



Yvonne Rust, Gathering Rust, Whangārei Art Museum installation view, 2022.

Hātea Art Precinct Trust

Half Year Report | 2022-2023

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INTRODUCTION BY THE INTERIM CHAIR

Thank you for the opportunity to overview the first six-months of this financial year.

The Whangarei Art Museum have had a very successful start to the year with exhibitions of international, national and regional artists, and growing visitor numbers.

The Hundertwasser Art Centre has attracted good media coverage and is becoming a special icon for Whangarei, attracting a good number of domestic tourists to stay a little longer in the North. To date, over 80,000 people have visited.

We achieved GOLD status from Qualmark NZ for both the Centre and Museum this year, up from Silver previously. We are very proud of our achievement.

While the following six months will continue to be challenging for the Hundertwasser Art Centre, the Whangarei Art Museum has started the year with gusto; the Chris Booth exhibition is well worth a visit, and more great exhibitions are to come. We have a full programme for schools in the Activity Centre and good public programmes planned across both facilities.

However, for the Hundertwasser Art Centre, the first six months of this financial year have been extraordinarily challenging. Visitor numbers were well below targets, especially impacted by the lack of international visitors with closed borders and a slow return to normal. This has effected revenue to the point where the expenditure exceeded revenue by approximately \$350,000.

The Council has been briefed on the consequences of the drop-off of business.

- The loss of revenue from international visitors has placed Hundertwasser Art Centre in a challenging and unsustainable financial situation.
- While it is the major cause, it is not the only factor influencing the unsustainable financial situation.
- Fixed costs have been much higher than budgeted.

We are implementing efficiencies but will need ongoing Council support to compensate for the lack of international visitors. We have every faith that both facilities will remain critical successes in the future.

Jill McPherson

Interim Chair

PERFORMANCE MEASURES

Governance

Performance Measure 2022/23	2021/22 Actual	2023/24 Target	2024/25 Target	Action/Outcomes 2022/23
1. Financial Management HAPT will operate within agreed financial budgets.	Achieved.	Actual spend ≤ Budget (reported on in the half-yearly report and annual report).		Unlikely to be achieved. Revenue from International Visitors has been severely impacted by the pandemic and has resulted in a large revenue shortfall to date. Expenses are tracking within budget.
2. Reporting HAPT will report on its achievement against the strategic objectives and action areas (as outlined in this SOI) in the half-yearly report and annual report.	Achieved.	Strategic objectives and action areas reported on in half-yearly report and annual report.		On track to be achieved

Operations

Performance Measure 2022/23	2021/22 Actual	2023/24 Target	2024/25 Target	Action/Outcomes 2022/23
3. Effective operation HAPT will annually assess operation hours and exhibition quality to meet agreed funding. Target: Exhibitions delivered to schedule and within total	Not Achieved. NB This performance Measure was	Annually assess operation hours and exhibition quality to meet agreed funding. Target: Exhibitions delivered to schedule and within total		On track to be achieved.

Performance Measure 2022/23	2021/22 Actual	2023/24 Target	2024/25 Target	Action/Outcomes 2022/23
programme budget.	numbered 3.a. in the 2021-22 Sol.	programme budget.		
<p>4. Effective operation HAPT art management: HAPT will acquire and document all new items in accordance with HAPT collection management policy and procedure. HAPT will ensure the safety and preservation of works in its care: less than 1% of art work handled by staff or the public will suffer irreparable losses or damage, evidenced by incident reports.</p>	<p>Not Achieved.</p> <p>NB This performance Measure was numbered 3.b. in the 2021-22 Sol.</p>	<p>Acquire and document all new items in accordance with HAPT collection management policy and procedure.</p> <p>Ensure the safety and preservation of works in its care: less than 1% of art work handled by staff or the public will suffer irreparable losses or damage, evidenced by incident reports.</p>		On track to be achieved.
<p>5. Audience Development HAPT will continue to improve the WAM visitor experience, thereby promoting the arts and contributing to the wellbeing and economic growth of the district.</p> <p>Annual survey results demonstrate 85% satisfaction in visitor experience.</p>	<p>Not achieved.</p> <p>NB This performance Measure was numbered 4. in the 2021-22 Sol.</p>	<p>Annual survey results demonstrate 85% satisfaction in visitor experience.</p> <p>Reported on in the half-yearly report.</p>		<p>On track to be achieved.</p> <p>Both WAM and HAC will participate in the Museums Aotearoa survey, which is the official survey and benchmark for NZ museums and art galleries.</p>

Performance Measure 2022/23	2021/22 Actual	2023/24 Target	2024/25 Target	Action/Outcomes 2022/23
<p>6. Community Engagement HAPT will strengthen community engagement through programmes, events and collaborative initiatives including an educational component.</p> <p>Evidence of 10 programmes, events or initiatives developed or in development annually, covered in the half-yearly report.</p>	Achieved.	10 programmes, events or initiatives developed or in development, covered in the half-yearly report.		Achieved.
<p>7. Growth HAPT will improve both awareness and attendance of WAM and HAC.</p> <p>Targets: 10% annual increase in online engagement.</p> <p>5% annual increase in visitor numbers to WAM.</p> <p>70,000 visitors to HAC for the year.</p> <p>Covered in the half-yearly report.</p>	n/a	<p>2023/24: 10% annual increase in online engagement. 5% annual increase in visitor numbers to WAM. 80,000 visitors to HAC for the year. Covered in the half-yearly report.</p> <p>2024/25: As above but 90,000 visitors to the HAC for the year.</p>		<p>On track to be achieved</p> <p>HAC attracted 30,201 visitors in the first 6 months of the year. With the peak tourist season still to come, HAC is on track to meet the target, noting that the target set for this report is lower than that used for budgeting purposes.</p> <p>WAM visitor numbers are at 21,548 for the first 6 months of the year and will shortly exceed last year's total number of visitors.</p> <p>The annual target for increase in online engagement has been met.</p>

STRATEGIC OBJECTIVES

Objectives	Action areas.	Achievements
Artistic Excellence	<ul style="list-style-type: none"> ● Be recognised by national and regional audiences as an arts leader in Northland through engaging and powerful exhibitions ● Present shows and events that attract people to Whangārei, as a vibrant creative hub. ● Deliver exhibitions at Whangārei Art Museum which demonstrate a high level of curatorial excellence. ● Deliver inspirational public programming, including for children, drawing on the works and philosophy of Hundertwasser. ● Via effective project management, logistics and installation, support the production and maintenance of Wairau Māori Art Gallery’s exhibition programme. ● Maintain the Hundertwasser exhibition of works on loan from Vienna. ● Carefully maintain the WAM collection of artworks on behalf of the region 	Artistic Excellence <ul style="list-style-type: none"> ● Programming at WAM has focused on internationally and nationally acclaimed Northland and NZ artists and has drawn record numbers of visitors and received critical acclaim. ● HAPT staff continue to support Wairau staff to install and maintain their exhibitions. ● The WAM collection area has had a new dehumidifier unit installed to maintain appropriate conditions. ● Intensive work has been undertaken to bed in and refine the working of the climate control in the HAC for the proper maintenance of the art works. ● The board and staff are working closely with the Hundertwasser Foundation and their representatives in NZ. Weekly meetings are being held to work through any outstanding matters relating to the building. Staff are working directly with Foundation to ensure that the HAC continues to be cherished as an outstanding, authentic art work.
Visitor Experience	<ul style="list-style-type: none"> ● Ensure the art precinct is visible, virtually and physically, boosting brand awareness and visitation. ● Provide a brand experience at HAC which is known for excellence, is authentic and which supports ecological sustainability ● Strengthen HAPT brand and grow a strong public presence. ● Consider its positioning in the wider NZ context, to provide HAPT with a more visible leadership role in the creative arts sector. ● Develop an arts precinct which is a vibrant hub for art lovers and experience-seekers ● Promote Hundertwasser Art Centre and Wairau Māori Art Gallery to become a cultural destination of regional 	Visitor Experience <ul style="list-style-type: none"> ● At the request of the Foundation, the Trust has moved away from the HAPT umbrella brand, in order to maintain the philosophical integrity of the HAC, which is an important underlying Hundertwasser principle. HAPT’s name will be changed to Whangarei Art Trust in 2023, pending WDC approval. ● Marketing continues to be undertaken to promote the HAC as a premier tourist destination. The strong school and public programme schedule is extending the visibility and relevance of the HAC to the wider Whangarei District. ● The Trust looks forward to working with WDC on the exciting new plans for the Hub building.

