



Fafetu, Sam Hartnett 2018, image courtesy of Objectspace.

Whangārei Art Museum Trust

Half Year Report | 2020-2021

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CHAIR AND CHIEF EXECUTIVE'S JOINT REPORT

Whangārei Art Museum Trust continues moving forward in a world-wide environment of uncertainty.

In the previous year we confronted an overrun in our construction costs and the Covid-19 epidemic. In this period we have operated to manage and mitigate those events. Construction on the Hundertwasser Art Centre has continued and is moving ever closer to completion. We continue to operate within our revised budget and are expecting to have a completed building by the end of this financial year or soon thereafter. The fitout will follow.

Covid has presented challenges to our activities, as it has to all. However, we have managed these with perseverance and fortitude. Our Curator's Report demonstrates that visitor numbers at Whangārei Art Museum have been at record levels in months where we were open without interruptions.

Plans are being developed and refined for the opening of the Hundertwasser Art Centre at the end of 2021. This is a huge task requiring strategic and innovative thinking, led by our Chief Executive and her very capable team. The team is growing and bringing further expertise and ideas.

In addition to our amazing staff we are also developing our volunteer networks and this year has seen the hours and contributions from volunteers increase greatly. It is overwhelming what is contributed to our gallery.

Thomas Biss
Chair

Kathleen Drumm
Chief Executive

PERFORMANCE MEASURES

Governance

Performance Measure	2019/20 Actual	2020/21 Target	2021/22 Target	2022/23 Target	Action/Outcomes
<p>1. Financial Management WAMT will operate within agreed financial budgets.</p>	Partially achieved.	Actual spend ≤ Budget (reported on in the half-yearly report and annual report).			<p>On track.</p> <p>The Trust is forecast to end the year in a favourable position. It is anticipated that some HAC funds will again be required to support the WAM gallery as in the budget. Further details may be found in the Financial Statements at the end of this report.</p>
<p>2. Reporting</p> <p>a. WAMT 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.</p> <p>b. WAMT will provide quarterly reports on its achievement against the 2019/20 HAC-WMAG project objectives.</p>	Achieved.	<p>Strategic objectives and action areas reported on in half-yearly report and annual report.</p> <p>Quarterly reports with financial information specific to the HAC-WMAG project.</p>			<p>On track.</p> <p>Reports on the HAC project were provided to council for the first 2 quarters of the year by the 20th of the month following.</p>

Operations

Performance Measure	2018/19 Actual	2019/20 Target	2020/21 Target	2021/22 Target	Action/Outcomes
<p>3. Effective operation</p> <p>a. Revised measure: WAMT will annually assess operation hours and exhibition quality to meet agreed funding. Target: Exhibitions delivered to schedule and within programme budget. Reported on in half-yearly and annual report.</p> <p>b. New Measure: WAMT art collection management: WAMT will acquire and document all new items in accordance with WAMT collection management policy and procedure. WAMT 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>	n/a	<p>Annually assess operation hours and exhibition quality to meet agreed funding. Target: Exhibitions delivered to schedule and within programme budget. Reported on in half-yearly and annual report.</p> <p>Acquire and document all new items in accordance with WAMT collection management policy and procedure. WAMT 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>a. Unlikely to be achieved.</p> <p>A lack of external funding opportunities required a reduction in the number of exhibitions originally planned for the year. This reduction has reduced the exhibition budget shortfall; however it is anticipated that some part of the exhibition programme funds will be met from elsewhere in the budget.</p> <p>b. On track.</p> <p>15 new items have been acquired per collection management policy and procedure. No incident reports were filed.</p>
<p>4. Amenity Development</p> <p>a. WAMT will continue to improve the WAM visitor experience thereby</p>	Not achieved.	<p>An annual survey demonstrates improvements in how WAM is regarded. Reported on in the half-yearly report.</p>			<p>On track.</p> <p>a. A new wall was added to the Younghusband gallery, allowing scheduling of exhibitions with a</p>

