board, it shall become no longer possible or feasible to carry out the objects of the Trust then the Board may, by resolution, liquidate the Trust. No resolution dissolving the Trust shall take effect unless it has been passed by a majority of not less than sixty percent of the members of the Board and not only after three months notice of intention to move such resolution has been given in writing to each Board Member.

19.2 Such dissolution shall not take effect unless at a subsequent meeting of the Board called for that purpose (such meeting to be held not earlier than 28 days and not later than 42 days after the date of the meeting declaring such dissolution), such dissolution is confirmed by resolution to that effect carried by a simple majority of those members present and entitled to vote.

19.3 Should the Trust be dissolved, then any moneys and property remaining after the due settlement of the affairs of the Trust and the payment of all just debts and claims shall be handed to such or one or more charitable societies, associations, institutes, organisations or corporations as in the sole and absolute opinion of the Board Members has objects similar to those of this Trust for the purposes within Southland, New Zealand and are approved as charitable by the Commissioner of Inland Revenue or in the event that agreement by resolution cannot be obtained, then as directed by the High Court of New Zealand.

20. INTERPRETATIONS AND DEFINITIONS

- 20.1 In and for the purposes of these Rules:
 - 20.1.1 "Councils" means the Invercargill City Council, the Southland District Council and the Gore District Council;
 - 20.1.2 "The Board" means the persons appointed for the time being pursuant to Clause 9;
 - 20.1.3 "The four Rūnaka" means Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; and Hokonui Rūnanga;
 - 20.1.4 "The Trust" means the Trust Funds;
 - 20.1.5 "The Trust Fund" means the initial capital and all accruals and accretions thereto and all other property for the time being subject in whole or in part to the Trusts hereof and all property into which the same or any part thereof is converted and all income profits benefits and emoluments arising from any and all of the same;
 - 20.1.6 "The Member or Members" means a member of the Board;
 - 20.1.7 "Trustee" means and includes a Member and Board Member.
- 20.2 The singular includes the plural and vice versa the masculine includes the other genders and vice versa and words embracing persons includes bodies corporate.
- 20.3 No account shall be taken of headings for purpose of interpretation or construction.

I/We hereby certify that this is the new Constitution and Rules of the Southland Museum and Art Gallery Trust Board (Incorporated).

.....
Clare Valerie Hadley – Chief Executive
Invercargill City Council

.....
Cameron Alistair McIntosh – Chief Executive
Southland District Council

.....
Stephen Francis Parry – Chief Executive
Gore District Council

.....
Evelyn Anne Cook – Elected Representative
of the four Rūnaka –Waihōpai Rūnaka; Te
Rūnaka o Awarua; Te Rūnaka o Ōraka
Aparima; Hokonui Rūnanga

SCHEDULE 1

POWERS

- 1.1** TO pay apply transfer or distribute, after payment therefrom of all costs charges and expenses of the Trust Board or incidental to the establishment management and administration of the Trust property, the whole or any part of the Trust property to for or towards the furtherance of any of the objects of the Trust as the Trustees in their absolute discretion shall determine **PROVIDED THAT** it is declared that in the carrying on of any business under this Deed and in the exercise of any power:
- 1.1.1** If authorising the remuneration of trustees no benefit or advantage whether or not convertible into money or any income of any kind shall be afforded to or received gained achieved or derived by any of the persons specified in Paragraphs (i) to (iv) of the second proviso to Section CW42(5) of the Income Tax Act 2007 or any enactment in amendment or in substitution where that person is able by virtue of that capacity as such person specified in any way (whether directly or indirectly) to determine or to materially influence in any way the determination of the nature or the amount of that benefit or advantage or that income or the circumstances in which it is or is to be so received gained achieved afforded or derived except as specifically exempted by that section.
- 1.1.2** Any income, benefit or advantage shall be applied to the charitable purposes set out in these Rules.
- 1.1.3** No member or person associated with a member of the Trust Board shall derive any income, benefit or advantage from the organisation where they can materially influence the payment of the income, benefit or advantage except where that income, benefit or advantage is derived from:
- (a) Professional services to the organisation rendered in the course of business charged at no greater rate than current market rates; or
 - (b) Interest on money lent at no greater rate than current market rates.
 - (c) Or any such income if paid shall be reasonable and relative to that which would be paid in an arm's length transaction (being the open market value).
- 1.1.4** No member of the organisation or any person associated with a member shall participate in or materially influence any decision made by the organisation in respect of the payment to or on behalf of that member or associated person of any income, benefit or advantage whatsoever.
- 1.1.5** The Trust Board shall be under no obligation to distribute any part of the Trust property in any year.
- 1.1.6** Notwithstanding anything to the contrary contained in this Deed the provisions and effect of this clause shall not be removed from this deed and shall be included and implied into any deed amending, altering or replacing this deed.
- 1.2** **IN** accordance with Section 13 of the Charitable Trusts Act 1957, the Board shall be capable of holding real and personal property of whatever nature and wherever situated in New Zealand or elsewhere and of suing and being sued and of doing and suffering all such acts and things as bodies corporate may lawfully do and suffer and shall be entitled to do all such things and exercise all such powers and authorities as

it shall consider necessary or desirable in its absolute discretion for the attainment of any of the objects set out in these Rules.