	<p>and national significance.</p> <ul style="list-style-type: none"> ● Increase visibility and visitor engagement by improving the entrance to WAM. ● Develop initiatives which welcome and engage Māori and diverse communities, to foster their participation in our programs. 	
<p><i>People – Collaborations for the benefit of our community</i></p>	<ul style="list-style-type: none"> ● Ensure our purpose, beliefs, values and expectations are clear and relevant to the Board and staff. ● Build a diverse team which both supports organisational needs and is reflective of the community. ● Build a volunteer cohort of local people who are loyal and highly engaged with our activity. ● Ensure our policies, plans, procedures and training programs are implemented to ensure our people feel a strong sense of accountability, satisfaction and engagement. ● Ensure the CE has the tools, resources and authority to enable our vision to be implemented. ● Strengthen relationships with WDC, including agreement of our mutual objectives, and how we work together to achieve these. ● Build constructive relationships with the creative sector in Whangārei to support the district to become a cultural destination of the North. ● Develop wider relationships with Tangata Whenua representatives, including Te Parawhau and the Hihiaua Cultural Centre. ● Nurture a positive working relationship with the Wairau Māori Art Gallery Trust to support gallery operations. 	<p>People</p> <ul style="list-style-type: none"> ● The Board and key staff are working closely with WDC across a range of areas, with particular focus on the financial challenges for the Trust. ● The Board and Interim CE meet monthly with the Wairau Maori Art Gallery Board, and will review the operating agreement with Wairau in 2023. ● A full staff training programme on Hundertwasser’s philosophy continues to be run, with refreshers for new staff and volunteers. ● 1725 children have attended the Hundertwasser inspired school programme to date. School holiday programme were also very successful, attracting 1751 participants. ● An afterschool programme has been developed and successfully trialled. It will run in term time in 2023. ● Three public workshops have been held, with more planned. ● The Public Engagement team have worked closely with local businesses, including Creative Northland, who are now sponsoring regional schools to attend the school’s programme.

<p>Sustainability</p>	<p>Good governance</p> <ul style="list-style-type: none"> ● Follow the NZ IOD “Four Pillars of Governance” ● Develop a Trustee skills matrix to identify skills required to support strategic direction. ● Hold at least 6 monthly documented Board meetings as required by the Deed. <p>Long term and annual planning</p> <ul style="list-style-type: none"> ● Apply its long-term strategy. ● Ensure annual planning supports the long-term strategy. ● Monitor progress and KPIs. ● Complete the annual report at the end of the financial year. <p>Health and safety</p> <ul style="list-style-type: none"> ● Follow the NZ IOD Health and Safety Guide. ● Ensure that the Trustees have knowledge of and commitment to health and safety. ● Ensure that the CEO exercises due diligence in relation to health and safety. <p>Being a good employer</p> <ul style="list-style-type: none"> ● Conduct regular performance reviews with employees that form part of their Professional Development and Training Programme. <p>Risk management</p> <ul style="list-style-type: none"> ● Ensure there is an annual update of Strategic Risk and scoring in accordance with AS/NZS ISO 31000:2009. ● Ensure there is appropriate insurance, which will be independently assessed. ● Ensure the areas for internal audit and review are identified annually. 	<p>Good governance</p> <ul style="list-style-type: none"> ● The Trustee skills matrix has been reviewed and updated and 2 new trustees have joined the board. Additional expertise will be co-opted onto the board as part of succession planning. ● The Board continues to meet at least monthly. <p>Long term and annual planning</p> <ul style="list-style-type: none"> ● The 5 Year Strategic Plan will be reviewed in 2023. ● Work is underway with WDC to ensure the long term viability of the Trust. <p>Health and safety</p> <ul style="list-style-type: none"> ● H&S is a standing agenda item at Board meetings. ● HAPT’s H&S committee meets monthly. ● External consultants reviewed H&S policies and procedures and will continue to provide input to ensure the trust meets all requirements. <p>Being a good employer</p> <ul style="list-style-type: none"> ● HAPT continues to use MyHR to ensure that employment contracts keep pace with changes to employment legislation, and for support with other HR matters as they arise. ● Further first aid and de-escalation training will be provided early in 2023. <p>Risk management</p> <ul style="list-style-type: none"> ● The Board will review the risk register in the 1st quarter of 2023. ● All appropriate insurance cover is in place. ● Policies and procedures for high-risk areas such as cash and shop stock handling are in place.
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	<p>Legislative and Trust Deed compliance</p> <ul style="list-style-type: none"> ● Ensure legislative requirements are met. ● Uphold the principles of the WAMT Trust Deed. ● Receive a clear opinion on legal compliance as part of the annual audit by Audit NZ. ● LGOIMA requests are answered within statutory timeframes. <p>Effective financial management</p> <ul style="list-style-type: none"> ● Receive monthly accounts prepared by WDC and have the WAMT Board approve these monthly accounts. ● Comply with full GAAP accounting reporting. ● Have accounts audited annually. ● Conduct a monthly forecast review of the exhibitions budget. <p>Financial sustainability</p> <ul style="list-style-type: none"> ● Ensure that sufficient revenue is gifted, granted or earned to meet annual expenditure and that membership and other strategies are implemented to generate funds. ● Work with the Chief Executive to review operations to align with a single entity, and available funding. ● Seek new funds in accordance with the Trust’s broader governance and responsibilities. ● Review the organisational structure. <p>Operational efficiency and effectiveness</p> <ul style="list-style-type: none"> ● Comply with LGA SOI preparation and reporting requirements. ● Work with WDC to bring greater visibility to the Museum entrance, including a dedicated lobby and outdoor signage. ● Work with WDC to make vital improvements to Whangārei Art Museum, particularly in relation to humidity and air conditioning 	<p>Legislative and Trust Deed compliance</p> <ul style="list-style-type: none"> ● Legislative requirements for this financial year have been met to date. ● Five LGOIMA requests were received and answered within the statutory timeframe. <p>Effective financial management</p> <ul style="list-style-type: none"> ● All bullet points achieved to date. ● BDO has been contracted to provide expert accounting advice and support budget development, cashflow and month end processes. <p>Financial sustainability</p> <ul style="list-style-type: none"> ● The Cashflow shortage has been shared with WDC and a way forward for accessing the underwrite and requesting assistance from WDC has been provided by the council. ● Northland Inc have been requested to provide benchmarking data on HAC ticket prices. ● Following the resignation of the CE, a short-term consultant was contracted to support the staff and advise on the organisation structure. A review of the organisational structure has begun and is expected to be ready for consultation in 2023. ● Savings and efficiencies are being sought across the organisation. <p>Operational efficiency and effectiveness</p> <ul style="list-style-type: none"> ● The Board is compliant with all LGA Sol requirements. ● Conversations are ongoing with WDC as the council develops its plans for the Hub building. The Trust anticipates a positive outcome of long-term provision of appropriate workspace for HAPT staff, certainty over usage of the former iSite lobby area, and a refreshed entrance for WAM. ● Volunteers continue to play an important role in the operations of WAM and the HAC. See Volunteers on page 15 below for details. ● Humidity and general AC control issues, due to inadequate investment when the current building was fitted out as a gallery, are impacting
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	<ul style="list-style-type: none"> ● Work with WDC to bring certainty and stability to Art Museum and HAC staff accommodation at the Museum location in the town basin, and for the benefit of the broad remit HAPT is tasked with fulfilling on behalf of the people of Whangārei ● Review and update the marketing and communications plan. ● Monitor visitor numbers ● Identify fundraising opportunities, in particular corporate sponsorships, donations and memberships. ● Develop business cases as required, targeted at specific funders and sponsors. ● Undertake collections management – apply collections management policy. ● Review storage of works – look at options to improve storage, including the controlled environment, and areas to accommodate touring shows. ● Promote exhibitions – work with Council to promote and run quality events, reach out to new audiences, and grow visitor numbers. <p>Environmental Sustainability</p> <ul style="list-style-type: none"> ● Seek expert advice on the HAC footprint and opportunities for improvement. ● Develop measures for future reporting on environmental sustainability of the business. ● Source shop stock locally wherever possible to reduce carbon footprint. 	<p>WAM’s ability to meet air quality standards set by lending institutions such as Te Papa. WAM was successful in its bid for funds from WDC to rectify this situation and looks forward to the work being undertaken.</p> <p>Environmental Sustainability</p> <ul style="list-style-type: none"> ● Expert advice will be sought in 2023 to build on the review of HAPT’s rubbish and recycling practices already undertaken. ● The HAC shop manager continues to expand the number of items in the shop made locally, focussing on art works by Māori artists selected with input from Wairau. Investigations are underway for manufacturing some items in NZ which currently come from Europe.
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HUNDERTWASSER ART CENTRE WITH WAIRAU MĀORI ART GALLERY