<p>promoting the arts and contributing to the wellbeing and economic growth of the district.</p> <p>b. An annual survey demonstrates improvements in how WAM is regarded. Reported on in the half-yearly report.</p>			<p>significant technological component. “Your motion says” was installed in November 2020. The interactivity of the work has attracted much positive comment from adults and children alike.</p> <p>b. The annual Museums Aotearoa survey is expected to be carried out in the second half of the year.</p>
<p>5. Community Engagement</p> <p>a. WAMT will strengthen community engagement through programmes, events and collaborative initiatives including an educational component.</p> <p>b. Evidence of 3 programmes, events or initiatives developed or in development annually, covered in the half-yearly report.</p>		<p>Evidence of 3 programmes, events or initiatives developed or in development annually, covered in the half-yearly report.</p>	<p>Achieved.</p> <p>Eleven public programmes have been held to date, 9 related to exhibitions and 2 general events. See the Community section on page 15 below for details.</p>
<p>6. Growth</p> <p>WAMT will improve both awareness of the WAM, and attendance.</p> <p>Annual percentage increase to visitor numbers, covered in the half-yearly report.</p>		<p>Annual percentage increase to visitor numbers, covered in the half-yearly report.</p>	<p>Unlikely to be achieved.</p> <p>A target of 16,500 visitors was set for the current year; 1,800 lower than the previous year, due to the anticipated impact of Covid 19 on international visitors. Total visitor numbers for the first half year reached 10,862, exceeding previous years for the same period, but began to fall off in December. The decline is expected to continue over the summer, during what was formerly the peak period for overseas tourists.</p>

STRATEGIC OBJECTIVES

Objectives	Action areas.	Achievements
Artistic Excellence	<ul style="list-style-type: none"> ● Deliver Whangārei Art Museum programmes at a high level of curatorial excellence ● Put on shows and events that attract people to Whangārei, as a vibrant creative hub in Northland. ● Bring to NZ up to 50 original works by renowned artist, Friedensreich Hundertwasser, in collaboration with the Hundertwasser Foundation in Vienna - for display at HAC when the building is open. ● Support Wairau Māori Art Gallery's objective to exhibit quality works from our country's finest contemporary Māori artists, when the Hundertwasser Art Centre is open. 	Artistic Excellence <ul style="list-style-type: none"> ● Programming at WAM focused on engaging local artists, families and our communities. Record visitor numbers were achieved in July, October and November, despite Covid-19 impacts. ● The Foundation in Vienna is underway with identifying the Hundertwasser works to be displayed in the HAC. ● The inaugural Wairau exhibition is entitled <i>Te Hau Te Wai</i> and will be curated by Ngahiraka Mason.
Visitor Experience	<ul style="list-style-type: none"> ● Undertake a comprehensive brand redefinition to support the transition of WAM and HAC into 'one organisation', ensuring that the Museum's identity is maintained. ● Consider its positioning in the wider NZ context, to provide WAMT with a more visible leadership role in the creative arts sector. ● Promote Hundertwasser Art Centre and Wairau Māori Art Gallery to become a cultural destination of regional and national significance. ● Increase visibility and visitor engagement by improving the entrance to, and arrival experience at WAM. 	Visitor Experience <ul style="list-style-type: none"> ● Work has continued on the rebranding exercise with the website launch scheduled for mid-2021. ● Architectural design work on remodelling options for the WAM gallery, to improve visibility and functionality and to mitigate risk, has been undertaken and discussed with WDC staff. A proposal was submitted as part of the Council's LTP process. ● Ideas are being developed to improve the entrance way to WAM including new external signage and a trial relocation of the reception desk in the lobby of the building.
People – Collaborations for the benefit of our community	<ul style="list-style-type: none"> ● Strengthen relationships with WDC, including agreement of our mutual objectives, and how we will 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 with the operators of the 	People <ul style="list-style-type: none"> ● Regular meetings with WDC staff have been undertaken across operations, developments in the town basin, promotions and the HAC opening, as well as finance. ● Discussions about promotion of the new Art Centre are underway with local and national tourism agencies. ● Presentations on the broad aims of WAMT have been made to the