- 1.3** **TO** improve manage develop and maintain or lease let underlet surrender mortgage charge or otherwise deal with and turn to account all or any property real or personal of the Trust or any interest and to erect construct alter renovate and maintain any buildings or chattels and to retain use and occupy or deal with the properties or assets of the Trust or any part for all such purposes and in such manner as the Trustees deem fit.
- 1.4** **TO** expend money as the Trustees shall think fit in the improvement and development of trust assets and otherwise for the benefit of the Trust property.
- 1.5** **TO** sell dispose of or exchange all real and personal property held by them at any time and whether or not such property has been acquired since the date of signing of this Deed, in such manner and subject to such terms and conditions as the Trustees shall in their discretion think fit **PROVIDED HOWEVER** that the Trustees shall hold all moneys received by them under this power for the purposes of and in accordance with the objects of this Trust,
- 1.6** **TO** receive and take any gift of property real or personal for any of the purposes or objects of the Trust whether subject to any special trust or not but the Trustees may decline and refuse to accept any gift or donation.
- 1.7** **TO** invest the trust fund and the income either alone or in common with any other person or persons in any investment the Trustees believe is prudent.
- 1.8** **TO** lease or take on lease any freehold or leasehold property or interest with or without chattels for such period at such rent on such terms (including at the discretion of the Trustees a compulsory or optional purchasing clause) and subject to such conditions as they think fit and to effect such renewals or surrenders of leases and tenancies as they think fit.
- 1.9** **TO** employ and pay all reasonable expenses any person, firm, company or corporation to do any acts of whatever nature relating to these trusts including the receipt and payment of money without being liable for loss incurred.
- 1.10** **TO** place any property owned by the trust fund (including any bank account) in the name of any agent or nominee for such period or periods or indefinitely as the Trustees in their absolute discretion think fit without being liable for any loss occasioned to the trust funds.
- 1.11** **TO** advance moneys with or without security and with or without interest to such person, persons or corporation on such terms as they think fit.
- 1.12** **TO** pay all costs and expenses and other outgoings as may be incurred in relation to the Trust from time to time reposed in the Board.
- 1.13** **TO** borrow money on bank overdraft or otherwise and upon security by way of mortgage or otherwise and on terms and subject to conditions and for reasons as the Trustees think fit (subject to Rule 6).
- 1.14** **TO** pay any Trustee who may be an Accountant or Solicitor out of the Trust fund for all- business done by them in relation to the Trust fund in like manner as they would

have been entitled to charge the Trustees or Trustee if not being a Trustee and the firm had been employed by them to do such business as their Accountant or Solicitor.

- 1.15** **TO** reimburse the Trustees for their expenses in accordance with the provisions of the Fees and Travelling Allowance Act 1951 as if the Trust Board were a statutory Board within the meaning of that Act or in accordance with any enactment which replaces that Act.
- 1.16** **TO** remunerate for their services those Trustees who are employed by the Trust Board as full time or part-time employees by means of a fair and reasonable salary **PROVIDED THAT** the quantum of any such remuneration shall be determined solely by a firm of Chartered Accountants selected by the Institute of Chartered Accountants of New Zealand **AND PROVIDED FURTHER** that no Trustee is associated with the firm of Chartered Accountants so selected so as to be able in any way (whether directly or indirectly) to determine, or to materially influence the determination of the nature or the amount of the remuneration of any Trustee.
- 1.17** **TO** carry on any business of any kind whatever.
- 1.18** **SUBJECT** to the provisions of the Charitable Trusts Act 1957 to do perform carry out and execute all such incidental or necessary acts or deeds and things as are requisite for or conducive to the attainment of the objects of the Trust.
- 1.19** **TO** appoint a Custodial Trustee or Trustees to act as their Custodial Trustee in respect of investments to be made or properly held to hold on the Trustees' behalf all securities and other documents of title relating to such investments or property. The Custodial Trustee or Trustees appointed shall only act on the direct instructions of the Board and shall hold all investments and property in the name of the Custodial Trustee for the account of the Southland Museum and Art Gallery Trust Board. The appointment of a Custodial Trustee shall be limited to persons or organisations recognised as having the expertise and services to provide Custodial Trustee duties.
- 2.** **THE** objects and powers set out in any clause or sub-clause of this Schedule shall not, except where the context expressly requires, be in any way limited or restricted by reference to, or any inference from, the terms of any other clause or sub-clause. None of the clauses or sub-clauses or the objects specified or the powers conferred shall be deemed, subsidiary or ancillary to any other clause, sub-clause or objects, but the Board shall have the full power to exercise all or any of the objects and powers set out independently, or any other of its objects and powers.
- 3.** **THE** Trustees shall have all power to the fullest extent as the law provides to generally do each and every act both convenient and advantageous and necessarily expedient for the proper carrying out and accomplishment of the objects consistent with this Trust.
- 4.** **THIS** deed shall in its interpretation of the objects in these Rules be given its widest possible expression provided that no such interpretation shall alter the charitable nature of the deed pursuant to the Charitable Trusts Act 1957 or any Act in substitution.

