

SOUTHLAND REGIONAL HERITAGE COMMITTEE

# ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2022

# ***SOUTHLAND REGIONAL HERITAGE COMMITTEE***

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# ***SOUTHLAND REGIONAL HERITAGE COMMITTEE***

## **ENTITY INFORMATION FOR THE YEAR ENDED 30 JUNE 2022**

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### **Legal name**

Southland Regional Heritage Committee

### **Type of entity and legal basis**

The Southland Regional Heritage Committee is a committee formed and domiciled in New Zealand.

### **The Committee's purpose**

The committee's principle activity is to promote and enhance the heritage of the Southland Community. The committee administers grant money to appropriate organisation within the Southland Province, who met the required criteria.

### **Structure of the Committee's operations**

The Southland Regional Heritage Committee was formed as a joint committee of councils on 1 May 2005 by the Invercargill City Council, the Southland District Council and the Gore District Council. Each council appoints two members to the committee. The committee's equity and operational funding is contributed from the following Councils: Invercargill City Council, Southland District Council and Gore District Council.

### **Outputs**

The main output of the committee is the payment of grants to recipients that meet the funding criteria as per Heads of Agreement.

The Reporting Period of the committee is for the year ended 30 June 2022.

### **Committee members**

Cr R Amundsen	Invercargill City Council
Cr G Lewis	Invercargill City Council
Cr P Duffy (Chairman)	Southland District Council
Cr Karyn Owen	Southland District Council
Cr B Reid	Gore District Council
Cr N Phillips	Gore District Council
Peggy Peek	Iwi Representation

### **Registered office**

C/- Invercargill City Council  
101 Esk Street  
Invercargill

### **Bankers**

Bank of New Zealand  
84 Esk Street, Invercargill

### **Postal address**

Private Bag 90-104  
Invercargill  
Phone (03) 2111 777  
Fax (03) 2111 692

### **Solicitors**

Preston Russell Law  
45 Yarrow Street, Invercargill

### **Auditor**

Audit New Zealand  
on behalf of the Auditor - General

## **SOUTHLAND REGIONAL HERITAGE COMMITTEE**

### **STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022**

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	<i>Note</i>	<b>2022</b> <b>\$</b>	<b>2021</b> <b>\$</b>
<b>Revenue</b>			
Council funding	1	1,877,493	1,790,084
External funding		46,215	175,000
Interest		9,141	6,017
<b>TOTAL REVENUE</b>		<b>1,932,849</b>	<b>1,971,101</b>
<b>Expenses</b>			
Audit fees		6,663	6,475
Depreciation	4	3,762	6,351
Grants made	2	1,547,932	1,684,607
Other expenses		395,452	267,008
<b>TOTAL EXPENSES</b>		<b>1,953,809</b>	<b>1,964,441</b>
<b>TOTAL SURPLUS / (DEFICIT)</b>		<b>(20,960)</b>	<b>6,660</b>

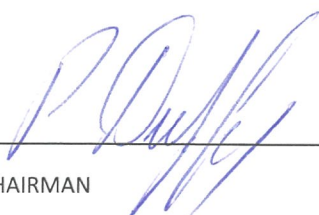
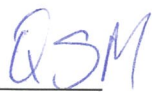
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The Statement of Accounting Policies and Notes form an integral part of, and should be read in conjunction with these financial statements.

# SOUTHLAND REGIONAL HERITAGE COMMITTEE

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2022 \$	2021 \$
<b>Assets</b>			
<i>Current assets</i>			
Bank accounts and cash		618,305	387,660
Other Financial Investments		400,000	400,000
GST receivable		-	23,416
<b>TOTAL CURRENT ASSETS</b>		<b>1,018,305</b>	<b>811,076</b>
<i>Non-current assets</i>			
Property, plant and equipment	4	6,592	10,354
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,592</b>	<b>10,354</b>
<b>TOTAL ASSETS</b>		<b>1,024,897</b>	<b>821,430</b>
<b>Liabilities</b>			
<i>Current liabilities</i>			
Creditors and accrued expenses	3	187,868	151,579
GST payable		17,638	-
Revenue Received in Advance		245,500	
<b>TOTAL CURRENT LIABILITIES</b>		<b>451,006</b>	<b>151,579</b>
Creditors and accrued expenses	3	56,250	131,250
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>56,250</b>	<b>131,250</b>
<b>TOTAL LIABILITIES</b>		<b>507,256</b>	<b>282,829</b>
<b>TOTAL ASSETS less TOTAL LIABILITIES</b>		<b>517,641</b>	<b>538,601</b>
<b>Equity</b>			
Contributed capital	5	137,514	137,514
Accumulated surpluses	5	380,127	401,087
<b>TOTAL COMMITTEE EQUITY</b>		<b>517,641</b>	<b>538,601</b>


  
 CHAIRMAN

  
 COMMITTEE MEMBER

The Statement of Accounting Policies and Notes form and integral part of, and should be read in conjunction with these financial statements.