	<p>Hihiaua Cultural Centre.</p> <ul style="list-style-type: none"> ● Develop a practical working relationship with the Wairau Maori Art Board to support gallery operations. ● Amplify WAMT's educational role in the community as a pathway for Rangatahi into arts and culture. ● Collaborate with the community to amplify WAMT's educational role as a resource for school art curriculums, holidays programmes and family workshops. 	<p>Council, local tourism businesses and to a group of leading creators (such as artists and architects).</p> <ul style="list-style-type: none"> ● Discussions are underway to bring clarity to our working relationship with Wairau including operational activity. ● Planning towards educational activity is in progress.
Sustainability	<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 monthly documented Board meetings. <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 updated and is scheduled to be reviewed prior to the HAC opening. ● A scope of role has been provided to Te Huinga and it is anticipated that the Hapu representative trustee will be appointed shortly. ● 6 Board meetings were held during the first half of the year. ● A workshop for trustees on navigating transitions is planned for March 2021. <p>Long term and annual planning</p> <ul style="list-style-type: none"> ● The 5 Year Strategic Plan will be reviewed in February/March of 2021. ● The CE presents progress against strategic objectives to the Board regularly. <p>Health and safety</p> <ul style="list-style-type: none"> ● H&S is a standing agenda item at Board meetings, the monthly Business Management Group Meeting (overseeing the Hundertwasser Art Centre Project), and WAM monthly staff meetings, chaired by the CE. ● The WAM H&S induction process for new staff has been reviewed and updated. <p>Being a good employer</p> <ul style="list-style-type: none"> ● Performance reviews for staff were held in the first half of the year. <p>Risk management</p> <ul style="list-style-type: none"> ● An independent, comprehensive risk review was carried out in the first half of the year, leading to recommendations for upgrading the existing WAM gallery and art storage spaces. ● All appropriate insurance cover is in place. ● A comprehensive risk register is kept updated for the HAC Project. <p>Legislative and Trust Deed compliance</p> <ul style="list-style-type: none"> ● Legislative requirements for this financial year have been met to date.

	<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"> ● 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. ● Operational efficiency and effectiveness <p>Operational efficiency and effectiveness</p> <ul style="list-style-type: none"> ● Establish an operational relationship and a MOU with WDC. ● 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 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 WAMT is tasked with fulfilling on behalf of the people of Whangārei ● Develop a marketing and communications plan. ● Monitor visitor numbers and conduct an annual visitor 	<ul style="list-style-type: none"> ● One LGOIMA complaint and one LGOIMA request were received and answered within the statutory timeframes. <p>Effective financial management</p> <ul style="list-style-type: none"> ● All bullet points achieved. <p>Financial sustainability</p> <ul style="list-style-type: none"> ● A top level, single entity budget is being finalised, which will combine the various business components of the Trust. ● Philanthropic funds are being sought for elements of the HAC project and a funding application has been prepared to support projected costs of rectifying humidity issues in the WAM gallery. ● The CE is undertaking a review of the organisation to incorporate existing and new staff roles into one structure. <p>Operational efficiency and effectiveness</p> <ul style="list-style-type: none"> ● The CE and Chair have worked closely with Rob Forlong and other WDC staff members on various project matters and presented to the entire Council in August. The presentation was well received and covered HAC construction progress, new branding for the Trust, and challenges for the HAC and existing WAM gallery. ● The Board is compliant with all LGA Sol requirements. ● Significant work has been undertaken and discussed with key WDC staff on remodelling options for the WAM gallery to improve visibility and functionality. A proposal was submitted as part of the Council’s LTP process. ● Conversations are ongoing with WDC as part of their review of the allocation of council owned spaces. The Trust anticipates a positive outcome of long-term provision of appropriate accommodation for WAMT staff. ● A Marketing Manager was appointed in December and is working on a marketing and communications plan. ● Visitor numbers are monitored and tracked against previous years and exhibitions. WAM participates in an annual survey run by Museums Aotearoa. ● An existing staff member has taken on the role of Volunteer Manager and WAM now has a regular complement of volunteers contributing to a broad range of activities. See Volunteers on page X below for details. Volunteers will also play a significant role in the operations of the HAC.
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	<p>survey.</p> <ul style="list-style-type: none"> ● Build up its volunteer base to support both governance and operations. ● Identify fundraising opportunities. ● 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. ● Continue to upgrade lighting as funding becomes available. ● Promote exhibitions – work with Council to promote and run quality events, reach out to new audiences, and grow visitor numbers. ● Upgrade air conditioning to meet required Gallery Standards for Air Control and develop a business case for future capital investment. 	<ul style="list-style-type: none"> ● See Financial Sustainability above for fundraising. ● An Acquisitions Committee has been formed per the revised Collections Policy. WAM received a significant bequest of Freda Simmonds works and also purchased one art work from the Acquisition Fund. These were added to the collection according to the appropriate acquisition process. ● A new wall was added to the Younghusband gallery, allowing scheduling of exhibitions with a significant technological component, and also creating an extra storage space with climate control. More substantial remodelling options have been presented to WDC. ● WAMT’s new marketing manager is expanding the range and variety of promotional tools, which are accessible with limited budget, to increase the diversity and number of visitors to the gallery. ● Humidity and general AC control issues, due to inadequate investment when the current building was fitted out as a gallery, are impacting WAM’s ability to meet air quality standards set by lending institutions such as Te Papa. The Board has approved \$25K of unbudgeted funds for a short-term fix and a funding application will be submitted to potentially cover some of these costs. The Council will be approached for assistance with the longer-term solution.
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HUNDERTWASSER ART CENTRE WITH WAIRAU MAORI ART GALLERY

The project has successfully managed some considerable challenges, both financial and Covid-19 related. Money was raised from central government, community funds and donations and this has allowed construction to progress.