The Centre has now been open for one year, hosting over 80,000 visitors. The majority of these have been domestic visitors with the Centre popular with people from all over New Zealand, especially older New Zealanders who were familiar with Hundertwasser in their youth. There has also been great local support, with the grant from Council allowing a reduced price for people from the District.

HAPT's goal was realised - to deliver an exceptional cultural destination that enriches people's lives through the experience of art and nature, while supporting economic growth and development for the region. However, the lack of international visitors because of closed borders has been very challenging, and a major reason for the Centre to have achieved less revenue than hoped. We need Council support to make up for this loss.

The Hundertwasser Museum shop has continued to do well, with an online shop planned for opening soon.

The *Hundertwasser Art Centre* won a *Qualmark GOLD Sustainable Tourism Business Award*, which is remarkable so early in the life of the Centre, and will facilitate working with Tourism NZ in the domestic and Australian marketplace.

Artistic Excellence: Hundertwasser exhibition

Since opening, only minor changes have been made to the *Hundertwasser in New Zealand: 1973 - 2000* exhibition. These have mostly been to better protect the artworks which some visitors were touching. Monthly climate and touch reports have been sent to the Hundertwasser Foundation as required. Updated condition reports have been completed for all included works by an external conservator and have not recorded any negative change in the works.

Public Engagement

School Programme

Our School Programme ELC funding (from the Ministry of Education) commenced in July and we have seen 1725 students through our programme and have catered to a diverse range of learners and schools. We are currently on track to meet our Ministry of Education targets.

Acknowledging Te Tai Tokerau as one of the lowest socio-economic regions in Aotearoa, we developed our *Support a School Scheme (SSS)*, to enable local businesses and community members to support a class which would otherwise be unable to participate in this experience. Creative Northland have been a key partner in this initiative.

Programme Type	Number of Students
Outreach	308
Guided Exploration	436
Guided Exploration + Studio Session	981
Total number of students	1,725 (339 Students funded through SSS)

Public Programmes and Engagement

Public programmes were able to be delivered in the HAC during this period. School Holiday programmes were successful and Guided Tours have proven to be a popular part of our offerings. Visitor Hosts have enriched our visitor experience within the Exhibition and Afforested Roof with their sound knowledge and welcoming approach, along with the Kids Guide which is designed for kids and families.

The Audio guide, which will be available in English and Te Reo Maori. is due to be completed in March 2023 and a diverse schedule of public programmes has been developed for the 23/24 financial year.

Programmes and Engagement	Participants/units
Guided Tours	1112
Kids Guide	302
School Holiday Workshops (4)	1,751
Workshops (3)	30
Afterschool Programme (1x 5 weeks)	65

Visitor Experience

Retail

Since the opening of the HAC-WMAG, the Museum Shop has continued to exceed expectations in revenue generation, performing well even during the quieter winter months.

Maintaining sufficient stock has been challenging in an environment of disruption to global shipping, with the majority of the shop stock coming from Europe. To supplement our international product offering, bespoke locally made items are in development. To date we have produced postcards, tote bags and t-shirts, which have all been well received by visitors keen to take away an item specific to HAC.

In partnership with the Wairau Māori Art Gallery Board, we have begun to diversify the stock to include artworks by select Māori artists and books by Māori authors. Interest in Māori Art and literature continues to grow and is a category that has been extremely popular within the shop.

Visitors

HAC has welcomed 30,201 visitors in the first 6 months of this financial year. Numbers were lower than expected over the winter months and were mostly domestic and local visitors. International tourists remain scarce.

Volunteer Programme

Volunteers contributed 906.6 hours across a myriad of projects and events across HAPT, contributing particularly as visitor hosts and at events.

We have a committed group of volunteers who help us on a weekly basis and others who come in from time to time to support particular events. There are 41 Active Volunteers from a registered pool of 163. In addition, 16 staff members also contributed volunteer hours.

Volunteer Numbers

Volunteer Hours	HAC	WAM	WMAG	HAPT	Total
July	78.2	0	3	18.2	99.4
August	164.90	3	0	7	174.9
September	235.60	6	0	24.1	265.7
October	38.4	9	24.6	0	72
November	85	34.6	0	16.3	135.9
December	138.9	18	0	1.8	158.7
Total	741	70.6	27.6	67.4	906.6

WHANGĀREI ART MUSEUM

Artistic Excellence: Curator's Report

The first half of the 2022-23 year has continued the Whangārei Art Museum's strong growth in visitor numbers, which is expected to continue in the second half of the year.

Our exhibition programme has continued its focus on artists with strong connections to Whangārei and Northland. *Laurence Aberhart: Whare Tapu Taonga*, which represents one of the most critically acclaimed bodies of work in New Zealand photography, was the first of these. This exhibition presented a series of images of Northland churches from 1982 and was opened with an interdenominational blessing by Catholic, Anglican and Ratana ministers.

Whare Tapu Taonga was followed by a pair of ceramics-based exhibitions: *Gathering Rust*, the first major retrospective of the painting and pottery of Northland-based artist and educator Yvonne Rust, which opened on her centenary, and *Brickell-Brac*, a collaboration with Driving Creek, which was founded by Barry Brickell, who is a pivotal figure in New Zealand ceramics and a supporter and contemporary of Rust. *Gathering Rust* celebrated Rust's oeuvre and transformed the gallery into a working space for three months while the WAM team collated, documented and preserved as much of her pottery and paintings as possible, something that has previously never been attempted. Works were cycled in and out of display as they were discovered, added, catalogued and returned, and will be permanently displayed on a small website that was commissioned to record the exhibition.