SCHEDULE 2

Iwi Liaison Komiti

In 1940 Thomas Spencer was the first person elected and appointed to the Board by Takata Whenua. In 1981 a proposed Māori artefact tour of the United States, later called "Te Māori" provided the opportunity for the Board to engage more widely with Takata Whenua. A Māori Liaison Committee was established which enabled staff to be supported in their role. The incumbent iwi representative on the Southland Museum & Art Gallery Trust Board sat ex-officio as a member of the Liaison Committee to provide a conduit between the Committee and the Trust Board.

By the mid-1990's the Komiti formally met with Museum and Art Gallery staff not less than four times per annum to discuss issues relating to the collection and exhibitions, and to provide advice to key staff. The Trust Board were cognisant of the view of the Komiti with regards to Te Ao Marama, outward and inward loans, exhibitions and the review or development of policy.

In 2001 the Iwi Liaison Komiti mandate was reviewed:

- An opportunity to bring more Iwi input into day-to-day decisions by public programme and curatorial staff of the Southland Museum & Art Gallery
- To provide an opportunity to show a greater Māori presence in what our audiences see
- Provide an opportunity for staff training in things Māori
- Provide a window on the Southland Museum and Art Gallery for rūnaka representatives.

In 2003 the Iwi Liaison Komiti and Southland Museum & Art Gallery Trust Board agreed to jointly manage the *Pounamu and Tangiwai Source Collection*, established through the Dart River Collection, as well as donation by Dr Alfred Poole.

The Iwi Liaison Komiti comprises of the following members:

- The four Rūnaka – Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; and Hokonui Rūnanga will each appoint a member, and alternate, of the Iwi Liaison Komiti (4) as a representative of Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; and Hokonui Rūnanga, who may at any time revoke such appointment.
- The Executive Officers of the four Rūnaka – Waihōpai Rūnaka; Te Rūnaka o Awarua; Te Rūnaka o Ōraka Aparima; and Hokonui Rūnanga are ex-officio members of the Iwi Liaison Komiti
- The Board Member appointed under 9.1.2 is an ex-officio member of the Iwi Liaison Komiti
- The Director, equivalent or nominee is an ex-officio member of the Iwi Liaison Komiti
- The Iwi Liaison Komiti may appoint up to 4 additional ex-officio members of the Iwi Liaison Komiti.

The Iwi Liaison Komiti will meet not less than four times per annum with staff of the Southland Museum and Art Gallery.

Minutes of the Iwi Liaison Komiti will be presented to the Board for their information.

Matters requiring the Board's attention will be presented to the Board in the monthly report closest to the date of the Komiti meeting.

The Iwi Liaison Komiti will meet formally with the Board at least twice per annum.

The Board will be cognisant of the view of the Iwi Liaison Komiti when setting policy, and when required, the Board will seek the opinion of the Iwi Liaison Komiti when undertaking acquisitions or collection rationalisation which directly impact on the Iwi Liaison Komiti.

SMAG MANAGER'S REPORT FOR APRIL 2022

To:	Southland Museum and Art Gallery Trust Board
Meeting Date:	Friday 20 May 2022
From:	Wayne Marriott – Manager Museum and Heritage Services
Approved:	Richard McWha, Assistant Group Manager Leisure and Recreation
Approved Date:	Monday 16 May 2022
Open Agenda:	Yes
Public Excluded Agenda:	No

Recommendations

It is recommended that the Southland Museum and Art Gallery Trust Board:

1. Receive the report "SMAG Manager's Report for April 2022".

Cataloguing & Rehousing

As at 30 April 2022

Project Stage	Outline	Total Recorded	Monthly increase
Stage 1	Full documentation	10,695 records	368
Ready for Relocation	Ready for Relocation	15,912 records	368
Stage 3	Photography	2,029 records	413

Team members are focused on the packing of collections for appropriate relocation from the current site to the new storage facility. The packing of the collection continues to focus on Natural History and Social History. Rosemary Jackson Hunter is completing her work on the textile collection during June.

The team have been compiling a list of objects for rationalisation. Items acquired by the Museum prior to the development of a legal agreement in the mid-1980's require additional scrutiny by staff prior to any recommendation for deaccessioning due to the nature of the original acquisition by the Museum.

We continue to estimate that between 88 -89% of the collection is now packed in a form which can be relocated. Once the archaeological collection has been relocated during June it is anticipated that we will be at 91-92% of the collection.