Core construction and external finishings are complete, with internal finishings (tiling, brick work, floors and wall linings) underway.

The goal is to deliver an exceptional cultural destination that transforms people's lives through the power of art and nature, while supporting economic growth and development for the region. Northland Inc has calculated the HAC's direct economic impact for Northland at \$37 million, with an ongoing impact of \$26 million per annum.

The project has proven a significant driver of employment, with 72 people working on aspects of the build at the end of December 2020. Trigg Construction has estimated that more than 500 people have been employed for as much as a few hours to many days and weeks on the project - from road construction and services diversions - to demolition, asbestos removal, air testing, piling, earthworks, subfloor waterproofing, ground beam steel fixing, wall construction and steel fixing, plumbing and draining, concrete supply and concrete pumping, precast manufacturing and installation, plastering, tiling, bricklaying, roof waterproofing, project management and administration.

At the end of the period, we also acknowledge the many hours invested by over 100 volunteers at the Hundertwasser Art Centre site and the Whangārei Art Museum, who have contributed towards the project.

We have announced our opening date for the Hundertwasser Art Centre and Wairau Maori Art Gallery as 3 December 2021.

WHANGĀREI ART MUSEUM

Curator's Report

Overview

The first half of this financial year saw record visitor numbers in the months of July, October and November despite the significant challenges and impact of Covid-19. As a result of the global pandemic restrictions, and our ongoing climate control issues, a large portion of our exhibition programme had to be rescheduled during this financial year. For the first half of the year a programme that focused on engaging local artists, families and our direct communities was prioritised. We continued to incorporate educational elements within exhibitions and took a more conservative approach to public programming to mitigate any further covid related disruptions.

In the Mair Gallery, *Distant Kinship*, aptly titled in the current climate, showcased the work of 19 New Zealand and Dutch printmakers. The concept of distant kinship resonated deeply with our audience, particularly from our large Dutch expat community. *wet_land* by local artists Lisa Clunie and Thorsten Hoppe continues to engage visitors, many of whom have never been to the gallery before, in the varied complexities of the Hikurangi Swamp. A series of public programmes is scheduled in January and February 2021 to further strengthen community engagement and bolster visitor numbers, which we anticipate to be affected by the absence of international travellers over the summer period.

In the Younghusband Gallery, *Maiangi Waitai: Ātea-ā-rangi-Interstellar*, which re-imagines oral history traditions related to the Matariki constellation was particularly popular, and alongside *Shared Stories* and *The Plant Room* the gallery was packed with children and families enjoying the art and associated public programmes. *Connections: Freda + The Group*, a large exhibition showcasing the significant bequest of Freda Simmonds artworks alongside high profile national artists from our collection, and two contemporary artwork installations, *Karupu Whero* by acclaimed Maori artist Bob Jahnke, and *Your Motion Says* by Australian artist Danae Valenza, opened in November; adding another dimension to the gallery experience and ensuring a diverse offering of art and culture alongside our local narratives.

The second half of this year's programme includes exhibitions from Tuvaluan master artist Lakiloko Keakea and renowned Japanese artist Yoko Ono. An exhibition by French artist Auguste Rodin is due to open in February but is subject to climate control issues being rectified. This is an ongoing problem we hope to resolve in 2021.

Overall, the response to the Gallery has been positive and our exhibitions and public programmes continue to broaden our demographic base organically. With the appointment of a Marketing Manager, access to our exhibitions and programmes should only strengthen.

Exhibition Schedule for July 2020 - June 2021

Mair Gallery	Younghusband Gallery
Distant Kinship (T + L/N/I) NZ + Dutch printmakers 28 August - 15 November 2020	The Plant Room (L) Awhi World 6 December – 3 November 2020
wet_Land (L) Lisa clunie and Thorsten Hoppe 27 November - 21 February 2021	Shared Stories (L) Trent Morgan and Kim Groeneveld 6 December – 8 November 2020
Fafetu (N + T) Lakiloko Keakea 26 February - 23 May 2021	Maiang Waiti (T + N) Ātea-ā-rangi – Interstellar 11 July - 4 October 2020
Yoko Ono (T + I) Mend Piece 28 May 0 22 August 2021	Connections (C) Freda + The Group 10 October 2020 - 21 February 2021
T: Touring I: International Artists N: National Artists L: Local Artists C: WAM Collection	Bob Jahnke (N) Karupu Whero (Installation) 6 November 2020 - 21 February 2021
	Danae Valenza (I) Your Motion Says (Installation) 27 November 2020 - 23 May 2021
	Remembering Rodin (T + I) 26 February - 23 May 2021*

*Subject to resolution of climate control issues.