From the 23rd September, the Whangārei Art Museum started to populate the new foyer space with activities and retail for visitors to the exhibitions. Workshops, both free and paid, were delivered in partnership with the Quarry Arts Centre in parallel with the ceramics-based exhibitions. In December, an art bookshop was set up, which provided much-needed revenue to WAM's budget.

Our Nick Austin exhibition, *Life Puzzle*, which was held at the Whangārei Art Museum in the last financial year, is currently touring galleries around New Zealand. It is due to open at the Adam Art Gallery on the 10th February. It leaves the Adam Art Gallery after the 30th April, at which point it will make its way to the Tauranga Art Gallery.

Exhibition Schedule for July 2022 - June 2023

Mair Gallery	Younghusband Gallery
Imogen Taylor Quiet Motel 20 May 2022 - 28 August, 2022	Nick Austin Life Puzzle 8 April 2022 - 10 July, 2022
Karl Fritsch, Laurie Steer & Friends Brickell-Brac 23 September 2022 - 2 January, 2023	Laurence Aberhart Whare Tapu Taonga 29 July 2022 - 30 October, 2022
Chris Booth He toka mata-te-rā 21 January 2023 - 30 April, 2023	Yvonne Rust Gathering Rust 18 November 2022 - 19 February, 2023
Plant Lab Takeover 15 May 2023 - 11 June, 2023	Patrick Lundberg No title, No body, No thing 11 March – 11 June, 2023
Nova Paul Hawaiki 30 June – 29 September, 2023	Nova Paul Hawaiki 30 June – 29 September, 2023

Public Programme Schedule for July 2022 - June 2023

Public Programmes July to December	Public Programmes January to June
<p>Fiona Clark: Unafraid Film Screening July 23, 2022 Mair Gallery</p> <p>Bits & Bobs 30 July - 30 October 2022 WAM Foyer</p> <p>Clay Play 13 September 2022 - 19 February 2023 WAM Foyer</p> <p>Climate Imaginaries October 13t, 2022 WAM Foyer</p> <p>Beginners Clay Hand-Building Workshops (CHILDREN) September 28, 2022 October 1, 2022 October 13, 2022 October 14, 2022 WAM Foyer</p> <p>Beginners Clay Hand-Building Workshop (ADULTS) October 1, 2022 October 29, 2022 WAM Foyer</p>	<p>Theresa Sjoquist on Yvonne Rust January 22, 2023 Youngusband Gallery</p> <p>Chris Booth Artist Talk February 25, 2023 Youngusband Gallery</p> <p>Zen Garden February 25 - 15 May, 2023 WAM Foyer</p> <p>Technology Workshops 15 May - 18 June, 2023 WAM Foyer</p> <p>Nova Paul Artist Talk TBC Youngusband Gallery & Mair Gallery</p>

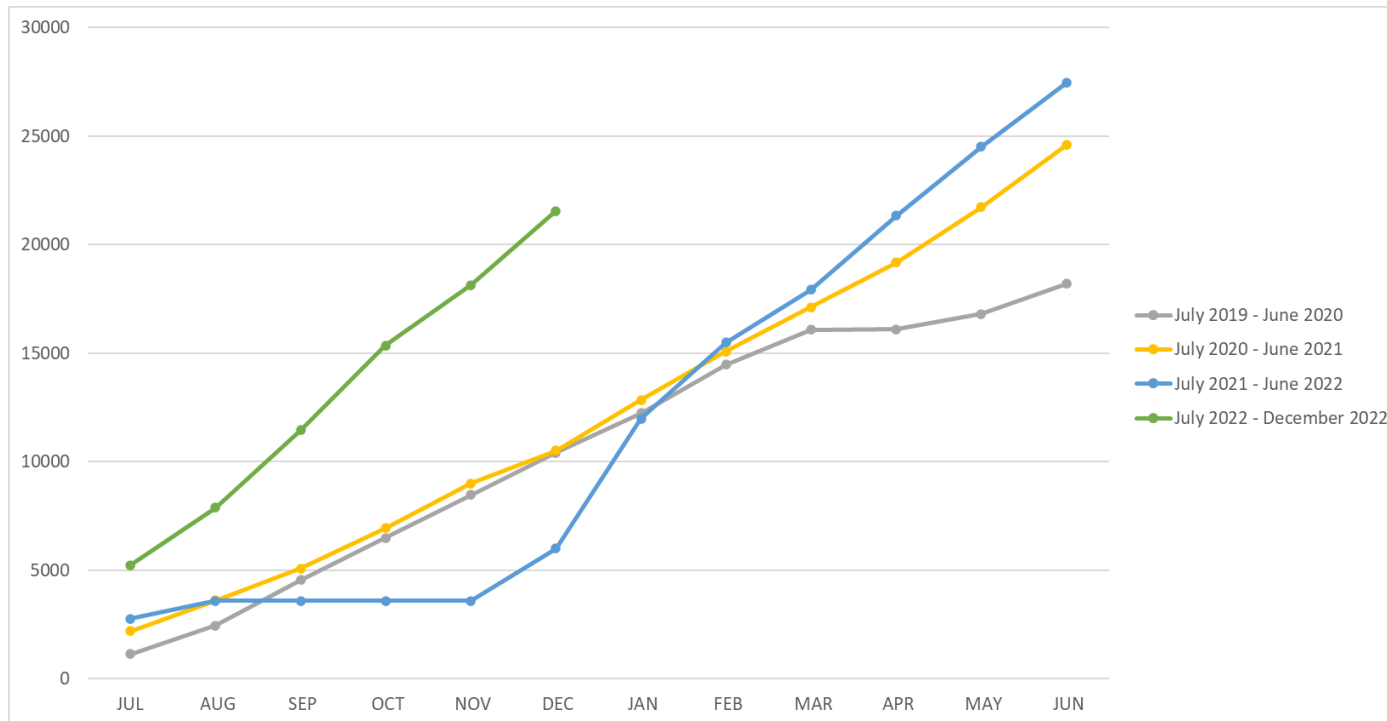
Visitor Experience

Visitor Numbers

A target of a 5% increase in visitors was set for the current year, following a record 27,457 visitors to WAM in 2021-2022. Despite the continued lack of international tourists, visitor numbers continue to grow and have reached 20,548 in the first six months of the year.

The visitor number counters are now located at the front doors of the building and capture all visitors to the building.

Four-year Comparison of Cumulative Visitor Numbers



Volunteer Programme

See Page 15 above.

**Hatea Art Precinct Trust
Financial statements
for the six months
ending 31 December 2022**

Hatea Art Precinct Trust

Financial statements - 31 December 2022

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Entity Information

Legal name

Hatea Art Precinct Trust (HAPT).

The Whangarei Art Museum Trust changed its name to Hatea Art Precinct Trust in June 2021, in recognition of our location beside Whangarei's Hatea River and the popular Hatea Loop walk.

Type of entity and legal basis

HAPT is incorporated in New Zealand under the Charitable Trusts Act 1957. HAPT is controlled by the Whangarei District Council and is a council controlled organisation as defined in section 6 of the Local Government Act 2002.

HAPT's objective

HAPT actions and directions are determined by the Trust Deed which details the objectives of HAPT. These include the operation of the museum and the requirement to support and stimulate the artistic and cultural life of the Whangarei District. The trust also operates the Hundertwasser Art Centre with Wairau Maori Art Gallery (HAC-WMAG), which opened to the public on 20 February 2022.

Structure of the Trust's operations, including governance arrangements

HAPT comprises a Board of seven Trustees who oversee the governance of the Trust, four approved by the Whangarei District Council and three are appointed by HAPT directly. The Chief Executive is responsible for all operations of HAPT.