Collection Policy

The currently Collection Management Policy of the Southland Museum and Art Gallery is under review. The first draft has been received from DR David Bromell, and this is being circulated to the Iwi Komiti for comment.

Following the receipt of that advice, the updated policy will be received by the Board in July. Comments and feedback will be received during this period from peers in the sector in Southland/Gore, as well as from Museums Aotearoa.

The timetable is:

June 2022 – draft policy to be circulated to the Board and Southland museums and art galleries for comment

July 2022 – comments and draft policy to be recirculated to Iwi Komiti and Board.

August 2022 – final version prepared for adoption by Board.

Digitisation of photographic collection

The glass plate negative collection (excluding Campbell Collection) has been digitised. Over 4,200 images have been captured which will form part of a shared online platform.

In addition 4,000 negatives from the Elmwood Collection are currently being processed, and are to be received by the end of June 2022.

The daguerreotype and ambrotype photographs held by the Southland Museum and Art gallery will be digitised by the 30 May 2022. The identified nitrate negatives will be fully digitised by August.

Acquisitions

All acquisitions received or undertaken are consistent with the current Collection Policy (May 2004).

No acquisitions to report.

Loans

The following loans have been made:

Te Rau Aroha, Bluff

World War One Uniforms (female).

Te Hikoi, Riverton

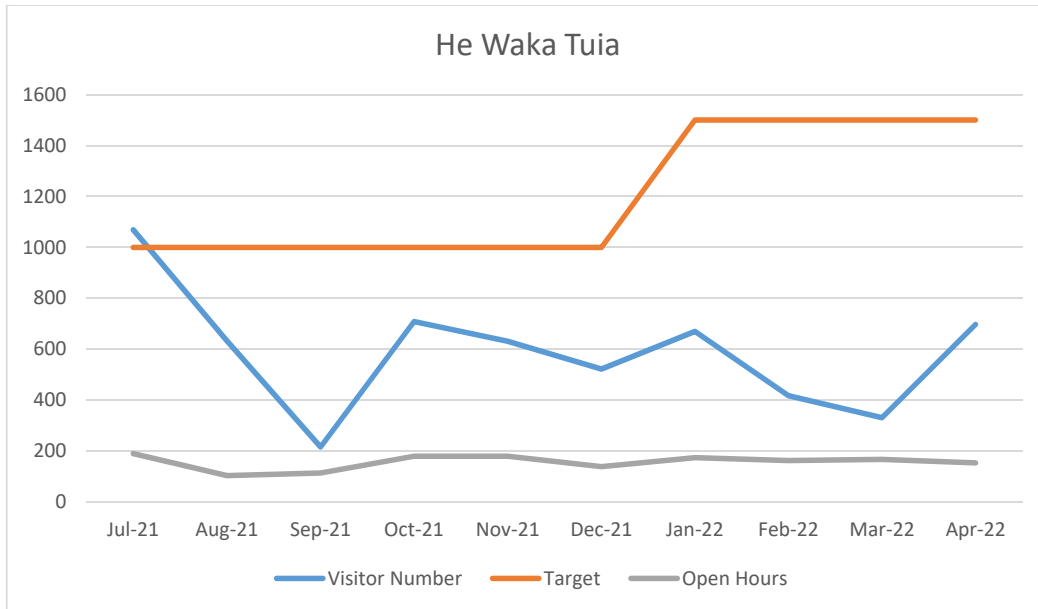
Captain John Howell's medicine chest (c. 1836). No. 2004.938.34
Adze No. 94.106

All loans are made for a period of 12 months, and can be renewed. Insurance on the loaned items is currently the responsibility of the borrowing institution.

He Waka Tuia - Visitor Numbers

He Waka Tuia is the public face through which objects from the Southland Museum and Art Gallery are exhibited. During Covid lockdowns visitor numbers have been significantly reduced. The change in traffic light settings, and the exhibition *Nohi* have begun to reconnect the community with the gallery.

A number of exhibitions have been presented in conjunction with Eastern Southland Gallery, Gore.



FINANCIAL REPORT

To: Southland Museum and Art Gallery Trust Board

Meeting Date: Friday 20 May 2022

From: Jono Cross – Management Accountant

Open Agenda: Yes

Public Excluded Agenda: No

Recommendations

It is recommended that the Southland Museum and Art Gallery Trust Board:

1. Receive the “Financial Report for the 10 months ended 30th April 2022”.
2. Receive the “Draft SMAG Statement of Intent” (Appendix 1)
3. Receive and approve the “The Financial Delegations Policy” (Appendix 2)
4. Approve the bank signing authorities of Clare Hadley (Administrator & Authoriser), Cameron McIntosh (Authoriser), Stephen Parry (Authoriser) Jonathan Cross (Creator).
5. Remove old bank signing authorities of Darren Ludlow (Administrator & Authoriser), Roger Eagles (Authoriser), Gary Tong (Authoriser), Bret Highsted (Authoriser) and Jaimee Botting (Creator).