Collection Management

The Acquisitions Committee was formed early in the financial year, in accordance with the revised Collection Management Policy. The committee held its inaugural meeting in August, and committee members were introduced to the collection policies and procedures. An independent valuation of the collection was carried out by Art & Antiquities, and valuations of individual works updated on the online database. The total known value of the collection increased significantly, and insurance cover will be adjusted as a result. Additional material was discovered in relation to the photographic collection and work to enter this into the online database has also begun.

Acquisitions, Loans and Collection Maintenance

The first instalment of 9 artworks from the Freda Simmonds bequest has been received as well as 6 donated Drummond works. An artwork was purchased in December using the WDC Acquisition Fund. One artwork was loaned out to the Auckland Art Gallery, and was cleaned and conserved by their conservators, and two items were borrowed for exhibitions. The wooden sculpture Te Rongapai, which stood outside the entrance to the I-site and Art Museum was removed by WDC Parks for safety reasons and returned to the Wihongi Brothers who crafted it.

Community

Engagement

Community engagement has been strengthened through programmes, events and collaborative initiatives, some organised in conjunction with exhibitions, with several including an educational component. We have continued to utilise the Younghusband Gallery for public programmes and events including film screenings, live music events and corporate venue hire.

Exhibition Public Programmes	
Maiangi Waitai	Visual story-telling, sand lightbox and reading corner
Maiangi Waitai	Matariki Story time with visitor hosts
Shared Stories	#sharedstories campaign
The Plant Room	Mair Park Iteration (Whangārei primary, Mairtown Kindergarten)
The Plant Room	Workshop: Coding The Plant Room
Shared Stories	Artist Talk
Shared Stories	Northland Taniwha community outreach
Freda + The Group	Curators Talk
Wet-Land	Collaborative community art work
Other Programmes	
Film Screening + Directors Talk	For My Fathers Kingdom
Whangārei Fringe Festival	Science for Sociopaths: Maggie Cocco event

Volunteers

WAM successfully increased volunteer participation last year and now has an enthusiastic team of people, contributing to a wide variety of gallery activities. Half a dozen volunteers come in on a weekly basis and other volunteers assist as needed, usually during the weekends and evenings. Activities include organising and hosting events and public programmes, gallery hosting, archiving, assisting the collections manager, installing and de-installing exhibitions, and marketing.

A Christmas morning tea was held at WAM for our volunteers, to acknowledge their important contributions over the year.