Main sources of the Trust's cash and resources

Operating grants received from Whangarei District Council, Central Government Agencies, earnings from admissions and retail sales at the HAC-WMAG are the main sources of revenue. In addition, memberships, events, fundraising and donations also contribute to revenue. HAPT also receives funding through donations to be used specifically for the HWMAC.

HAPT's Outputs

HAPT displays HAPT and Council owned art and facilitates art exhibitions for the general public in the Whangarei Art Museum. HAPT also operates the HAC-WMAG, a ticketed art centre with 2 galleries, a retail shop, an activity centre for school and public programmes, and a roof garden. The cafe in the HAC-WMAG is operated by a tenant who leases the space. In the Financial Statements below, 'WAM' includes Trust operational costs not attributable to the WAM gallery or the HAC.

Authorisation

The Board of the Hatea Art Precinct Trust authorised these financial statements presented on the following pages 30 to 42.

For and on behalf of the Board.



Chairperson

Date: 28.03.23

Jill Naeline McPherson



Trustee

Date: 28/2/23

Sharon Louise MORGAN

Hatea Art Precinct Trust
Statement of financial performance
For the six months ending 31 December 2022

Statement of financial performance
For the 6 months ended 31 December 2022

	31 December 2022 Actual	30 June 2023 Budget	30 June 2022 Actual	
Note	\$	\$	\$	
Revenue				
Donations	3	90,719	205,004	3,145,150
Council funding	4	471,239	715,492	792,527
Other revenue	5	65,545	384,281	152,060
Interest revenue	6	10,568	11,048	16,561
Income from operations	5	<u>781,927</u>	<u>2,170,602</u>	<u>768,799</u>
Total revenue		1,419,998	3,486,427	4,875,097
Expenditure				
Employee related costs	8	831,905	1,848,858	1,352,813
Depreciation and amortisation	12	484,253	876,971	359,285
Other expenditure	7	<u>674,832</u>	<u>1,536,724</u>	<u>2,072,967</u>
Total operating expenditure		1,990,990	4,262,553	3,785,065
Surplus/(deficit)		<u>(570,992)</u>	<u>(776,126)</u>	<u>1,090,032</u>
Surplus/(deficit) attributable to:				
WAM		161,627	(215,593)	(90,042)
HAC-WMAG		<u>(732,619)</u>	<u>(560,533)</u>	<u>1,180,074</u>
		<u>(570,992)</u>	<u>(776,126)</u>	<u>1,090,032</u>

Summary of significant accounting policies and the accompanying notes form part of these financial statements

Hatea Art Precinct Trust
Statement of financial position
For the six months ending 31 December 2022

Statement of financial position
As at 31 December 2022

		31 December 2022 Actual \$	30 June 2023 Budget \$	30 June 2022 Actual \$
	Note			
ASSETS				
Current assets				
Bank accounts and cash	9	1,562,325	1,915,106	2,108,586
Debtors	10	252,457	54,004	141,788
Inventories	11	439,609	300,000	277,420
Total current assets		<u>2,254,391</u>	<u>2,269,110</u>	<u>2,527,794</u>
Property, plant and equipment	12	31,517,848	31,240,892	31,941,218
Total non-current assets		<u>31,517,848</u>	<u>31,240,892</u>	<u>31,941,218</u>
Total assets		<u>33,772,239</u>	<u>33,510,002</u>	<u>34,469,012</u>
LIABILITIES				
Employee cost payable		80,164	-	112,474
Creditors and accrued expenses	13	191,238	150,000	284,718
Total current liabilities		<u>271,402</u>	<u>150,000</u>	<u>397,192</u>
Total liabilities		<u>271,402</u>	<u>150,000</u>	<u>397,192</u>
NET ASSETS		<u>33,500,837</u>	<u>33,360,002</u>	<u>34,071,820</u>
Equity				
Retained earnings	14	33,500,827	33,359,991	34,071,810
Contributed equity	14	10	10	10
Total equity attributable to Hatea Art Precinct Trust		<u>33,500,837</u>	<u>33,360,001</u>	<u>34,071,820</u>

Summary of significant accounting policies and the accompanying notes form part of these financial statements

Hatea Art Precinct Trust
Cash flow statement
For the six months ending 31 December 2022

Cash flow statement

For the six months ended 31 December 2022

	31 December 2022 Actual \$	30 June 2022 Actual \$
Cash flows from operating activities		
Council funding	417,797	549,983
Donations received	20,775	3,168,762
Income from operations and other revenue	884,834	867,989
Payments to suppliers and employees	(1,819,352)	(4,227,117)
Interest received	10,567	16,561
	<u>(485,379)</u>	<u>376,178</u>
Cash flows from investing activities		
Purchase of PPE	<u>(60,883)</u>	<u>(2,921,125)</u>
	<u>(60,883)</u>	<u>(2,921,125)</u>
Net (decrease)/increase in cash, cash equivalents, and bank overdrafts	(546,262)	(2,544,947)
Bank accounts and cash, and bank overdrafts at the beginning of the year	<u>2,108,585</u>	<u>4,653,532</u>
Cash, cash equivalents, and bank overdrafts at the end of the year	<u>1,562,323</u>	<u>2,108,585</u>

Summary of significant accounting policies and the accompanying notes form part of these financial statements

* The budget cashflow was not prepared as part of the 2022/2023 Statement of Intent

1 Statement of accounting policies for the six months ended 31 December 2022

1.1 Reporting entity

The Hatea Art Precinct Trust (HAPT) is incorporated as a trust under the Charitable Trusts Act 1957, is domiciled in New Zealand and registered under the Charities Act 2005, registration number CC28917. It is a council controlled organisation under Section 6 of the Local Government Act 2002.

2 Summary of significant accounting policies

2.1 Basis of preparation

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

The financial statements of the Council have been prepared in accordance with the requirements of the LGA, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements of the Council have been prepared in accordance with Generally Accepted accounting Practice in New Zealand ('NZ GAAP'). They comply with New Zealand equivalents International Financial Reporting Standards for Public Benefit Entities ('NZ IFRS PBE').

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

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

The financial statements have been prepared on a going concern basis. HAPT is reliant on Council's continued support of its operations. Council has included funding for HAPT in its 2021-2031 Long - Term Plan.

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) on the basis that HAPT does not have public accountability (as defined) and has previously had total annual expenses of less than \$2 million. HAPT total annual expenses has exceeded the \$2 million threshold in the period ended 30 June 2022. Under XRB A1 – Application of the Accounting Standards Framework, HAPT can continue to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) in the year the expenditure threshold is exceeded and in the following annual reporting period. Therefore, HAPT will need to transition to the Public Benefit Entity Reporting Standards Reduced Disclosure Regime by 30 June 2024.

Going Concern

The Trust is reliant on Whangarei District Council's financial support to be certain it can continue to operate as a going concern. The Trust has prepared the financial statements on the basis that it will need Council support to continue as a going concern for the foreseeable future.

Goods and services tax

HAPT 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.

Functional and presentation currency

The financial statements are presented in New Zealand dollars.

Revenue and expenses

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services, excluding Goods and Services Tax, rebates and discounts. Revenue is recognised as follows:

(i) Grants and donations

Grants and donations are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

(ii) Pledges

Pledges are not recognised as revenue as HAPT is unable to control the access to the funds. Pledges are disclosed as a contingent asset when the money is pledged and recognised as revenue when the pledged money is received.

(iii) Admission Fees

Admission revenue is recorded as it is earned during the year.

2 Summary of significant accounting policies (continued)

(iv) Donated assets

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.

(v) Interest income

Interest revenue is recorded as it is earned during the year.

(vi) Sale of goods

Revenue from the sale of goods is recognised when the goods are sold to the customer.

(vii) Volunteer services

Volunteer services received are not recognised as revenue or expenditure as HAPT is unable to reliably measure the fair value of the services received.