Financial Report for the 10 Months Ending 30 April 2022

Overall Position	<i>Actual YTD</i>	
Net Operating Profit/(Loss)	19,932	
Net Cashflow movements	(38,200)	
Cash position	412,751	(includes \$209k on term deposit (matures Apr 2023))

Administration	<i>Actual YTD</i>	<i>Forecast for year</i>	
Income			
Grant - SRHC	1,018,076	1,221,691	To be used towards the collection
Service Contract - ICC - Museum op	-	-	To be used to operate a museum
Grant - ICC - Trust operations	20,000	20,000	To be used to operate Trust
Donations & Bequests	-	-	Bequest with conditions
Interest - Bank	71	-	
Interest - Investment Accounts	1,584	-	
Total Income	1,039,731	1,241,691	
Expenditure			
Museum management fee	1,018,076	1,221,691	Paid to ICC to operate a museum and
Legal fees	(0)	-	
General expenses	25	10,000	Forecast to cover all other expenses
Media Support	-	-	
Bank fees	-	-	
Audit fees	-	10,000	Accrued at end of year
Depreciation & impairment	1,698	2,268	
Total Expenditure	1,019,799	1,243,959	
Net Operating Profit/(Loss)	19,932	(2,268)	
Capital purchases	33,034	33,034	

Southland Museum and Art Gallery Trust Board

Financial report for the 10 Months Ended 30 April 2022

Reserves & Funds	<i>Balance</i>	<i>Condition</i>
Restricted reserve		
Estate C F Broadley - Tuatara	18,307	To be spent on Tuatara or the early history of Southland
Estate D I Allo - Tuatara	37,678	To be spent on Tuatara
Estate D I Allo - Natural History	165,193	To be spent on Natural History Gallery
	221,179	
Special purpose reserve		
Education Service Reserve	11,269	For the delivery of curriculum support programmes
Baird Library	743	To be spent on books for the collection
Collection acquisitions	24,356	To be spent on capital items for the collection
	36,368	
Redevelopment funds		
Unused grants with conditions - ICC	52,769	To be used on museum development
	52,769	

Statement of Intent

With the arrival of the new board, we wish the initial board to review the draft Statement of Intent and advise of any changes they wish to make. We have not received any feedback from any of the councils from the draft issued in February 2022.

Financial Delegations Policy

With the arrival of the new initial board, the board will need to assign new bank signatures and delegation approvals as outlined in the recommendations and also approve the delegations policy for the Trust to follow going forward.

Attachments

Appendix 1 – Draft SMAG Statement of Intent 22-23 – A3910327

Appendix 2 – The Financial Delegations Policy – A3910329

The Statement of Intent for the Southland Museum & Art Gallery Trust Board has been prepared in accordance with the Local Government act 2002.

A review of the governance of the Southland Museum & Art Gallery Trust Board is currently underway. As any changes to the governance structure is currently unknown, this Statement of Intent has been prepared with the assumption of business as usual.

SOUTHLAND MUSEUM AND ART GALLERY TRUST BOARD

STATEMENT OF INTENT

**FOR THE FINANCIAL YEAR ENDING
30 June 2023**



The purpose of this Statement of Intent is to:

- State publicly the activities and intentions of this Council Controlled Organisation for the year and the objectives to which those activities will contribute.
- Provide an opportunity for shareholders to influence the direction of the organisation.
- Provide a basis for the accountability of the Board to their stakeholders for the performance of the organisation.

Southland Museum and Art Gallery Trust Board
Statement of Intent 2022/23

A3910327

Page 1 of 11

This Statement of Intent covers the year 1 July 2022 to 30 June 2023.

1. MISSION, VISION, STRATEGIC OBJECTIVES AND THE THREE YEAR PLANNING PERIOD

1.1 Mission Statement

To celebrate our people, land and culture

1.2 Vision Statement

We are a nationally respected, unique, innovative, vibrant attraction providing a must-do experience with a positive culture from a team that is excited to be there, supported by diverse funding and revenue streams and meaningful partnerships protecting the collection of Southland, as custodians of our heritage

1.3 Strategic Objectives

Through its activities the Southland Museum and Art Gallery Trust Board (SMAGTB) will:

- Deliver a vibrant successful collaboration with the Invercargill Public Art Gallery in a temporary exhibition space that is bustling with people, activities and culture.
- Increase the sense of ownership by Southlanders, and the attractiveness, meaningfulness, relevance, value of the Museum and its programmes for them and visitors to Southland
- Contribute to the role of attracting visitors to Invercargill as part of the Southland visitor experience.
- Continue to strengthen our relationships with Mana Whenua.
- Have an aligned board and simple governance structure that is the best interest of the Southland Region
- Work with our Community using our Museum as a connector
- Collaborative organisational structure, shared authority and strong community engagement
- Provide support for regional museums in our province.