## **SOUTHLAND REGIONAL HERITAGE COMMITTEE**

### **STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2022**

	<i>Note</i>	<b>2022</b>	<b>2021</b>
		<b>\$</b>	<b>\$</b>
<b><i>Cash flows from operating activities</i></b>			
Receipts of council funding		2,169,209	1,965,084
Interest receipts		9,141	6,017
Payment of grants		(1,622,932)	(1,534,607)
Payments to suppliers		(365,827)	(282,724)
GST (net)		41,054	(12,064)
<b>Net cash flow from / to operating activities</b>		<b>230,645</b>	<b>141,706</b>
<b><i>Cash Flows from investing and financing activities</i></b>			
Purchase of property, plant, and equipment		-	-
Sale of Investments		800,000	800,000
Purchase of Investments		(800,000)	(800,000)
<b>Net cash flow from / to investing and financing activities</b>		<b>-</b>	<b>-</b>
Net increase/ (decrease) in cash		230,645	141,706
Opening cash balance		387,660	245,954
<b>CLOSING CASH BALANCE</b>		<b>618,305</b>	<b>387,660</b>

The Statement of Accounting Policies and Notes form and integral part of, and should be read in conjunction with these financial statements.

## ***SOUTHLAND REGIONAL HERITAGE COMMITTEE***

### **STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2022**

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#### **ACCOUNTING POLICIES APPLIED**

##### ***BASIS OF PREPARATION***

The committee has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that the committee does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

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

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

The financial statements are for the individual entity. The Committee is a joint committee between Invercargill City Council, Southland District Council and Gore District Council.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The Financial Statements have been authorised for issue by the committee members on 15 March 2023.

The entity's committee members do not have the power to amend the financial statements after issue.

#### **SIGNIFICANT ACCOUNTING POLICES**

##### ***CREDITORS AND ACCRUED EXPENSES***

Creditors and accrued expenses are measured at the amount owed.

##### ***DEBTORS***

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

##### ***BANK ACCOUNTS AND CASH***

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.





## ***SOUTHLAND REGIONAL HERITAGE COMMITTEE***

### **STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2022**

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#### ***GRANT EXPENDITURE***

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

#### ***DISCRETIONARY GRANT***

Discretionary grants without conditions - recognise expense on approval and communication to recipient. Even if multi-year (unless contains a substantive termination clause). Irrespective of whether paid in advance or arrears.

Discretionary grants with conditions and paid in arrears - recognise expense (for each instalment) at earlier of payment date or when relevant conditions providing entitlement to the instalment are satisfied.

#### ***GOODS AND SERVICES TAX***

The Entity 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.

#### ***STATEMENT OF CASH FLOWS***

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

Operating activities include cash received from all income sources of the committee and records the cash payments made for the supply of goods and services.

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

Financing activities comprise the change in equity and debt capital structure of the committee.

#### ***TAX***

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

#### ***CHANGES IN ACCOUNTING POLICIES***

There have been no changes in Accounting Polices during the reporting period.

## SOUTHLAND REGIONAL HERITAGE COMMITTEE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

<b>1 Council funding</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Southland District Council	638,208	613,031
Invercargill City Council	1,009,068	955,596
Gore District Council	230,217	221,457
<b>Total council funding</b>	<b>1,877,493</b>	<b>1,790,084</b>

The councils listed above include a uniform charge to all ratepayers in their respective districts and this is granted to the Regional Heritage Committee each year.

<b>2 Grants made</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Southland Museum & Art Gallery Trust	1,221,691	1,181,976
Gore District Council	193,361	186,648
Southland District Council	-	-
Discretionary Grants	132,880	315,983
<b>Total grants made</b>	<b>1,547,932</b>	<b>1,684,607</b>

Some restrictions exist on the cash reserve funds which are set aside for special purposes at the discretion of the Committee.