(viii) Advertising, marketing, administration, overhead, and fundraising costs

These are expensed when the related service has been received.

(ix) Employee related costs

Wages, salaries, and annual leave are recognised as an expense as staff provide services and become entitled to wages, salaries, and leave entitlements. Superannuation contributions are recognised as an expense as staff provide services.

(x) Cost of inventory (goods) sold

Cost of inventory sold is recognised when the goods are sold

2.2 Bank accounts and cash

Bank accounts and cash include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.3 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.

2.4 Inventory

Inventory is recognised at the lower of cost or net realisable value. When inventories are sold, exchanged, or distributed, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised.

2.5 Property, plant and equipment

Property, plant, and equipment (excluding donated assets) are recorded at cost, less accumulated depreciation and impairment losses. HAPT does not revalue its property, plant and equipment. HAPT undertakes periodic impairment assessments of its property, plant and equipment.

(i) Artworks and donated assets

Purchased artworks are recognised at cost. Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised. Artworks have an indefinite useful life and are not depreciated. Impairment is recognised if identified as below.

(ii) Asset sales

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

(iii) Use of assets

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

2 Summary of significant accounting policies (continued)

Class of PP&E	Estimated useful life	Depreciation rates
Leasehold improvements	10-100 years	1%-10%
Office equipment	2-10 years	10%-50%
Plant and equipment	3-60 years	1.6%-33%
Computer software and website	2-5 years	20%-50%
Artworks	Indefinite	-

2.6 Investments

Investments comprise investments in term deposits with banks, listed bonds, and listed shares.

Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

2.7 Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

2.8 Lease expense

Lease payments are recognised as an expense on a straight-line basis over the lease term.

2.9 Tier 2 PBE Accounting Standards applied

HAPT has not applied any Tier 2 Accounting Standards in preparing its financial statements.

2.10 Changes in Accounting Policies.

There are no changes in accounting policies.

3 Donations

	31 December 2022 Actual	30 June 2023 Budget	30 June 2022 Actual
Note	\$	\$	\$
Donations - general	6,637	125,004	49,076
Donations - HAC-WMAG	<u>84,082</u>	<u>80,000</u>	<u>3,096,074</u>
Total Donations	<u>90,719</u>	<u>205,004</u>	<u>3,145,150</u>

Donations for HAC-WMAG are explained in note 15.

4 Council funding

	31 December 2022 Actual	30 June 2023 Budget	30 June 2022 Actual
Note	\$	\$	\$
Council funding	<u>471,239</u>	<u>715,492</u>	<u>792,527</u>
Total council funding	<u>471,239</u>	<u>715,492</u>	<u>792,527</u>

5 Other revenue

	31 December 2022 Actual \$	30 June 2023 Budget \$	30 June 2022 Actual \$
Other	<u>65,545</u>	<u>384,281</u>	<u>152,060</u>
	65,545	384,281	152,060
Income from operations			
Admission Fees	447,280	1,448,598	467,573
Sales of Goods	<u>334,647</u>	<u>722,004</u>	<u>301,226</u>
	<u>781,927</u>	<u>2,170,602</u>	<u>768,799</u>

6 Interest revenue

	31 December 2022 Actual \$	30 June 2023 Budget \$	30 June 2022 Actual \$
Interest received - general	2,053	48	517
Interest received - HAC-WMAG	<u>8,515</u>	<u>11,000</u>	<u>16,044</u>
Total interest received	<u>10,568</u>	<u>11,048</u>	<u>16,561</u>

7 Other expenses

	31 December 2022 Actual \$	30 June 2023 Budget \$	30 June 2022 Actual \$
Rent paid	-	186,100	183,583
Other expenses	111,144	186,220	206,234
Exhibition costs	30,292	60,696	80,742
Management fees	5,000	20,000	10,000
Auditors fees for financial statements	8,366	19,242	14,632
Other expenses - HAC-WMAG	<u>520,030</u>	<u>1,064,466</u>	<u>1,577,776</u>
Total other expenses	<u>674,832</u>	<u>1,536,724</u>	<u>2,072,967</u>

8 Employee related costs

	31 December 2022 Actual \$	30 June 2023 Budget \$	30 June 2022 Actual \$
Salaries and wages	<u>831,905</u>	<u>1,848,858</u>	<u>1,352,813</u>
Total employee related costs	<u>831,905</u>	<u>1,848,858</u>	<u>1,352,813</u>

Note

9 Bank accounts and cash

	31 December 2022 Actual \$	30 June 2022 Actual \$
Cash on hand	3,146	3,990
Bank balances - general	168,050	133,671
Bank balances - HAC-WMAG	1,391,129	1,970,925
Total bank accounts and cash	<u>1,562,325</u>	<u>2,108,586</u>

Bank balances - HAC-WMAG are explained in note 15.

10 Debtors and other receivables

	31 December 2022 Actual \$	30 June 2022 Actual \$
Sundry debtors	121,954	64,727
Receivables	130,503	77,061
Total debtors and other receivables	<u>252,457</u>	<u>141,788</u>

11 Inventories

	31 December 2022 Actual \$	30 June 2022 Actual \$
Inventories	439,609	277,420
Total inventory	<u>439,609</u>	<u>277,420</u>

12 Property, plant and equipment

2022	Plant and equipment \$	Intangibles \$	Leasehold improvements \$	Office equipment \$	Artwork \$	Work in progress \$	Total \$
Year ended 30 June 2022							
Additions	-	-	-	-	-	2,932,332	2,932,332
Disposals	(251)	-	-	-	(2,734)	-	(2,985)
Depreciation charge	(36,648)	-	(311,172)	(6,486)	-	-	(354,305)
Amortisation	-	(4,980)	-	-	-	-	(4,980)
Transfers	601,405	69,377	30,645,963	76,594	116,877	(31,518,438)	(8,221)
Balance at 30 June 2022	<u>621,078</u>	<u>64,397</u>	<u>30,606,434</u>	<u>97,586</u>	<u>551,722</u>	<u>-</u>	<u>31,941,218</u>
Additions	-	-	-	-	-	60,883	60,883
Disposals	-	-	-	-	-	-	-
Depreciation charge	(40,789)	-	(430,083)	(6,386)	-	-	(477,258)
Amortisation	-	(6,994)	-	-	-	-	(6,994)
Transfers	-	-	-	-	-	-	-
Balance as at 31 December 2022	<u>580,289</u>	<u>57,403</u>	<u>30,176,351</u>	<u>91,200</u>	<u>551,722</u>	<u>60,883</u>	<u>31,517,849</u>

Included in the artwork asset class are a number of donated assets recorded at nil value because values are not readily obtainable.

There are no restrictions over the title of the HAPT's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

13 Creditors and accrued expenses

	31 December 2022 Actual \$	30 June 2022 Actual \$
Accrued expenses	126,425	196,795
Trade creditors	64,813	50,978
Income in advance	-	36,945
Total creditors and accrued expenses	<u>191,238</u>	<u>284,718</u>

14 Equity

	31 December 2022 Actual \$	30 June 2022 Actual \$
a) Equity		
Retained earnings	33,500,827	34,071,810
Capital contribution	10	10
Balance at 31 December 2022	<u>33,500,837</u>	<u>34,071,820</u>
b) Retained earnings		
Balance at 1 July	34,071,819	32,981,778
Surplus/(deficit) for the year	(570,992)	1,090,032
Balance 31 December	<u>33,500,827</u>	<u>34,071,810</u>
c) Contributed equity		
Capital contribution	10	10
Balance 31 December	<u>10</u>	<u>10</u>

15 Contingencies

HAPT has no contingent liabilities (2022: nil)

Update on Hundertwasser Art Centre Wairau Maori Art Gallery (HAC-WMAG) Background

Practical completion of the HAC-WMAG building was achieved on 22 October 2021 and HAPT took over ownership of the building from the main contractor on this date. The schedule of defects and omissions continued to be worked through. At this point in time, the HAC-WMAG was scheduled to open in December 2021. However, the extended Covid-19 lockdown in Auckland impacted several key requirements and the opening was delayed until 20 February 2022.