1.4 Principal Activities

The principal activities which contribute to the achievement of the Strategic Objectives will be provided by the Management Contract. These are categorised into four areas:

1. The Collections – Caring for, developing, and researching collections
2. Collection Storage – Ensuring appropriate storage of collections
3. The Community – Be the facilitator, connector, activator, conductor and co-creator working with community

1.5 Financial Forecasts

Financial Forecasts	<i>2022/2023</i>	<i>2023/2024</i>	<i>2024/2025</i>
Income			
Grant - SRHC	1,246,667	1,270,568	1,296,731
Grant - ICC - Trust Operations	20,000	20,000	20,000
Total Income	1,266,667	1,290,568	1,316,731
Expenditure			
Museum Collection Management Fee	1,246,667	1,270,568	1,296,731
Legal Fees			
General Expenses	10,000	10,000	10,000
Media Support			
Bank Fees			
Audit Fees	10,000	10,000	10,000
Depreciation & Impairment	2,268	2,268	2,268
Total Expenditure	1,268,935	1,292,836	1,318,999
Net Operating Profit/(Loss)	(2,268)	(2,268)	(2,268)

- *The loss is directly related to depreciation of assets the Trust has. Cash flow position is neutral each year.*

The SMAGTB receives an annual grant from the Southland Regional Heritage Committee.

The SMAGTB will approve the budget for expenditure in the Management Contract each year. See Section 2.3, Management of the Southland Museum and Art Gallery.

The SMAGTB owns most of the collection and is guardian of other parts of the collection.

1.6 Bicultural Development

Southland Museum and Art Gallery maintains a working partnership with iwi through the Iwi Liaison Komiti, which has representatives from the four Southland runanga. The Iwi Liaison Komiti meets quarterly to discuss issues relating to the collections and exhibitions.

2.0 STATEMENT ON THE BOARD'S APPROACH TO GOVERNANCE

2.1 Role of the Board

The Board is responsible for the governance of the Southland Museum and Art Gallery. The Board is responsible for setting the strategic direction of SMAG, approving the Statement of Intent and monitoring the performance of the Management Contract.

2.2 Board Membership

The SMAGTB is a Council Controlled Organisation with 4 trustee members and three ex officio members who represent the contributing authorities. The Board also has the authority to appoint additional members whose skills and experiences benefit the Trust and its functions.

CHIEF EXECUTIVE OFFICER INVERCARGILL CITY COUNCIL

C Hadley

CHIEF EXECUTIVE OFFICER SOUTHLAND DISTRICT COUNCIL

C McIntosh

CHIEF EXECUTIVE OFFICER GORE DISTRICT COUNCIL

S Parry

DULY ELECTED REPRESENTATIVE OF THE FOUR RUNAKA – WAIHOPAI RUNAKA; TE RUNAKA O AWARUA; TE RUNAKA O ORAKA APARIMA; HOKONUI RUNANGA

Evelyn Cook

EX OFFICIO

Manager – W P Marriott, JP, MBA (ICC officer)

Secretary – T Amarasingha (ICC officer)

Treasurer – J Cross (ICC officer)

2.3 Management of the Southland Museum and Art Gallery

The SMAGTB has a Management Contract with Invercargill City Council to carry out the Principle Activities of the Board. The Council employs the museum manager and staff who care for the collections and manages the storage of the collection. The Trust Board will approve the budget for expenditure in the Management Contract each year.

2.4 Alignment with Community Outcomes

The SMAGTB contributes towards the achievement of Invercargill City Council's community outcomes.

Enhance our City	Preserve its Character	Embrace Innovation and Change
<i>We will know success when:</i>	<i>We will know success when:</i>	<i>We will know success when:</i>

<p>New residents feel welcomed and embraced by Invercargill culture.</p>	<p>Invercargill is celebrated for preserving its heritage character.</p>	<p>Invercargill's culture is embraced through Community projects.</p>
<p>Healthy and active residents utilise space, including green space, throughout the City.</p>	<p>Our natural and existing points of difference are celebrated.</p>	<p>Technology is utilised in both existing and new City services.</p>
<p>Invercargill's business areas are bustling with people, activities and culture.</p>	<p>Strong, collaborative leadership of the City is demonstrated.</p>	<p>Residents of, as well as visitors to, Invercargill give positive feedback and have great experiences.</p>
		<p>Invercargill has the 'wow factor' with the right facilities and events to enjoy.</p>

3.0 OUTPUTS PLANNED FOR THE YEAR ENDED 30 JUNE 2022

Below are the outputs which are planned by the organisation to be delivered by the Management Contractor and the strategies that will be used to achieve these.

3.1 The Collections Caring for, developing, and researching collections.		
Output	Strategies to achieve Output	2022-23 Target
The collection is developed to enable the Museum to document, illustrate and explore Southland's unique natural and cultural heritage	Collection management policies are reviewed as required.	One review annually
	New acquisitions are considered according to the Collection Management Policy. (Minimal acquisitions desired while museum building is closed).	100% of objects acquired are considered
	New acquisitions are entered into Vernon Collection Management System (CMS) to the level of Stripped Stage 1.	1000 records
	Existing CMS records are updated to Stage 1 (Full Documentation). Stage 1 is designed to make the updated records searchable, identify key hazards, and ensure that the items ready for relocation.	2,400 records
	Collections items to have digital images made.	0 items (Photography will only be undertaken as required for the purposes of condition reporting, online presence, and the temporary gallery space.)