<b>3 Creditors and accrued expenses</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Accrued committed expenses	237,455	270,104
Venture Southland	-	-
Audit fees	6,663	6,475
Creditors	-	6,250
<b>Total creditors and accrued expenses</b>	<b>244,118</b>	<b>282,829</b>

Accrued committed expenses includes \$56,250 of non-current grant committed to but not paid. This is funding for the RMO till 31 March 2024.

## SOUTHLAND REGIONAL HERITAGE COMMITTEE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

#### 4 Property, plant & equipment

	Plant \$	Total \$
<b>Carrying amount at 1 July 2020</b>	16,705	16,705
Additions	-	-
Disposals (net of accumulated depreciation)	-	-
Depreciation expense	(6,351)	(6,351)
<b>Carrying amount at 30 June 2021</b>	<b>10,354</b>	<b>10,354</b>
<b>Carrying amount at 1 July 2021</b>	10,354	10,354
Additions	-	-
Disposals (net of accumulated depreciation)	-	-
Depreciation expense	(3,762)	(3,762)
<b>Carrying amount at 30 June 2022</b>	<b>6,592</b>	<b>6,592</b>

#### 5 Equity

	2022 \$	2021 \$
<b>Contributed capital</b>		
Balance at 1 July	137,514	137,514
Capital contribution	-	-
<b>Balance at 30 June</b>	<b>137,514</b>	<b>137,514</b>
<b>Accumulated surpluses</b>		
Balance at 1 July	401,087	394,427
Surplus/(deficit) for the year	(20,960)	6,660
<b>Balance at 30 June</b>	<b>380,127</b>	<b>401,087</b>
<b>TOTAL EQUITY</b>	<b>517,641</b>	<b>538,601</b>

## SOUTHLAND REGIONAL HERITAGE COMMITTEE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

6 Related Parties		2022 \$	2021 \$
The committee paid grants to <b>Southland Museum &amp; Art Gallery Trust Board</b> <i>(Related through joint involvement with 3 councils)</i>	Value for year Balance outstanding	1,221,691 -	1,181,976 -
The committee paid grants to <b>Gore District Council</b> <i>(Related through joint involvement with 3 councils)</i>	Value for year Balance outstanding	193,361 -	186,648 -
The committee has reimbursed <b>Invercargill City Council</b> for operational expenses incurred on behalf of the committee <i>(2 committee members are part of Invercargill City Council)</i>	Value for year Balance outstanding	0 -	2,006 -
The committee received grants from <b>Invercargill City Council</b> <i>(2 committee members are part of Invercargill City Council)</i>	Value for year Balance outstanding	1,009,068 -	955,596 -
The committee received grants from <b>Southland District Council</b> <i>(2 committee members are part of Southland District Council)</i>	Value for year Balance outstanding	638,208 -	613,031 -
The committee received grants from <b>Gore District Council</b> <i>(2 committee members are part of Gore District Council)</i>	Value for year Balance outstanding	230,217 -	221,457 -
The committee has reimbursed <b>Venture Southland</b> now referred as <b>Southland Regional Development Agency T/A Great South</b> for operational expenses incurred on behalf of the committee <i>(2 committee members are part of Venture Southland)</i>	Value for year Balance outstanding	6,645 -	5,340 -
The committee has reimbursed <b>Gore District Council</b> for operational expenses incurred on behalf of the committee <i>(2 committee members are part of Gore District Council)</i>	Value for year Balance outstanding	451,152 122,136	259,371 80,619
The committee has reimbursed <b>Southland District Council</b> <i>(2 committee members are part of Southland District Council)</i>	Value for year Balance outstanding	- -	- -

## ***SOUTHLAND REGIONAL HERITAGE COMMITTEE***

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

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#### **7 POST BALANCE DATE EVENTS**

There have been no significant events between year end and the signing of the Financial Statements.

#### **8 CONTINGENCIES**

There are no known contingent liabilities or contingent assets at 30 June 2022 (2021: nil).

#### **9 COMMITMENTS**

The Committee has outstanding commitments of grants approved but not paid as at 30 June 2022 of \$105,000 (2021: \$110,000).

The Committee has outstanding operational commitment approved but not paid as at 30 June 2022 of \$32,986 (2021 : 32,986).

There is no capital commitments as at 30 June 2022 (2021 : Nil).

#### **10 TAX**

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

#### **12 STATEMENT OF INTENT**

The committee is considered as a Joint Committee under Clause 30(1)(b) and Clause 30A of Schedule 7 of the Local Government Act 2002.

Therefore there is no requirement to prepare a Statement of Intent.