Operator and Guarantees and Indemnities

Hatea Art Precinct Trust (HAPT), a CCO of Whangarei District Council will operate the HAC-WMAG on an on-going basis.

Aside from the annual operating grant paid to HAPT, there is no intention for Council to provide funding for the operating costs of the HAC-WMAG.

Underwriting mechanisms were established to cover any trading losses/operating deficits and re-entry and termination costs up to \$2 million over a ten year period, with the maximum amount payable in any single year \$500 thousand.

Westpac was to be the first guarantor, to a maximum amount of \$1.25 million. However due to substantially changed trading conditions resulting from the Covid-19 pandemic, Westpac withdrew from the underwrite arrangement in 2022. At that time HAPT had \$1.25 million in funds ringfenced for the bond for the guarantee in a Westpac account.

15 Contingencies (continued)

With Westpac's withdrawal the Council is now directly administering the underwrite agreement and controlling access to HAPT's \$1.25M under the terms of the agreement.

These funds cover any potential losses up to the first \$1.25 million. The remaining \$750 thousand of the \$2 million is covered by a guarantee from the Ngatiwai Trust Board, which remains in place.

There are controls in place that allow Whangarei District Council to directly monitor the performance of the HAC-WMAG if significant losses start to accumulate.

In January 2023 \$200 thousand from HAPT's \$1.25 million fund was approved for transfer to HAPT's BNZ transactional account by the Council.

Lease and Ownership of the HAC-WMAG Structure

Council and HAPT have entered into a Lease for the HAC-WMAG. The Lease has a nominal annual rental of \$1 and a lease term of 34 years and 11 months. The lease commenced on 11 June 2018 and expires on 11 May 2052. The portion of land being leased has not been subdivided and is part of a wider parcel owned by council. It would have been Council's preference to lease the land in-perpetuity but under the Resource Management Act, 35 years is the maximum period that a lease can be issued for a sub parcel of land. HAPT will retain substantially all the risk and rewards incidental to ownership of the HAC-WMAG building. Due to this control, HAPT has recognised the HAC-WMAG building in its financial statements.

Pledges

When money is received as part of an overall pledge amount it becomes a donation and recognised as revenue. Remaining pledges do not meet the definition of an asset so are not recorded as an asset of HAPT (as per IPSAS 23). Instead, pledges have been disclosed as a contingent asset in the below table (as per IPSAS 19).

Pledges have an element of uncertainty of collection so the collectability of pledges needs to be assessed. As at 31 December 2022 the pledges have been assessed and analysed as follows:

Pledge Source	Pledged (\$000)	Collectability %	Net Pledge (\$000)
General public	<u>180</u>	90 %	<u>162</u>
Total	<u>180</u>		<u>162</u>

'In Kind' Products and Services

There are in kind trade products and services that have been or will be donated to the overall project. All in-kind trade products & services provided were of a minor nature and therefore have not been quantified.

Professional services – various professional services in the form of time have and will continue to be donated to the overall project. These include, legal, accounting, project and other management, planning, architectural, design etc. For the half year ended 31 December 2022, material professional services to the value of nil (2022: nil) have been quantified and recognised.

Additionally, professional services to the value of nil (2022: nil) have been quantified but not recognised.

16 Other guarantees

Payroll services are outsourced to Payroll Plus Ltd, who require a letter of credit for \$75,000 (2022: \$75,000) as guarantee that any direct debits up to this amount will be honoured.

17 Capital commitments and operating leases

Capital commitments

HAPT have budgeted commitments of \$115k. At 31 December 2022, \$28,490 was committed (2022: \$14,980).

	31 December 2022 Actual \$	30 June 2022 Actual \$
Capital commitments		
HWMAC Project (see note 15 above)	<u>28,490</u>	<u>14,980</u>
Total capital commitments	<u>28,490</u>	<u>14,980</u>
	December 2022 \$	Actual 2022 \$
Not later than one year	1	23,002
Later than one year and not later than five years	7	8
Later than five years	<u>23</u>	<u>24</u>
Total non-cancellable operating leases	<u>31</u>	<u>23,034</u>

Council and HAPT have entered into a lease for the HAC-WMAG. The lease has a nominal annual rental of \$1 and a lease term of approximately 35 years.

Land Information New Zealand and HAPT have entered into a lease for 98-100 Walton and Roberts Streets. The lease has a nominal annual rental of \$1 and a lease term of 3 years.

18 Trustee fees

All trustees work on a voluntary basis and receive no fees (2022: nil).

19 Related party transactions

The related party disclosures below are for transactions that are not within a normal supplier or client/recipient relationship. This means that the terms and conditions on those transactions are either more or less favourable than those expected in a normal transaction. Any other related party transactions are no more or less favourable.

Related party transactions significant to HAPT requiring disclosure

	31 December 2022 Actual \$	30 June 2022 Actual \$
Receipts awarded from Council		
Grants	<u>471,239</u>	<u>792,527</u>

Details of grants awarded from Council are detailed in note 4.

FORECAST

Forecasting 2022-23 Up to and including period 6					
Revenue	Actuals YTD	Full year forecast	Full year budget	Variance	Commentary
Hireage Fee (R)	-	-	15,000	(15,000)	no WAM hire events anticipated
Admission Fees	(145)	(145)	-	(145)	
Sales of Goods	3,240	5,640	2,004	3,636	expansion of WAM book store
Misc Income	-	-	19,992	(19,992)	no WAM fundraising anticipated
Grants Received	471,239	657,339	665,492	(8,153)	WDC inflation adjustment less than requested
Donations Recei	878	1,857	5,004	(3,147)	WAM donations tracking lower than previous years
Interest (R)	2,053	2,077	48	2,029	
Admission Fees	8,608	91	-	91	
Admission Fees	438,817	948,817	1,448,598	(499,781)	Lack of International visitors to the HAC.
Misc Income	-	-	10,000	(10,000)	
Other Recoveries	2,737	3,237	-	3,237	
Grants Received	52,480	52,480	50,000	2,480	
Commercial Prop	38,667	50,669	82,500	(31,831)	Aqua café, adjustment of rent owed
Interest (R)	8,515	11,665	5,000	6,665	
Hireage Fee (R)	8,054	8,054	65,400	(57,346)	No capacity for event organisation
Misc Income	2,925	4,171	95,000	(90,829)	No capacity for fundraising
Grants Received	-	-	49,000	(49,000)	No capacity for fundraising
Donations Recei	5,759	21,259	120,000	(98,741)	No capacity to seek donors
Admission Fees	11,672	34,189	96,389	(62,200)	Schools Programme
Grants Received	31,602	31,602	31,000	602	
Sales of Goods	331,407	691,407	720,000	(28,593)	Revenue from HAC shop
Misc Income	222	222	-	222	
Commissions Rec	186	706	-	706	
Interest (R)	-	3,000	6,000	(3,000)	
Total Income	1,418,916	2,528,337	3,486,427	(958,090)	Reflects lack of international visitors and no fundraising activity
Expenditure					
Salary & Wages	161,344	355,771	425,771	70,000	WAM staff vacancies
L& Dev Trav	-	-	996	996	
Learning & Dev	1,060	1,560	996	(564)	
ACC Levies	-	4,134	4,134	-	
Recruitment	528	728	-	(728)	
Refreshments Pr	305	605	1,004	399	
Freight/Cartage	-	50	100	50	
COS - Retail	658	2,820	924	(1,896)	
General Misc	192	500	3,104	2,604	
Tele/Comm	113	350	600	250	
Postage/Courier	4	28	48	20	
Collection Care	872	2,004	2,004	-	
Other Insurance	7,198	7,198	8,004	807	
Prof Subs Indiv	-	542	600	58	
Market Research	468	936	648	(288)	
Marketing	5,396	9,316	15,000	5,684	