3.2 Collection Storage Ensuring appropriate storage of collections.		
Output	Strategies to achieve Output	2022-23 Target
The collection is prepared for removal from the building by 2022/23 (4 years)	<p>Pack items for storage and transportation.</p> <p>Stage 2a of the current Collection Relocation Plan involves packing and physically readying objects for relocation.</p> <p>Stage 2b of the current Collection Relocation Plan involves implementing a temporary transporting/packing solution for objects to be safely transported off-site.</p>	2000 items across Stage 2a and 2b.
Collections are maintained in optimal conditions for their long term preservation	Storage space is kept at temperature of 19°C±1°C, percentage of time in range.	Minimise variance
	Storage space is kept at humidity of 50%±5%, percentage of time in range.	Minimise variance
	Storage space is monitored for infestation by pests and moulds.	Minimum pests, moulds and pollutants found
	A procedure to minimise deterioration by light is followed.	Yes
	A procedure to avoid loss or damage to objects in the collection or on loan is followed.	Yes

3.3 The Community Be the facilitator, connector, activator, conductor and co-creator working with community		
Output	Strategies to achieve Output	2022-23 Target
Maintain strong relationships with iwi over issues relating to the collections.	Iwi Liaison Komiti (representing the four Southland runanga; Waihopai, Oraka-Aparima, Hokonui, Awarua) meets regularly. keep	Four meetings
Promote a museum presence	Provide outreach to other museums and related organisations in the region and community.	No target

4.0 ACCOUNTING POLICIES

4.1 Basis Of Preparation

The Board has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime (RDR) disclosure concessions. This is on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of more than \$2 million and less than \$30 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared under the assumption that the Trust will continue to operate in the foreseeable future.

The Trust is domiciled in New Zealand, is a reporting entity for the purposes of the Charitable Trusts Act 1957 and its financial statements comply with that Act.

The trustees of the Trust do not have the power to amend the financial statements after issue.

4.2 Changes In Accounting Policies

There has been no change in accounting policies.

4.3 Goods And Services Tax (GST)

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

4.4 Revenue

Revenue is recognised to the extent that it is probable the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

4.4.1 Grants

Council, government, and non-government grants are recognised as revenue when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attached to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

4.4.2 Donations

Donations are recognised as revenue upon receipt.

4.4.3 Bequests

Revenue from estates that satisfies the definition of an asset is recognised as revenue when it is probable that future economic benefits or service potential will flow to the entity, and the fair value can be measured reliably.

4.4.4 Interest revenue

Interest revenue is recognised as it accrues, using effective interest method.

4.4.5 Other revenue

Revenue is measured at the fair value of consideration received.

4.5 Expenditure

All expenditure is recognised in the period in which it is incurred and expensed when the related services has been received.

4.6 Income Tax

The Trust is exempt from the payment of income tax. Accordingly no charge for income tax applies or has been provided for.

4.7 Donated Services

The work of the museum is dependent on the voluntary service of many individuals and organisations. Since these services are not normally purchased by the museum and because of the difficulty of determining their value with reliability, donated services are not recognised in the financial statements.

4.8 Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These comprise cash on hand, cheque or savings accounts, and deposits held at call with banks. Bank overdrafts are presented as a current liability in the statement of financial position.

4.9 Short term investments

Short term investments comprise term deposits which have a term greater than three months and therefore do not fall into the category of cash and cash equivalents.

4.10 Receivables

Short-term receivables are recorded at the amount due, less any provision for non-collectability. A receivable is considered uncollectable when there is evidence the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

4.11 Creditors And Accrued Expenses

Creditors and other payables are measured at the amount owed.

4.12 Property, Plant And Equipment

Property, plant and equipment is recorded on the cost basis, less accumulated depreciation and impairment losses.

Property, plant, and equipment held at cost that has a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an

asset's fair value, less costs to sell, and value in use. The total impairment loss is recognised in the surplus or deficit.

The Trust has elected not to revalue property plant and equipment

4.12.1 Additions

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

4.12.2 Depreciation

Depreciation has been charged in the Financial Statements on the basis of the economic life rates recommended by the Inland Revenue Department as follows:

Buildings	2%	SL
Fit-out	9 - 40%	DV

4.12.3 Heritage Assets

The Southland Museum & Art Gallery Trust Board owns an extensive collection of material and information relating to natural, cultural and scientific heritage. Heritage assets are valued at cost or fair value at the date of acquisition and are not depreciated.

All assets acquired are recognised at cost at the date of acquisition. As a large number of the Heritage assets are donated or subsidised generally such cost will be nil unless they have been acquired as a result of a purchase by the Trust.