Rent Paid	-	186,100	186,100	-	
Electricity	17,661	35,292	24,996	(10,296)	Extra humidifier in WAM collection store
Water Rates Pd	-	1,296	1,296	-	
Building Compli	-	2,004	2,004	-	
Travelling Exp	-	300	1,500	1,200	
Gifts & Promos	-	-	300	300	
Signs Exp	657	657	-	(657)	
Graphic/Print	142	142	-	(142)	
Stationery	242	600	2,004	1,404	
Comp Supplies	39	100	204	104	
Annual Software	2,056	3,436	996	(2,440)	
Pest C	1,414	2,194	504	(1,690)	
Waste/Recyc	88	100	300	200	
Safety Clothing	-	-	504	504	
Uniforms	-	168	-	(168)	
H&S Compl	680	200	-	(200)	
Cleaning	3,690	8,000	13,776	5,776	
Security	600	2,004	2,004	-	
Payments to Ext	373	1,671	-	(1,671)	
Other Profess	5,062	5,062	-	(5,062)	
R&MPlant/equip	2,738	3,857	7,000	3,143	
R&M Buildings	244	463	3,000	2,537	
Hired Exp	165	165	-	(165)	
R&M: Lighting	128	500	3,800	3,300	
Minor Asset Pur	878	1,500	2,004	504	
Refreshments Pr	1,162	3,662	3,838	176	
Freight/Cartage	2,583	3,014	6,950	3,936	
General Misc	7,435	13,335	14,892	1,557	
Travelling Exp	4,441	4,991	6,501	1,510	
Graphic/Print	2,565	10,565	13,345	2,780	
Photography	525	525	-	(525)	
Exhibition Fees	10,000	15,000	9,000	(6,000)	
Other Profess	850	1,950	6,170	4,220	
R&M Buildings	565	4,565	-	(4,565)	
Minor Asset Pur	261	261	-	(261)	
Refreshments Pr	44	87	-	(87)	
Travelling Exp	131	131	-	(131)	
Other Profess	730	730	-	(730)	
Salary & Wages	670,561	1,358,473	1,388,473	30,000	HAC staff vacancies
L& Dev Trav	2,155	500	-	(500)	
Learning & Dev	-	3,667	5,000	1,333	
ACC Levies	-	13,480	13,480	(0)	
Recruitment	5,777	16,777	12,000	(4,777)	
Opening Stock	188,772	188,772	200,000	11,228	
Closing Stock	(443,082)	(443,082)	(300,000)	143,082	Stock levels increased due to long lead time
Refreshments Pr	1,969	4,369	20,132	15,763	
Freight/Cartage	585	1,000	3,000	2,000	
General Misc	1,866	5,000	24,000	19,000	
Tele/Comm	1,201	2,500	2,400	(100)	
Postage/Courier	477	1,000	2,100	1,100	
Other Insurance	23,405	76,877	89,000	12,123	
Prof Subs Individ	510	1,052	-	(1,052)	
Rent Paid	-	(2,820)	-	2,820	

Rates Paid	-	-	-	-	
Electricity	41,341	129,000	129,756	756	
Natural Gas	26,215	45,000	4,800	(40,200)	HAC Boiler cost
Travelling Exp	264	1,000	8,000	7,000	
Gifts & Promos	227	227	-	(227)	
Signs Exp	3,743	3,743	-	(3,743)	
Stationery	1,249	2,500	-	(2,500)	
Comp Supplies	8	8	-	(8)	
Annual Software	11,051	24,406	35,784	11,378	
Lic/Upgrades	-	-	3,996	3,996	
Pest C	3,370	7,656	7,000	(656)	
Waste/Recyc	735	1,400	-	(1,400)	
Uniforms	948	2,142	-	(2,142)	
H&S Compl	1,067	2,100	-	(2,100)	
Interest Pd Ext	2,589	2,589	-	(2,589)	
Bank Fees/Char	784	784	-	(784)	
Cleaning	38,905	85,000	100,000	15,000	
Security	46,023	85,000	60,000	(25,000)	Increased criminal activity in Town Basin
Payments to Ext	30,364	52,862	40,000	(12,862)	Contractor required by Foundation
Other Profess	15,614	40,000	25,000	(15,000)	Short term contractors used to fill vacancies
R&M Plant/equip	1,487	1,487	-	(1,487)	
R&M Buildings	1,065	1,065	-	(1,065)	
R&M Sched Maint	8,299	10,000	6,000	(4,000)	
R&M: Lighting	219	219	-	(219)	
R&M: Other	-	20,000	53,000	33,000	HAC building maintenance
Depn Buildings	429,380	863,426	850,000	(13,426)	
Depn Office Equ	4,861	9,775	-	(9,775)	
Depn Plant/Equi	34,917	70,215	-	(70,215)	
Amort Software	6,995	14,063	-	(14,063)	
Minor Asset Pur	5,348	5,348	-	(5,348)	
Refreshments Pr	2,665	4,965	4,800	(165)	
General Misc	-	-	6,600	6,600	
Cleaning	-	-	1,920	1,920	
Security	-	-	4,320	4,320	
Refreshments Pr	230	500	780	280	
Freight/Cartage	57	57	-	(57)	
General Misc	1,830	4,034	5,400	1,366	
Travelling Exp	-	550	800	250	
Other Profess	-	2,000	3,460	1,460	
R&M: Other	-	275	400	125	
Minor Asset Pur	630	707	400	(307)	
Freight/Cartage	-	-	10,000	10,000	
General Misc	-	2,000	-	(2,000)	
Minor Asset Pur	134	734	2,000	1,266	
Refreshments Pr	206	206	-	(206)	
Postage/Courier	56	56	-	(56)	
Marketing	25,879	59,879	83,000	23,121	HAC marketing savings
Website	1,110	2,255	2,460	205	
Gifts & Promos	3,100	3,100	0	(3,100)	
Graphic/Print	5,156	16,456	24,000	7,544	
Freight/Cartage	601	9,601	20,000	10,399	
COS - Retail	414,121	594,121	311,187	(282,934)	Increased stock levels for HAC shop

Consumables	22,504		28,405	-	(28,405)	
Annual Software	5,214		13,214	68,972	55,758	
Bank Fees/Char	11,984		22,784	-	(22,784)	
Rent Paid	23,087		34,360	31,000	(3,360)	
Management Fee	5,000		10,000	20,000	10,000	
Bank Fees/Char	274		574	15,000	14,426	
Legal Fees	8,216		15,000	15,000	-	
Other Profess	24,917		79,917	25,000	(54,917)	Staff support for CE vacancy
Audit NZ Fees	8,366		30,123	19,242	(10,881)	Increased HAC audit requirement
Depn Buildings	703		1,417	1,122	(295)	
Depn Office Equ	1,525		3,067	3,103	36	
Depn Plant/Equi	5,872		11,890	22,746	10,856	
Total Expenditure	1,990,989		4,361,997	4,262,553	(99,444)	Increased shop stock, fixed costs, not fully offset by savings
Net Profit / (Loss)	(572,073)		(1,833,660)	(776,126)	(1,057,534)	