The bulk of the Trust's collection is represented by unrealisable or irreplaceable items and it is impracticable and cost prohibitive to value them on a "Market Based" or "Depreciated Replacement Cost" basis. As a consequence the Trust's collection is undervalued in these financial statements.

The result of this accounting policy means that the vast majority of the Museum's collection is effectively valued for accounting purposes at nil, or at historical cost for those few items purchased.

The primary function and purpose of the Southland Museum is the preservation and display of the extensive collection of heritage assets. These are the tasks that make up the bulk of the Southland Museum's activities.

This means that much of the collection is valued at nil, or very old historical cost for those few items purchased. The Board is confident that if the collection, however unlikely, was to be sold, its market value would be very substantial.

The fact that most of the collection has a nil, or low, value for accounting purposes in no way reduces the true value of the collection or the care that is exercised in its conservation and exhibition.

For Insurance purposes, the collection is valued at \$10,000,000.



Southland Museum
& Art Gallery
Trust Board Inc

**FINANCIAL
DELEGATIONS
&
MANUAL**

Financial Delegations

The following delegations are undertaken to enable the efficient and effective provision of Southland Museum & Art Gallery Trust Board Incorporated's (SMAG) financial responsibilities.

These powers may be limited at lower levels of delegation.

Delegations under this section include:

- Expenditure approval.
- Binding SMAG to contracts.
- Authority to raise revenue.

SMAG adopts a Financial Delegations Manual, the manual follows.

Financial Delegations Manual

1. Expenditure Authorities

1.1 Signing Authorities

Signing authority is delegated to the Payments Committee of SMAG. This authority includes payments transmitted electronically, signing manual cheques and investment movements.

The Payments Committee of SMAG comprise of the following trustee of SMAG:

Position	Authority to sign payments	Online banking role
Chief Executive Officer Invercargill City Council	YES	Administrator & Authoriser
Chief Executive Officer Southland District Council	YES	Authoriser
Chief Executive Officer Gore District Council	YES	Authoriser
Invercargill City Council Accountant	NO	Creator

1.2 Competitive Tendering

The overall approach adopted by SMAG is to balance the cost of tendering versus the compatible pricing.

Expenditure (including capital expenditure) over \$50,000 should generally be tendered, unless conditions prevail which make tendering impractical. Items less than \$50,000 may be tendered if it is deemed worthwhile.

Tendering may take the form of a formal, advertised tender process for significant programmed work. For less significant or more urgent cases, obtaining quotes is acceptable (normally at least three). The other option which is available is to use a list of approved suppliers, which has been established and maintained.

To be included on an approved list, the supplier must be able to demonstrate relevant competence and quality of work, and be price competitive. Where possible, standard rates should be established to enable the assessment of price competitiveness (eg hourly rates).

Factors which should be considered when deciding whether to tender include:

- the existence of a competitive market;
- the specialised nature of the goods or services to be provided;
- the history and qualifications of potential suppliers, and their established track record with us;

- the potential costs vs benefits of the tender process;
- legislative restrictions;
- any time constraints – e.g. emergency works, legislative deadlines etc;
- a preference to use local suppliers where they can offer the required service at a competitive price;

When deciding on the selection of a tenderer, judgement is required to be exercised. All other things being equal, the lowest price which meets the minimum output, quality and local supplier preference criteria of the tender will be accepted. It is important to document the criteria applied to select the successful tender, particularly if the lowest priced tender was not accepted. A pricing preference of 2% will be allowed for suppliers who are domiciled within our district.

Factors which will normally be applied in the selection of successful tenderers include:

- the history and qualifications of potential suppliers, and their established track record with us;
- price;
- ability to meet the standards and produce the outputs required under the tender;
- local supplier preference;
- any differences in quality or outputs.

1.3 Entering Into Contracts & Authorisation of Payments

All contracts must be approved by the board. Once the board have approved the contract, the Payments Committee of SMAG have authorisation to authorise payments up to the value stated in the contract. Any payment amounts in excess of the value stated in the contract require approval by board before payment can be authorised.

All non-contract expenditure must first be approved by the board. Once the board have approved the expenditure, the Payments Committee of SMAG have authorisation to approve payments up to the value approved by the board.

The Payments Committee of SMAG is authorised to approve of any GST payments as they fall due regardless of value.

2. Revenue Authorities

2.1 Authority to Raise Revenue

All SMAG trustees have the authority to authorise the production of invoices. Invoices should be produced by the Invercargill City Council Accountant. Where there is doubt in a particular case, the Invercargill City Council Accountant should be consulted.

2.2 Bad Debts

All write off of debts require approval of the SMAG Board.

2.3 Credit Notes

Credit notes to correct errors in charges have to be approved by the SMAG Board and issued by the Invercargill City Council Accountant. Credit notes may not be used to write off debt unless the authorisation for writing off debt has been given by the Board or to correct invoices issued where errors are identified.