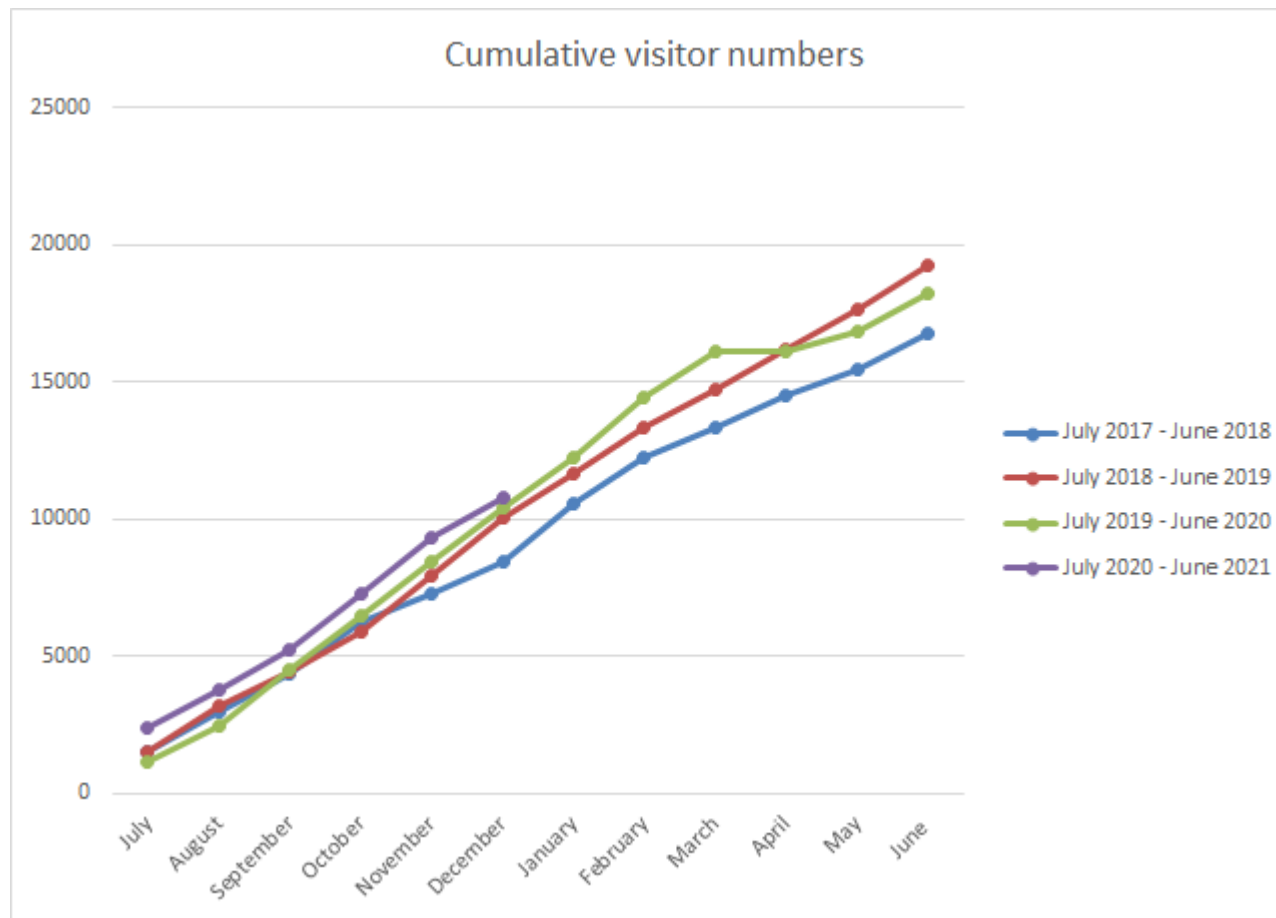
Month	Number of volunteer hours	Number of active volunteers
July	84	10
August	98.5	7
September	99	6
October	95.45	13
November	99	10
December	35.5	7

Visitor Numbers

A target of 16,500 visitors was set for the current year; 1,800 lower than the previous year, due to the anticipated impact of Covid 19 on international visitors. Thanks to a strong, community focussed programme, total visitor numbers for the first half of the year exceeded previous years for the same period, reaching 10,862, but began to fall off in December. The decline in visitors compared with previous years is expected to continue over the summer, during what was formerly the peak period for overseas tourists.

The ongoing impact of the pandemic on future visitor numbers remains unclear. WAM will continue to offer strong public programmes for the local community, and has an inviting and diverse range of exhibitions scheduled for the remainder of the year.

Four-year Comparison of Cumulative Visitor Numbers



**Whangarei Art Museum Trust
Financial statements
For the six months ended
31 December 2020**

Whangarei Art Museum Trust

Financial statements - 31 December 2020

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Entity Information

Legal name

Whangarei Art Museum Trust (WAMT).

Type of entity and legal basis

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

WAMT's objective

WAMT actions and directions are determined by the Trust Deed which details the objectives of WAMT. These include the operation of the museum and the requirement to support and stimulate the artistic and cultural life of the Whangarei District. Construction of the Hundertwasser Art Centre with Wairau Maori Art Gallery (HWMAC) is in progress. This project is detailed in Note 14.

Structure of the Trust's operations, including governance arrangements

WAMT 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 WAMT directly. The Chief Executive is responsible for the operations of WAMT, including relevant aspects of the construction of the HWMAC. Several part time staff support the Chief Executive in delivering against the WAMT's objectives.

Main sources of the Trust's cash and resources

Operating grants received from Whangarei District Council and central government agencies are the primary sources of WAMT funding, in addition to other national and district charitable funding sources. WAMT also receives funding through donations to be used specifically for the HWMAC.

WAMT's Outputs

WAMT displays WAMT and Council owned art and facilitates art exhibitions for the general public. The construction of the HWMAC is one and a half year in.

Authorisation

The Board of the Whangarei Art Museum Trust authorised these financial statements presented on the following pages 3 to 16.

For and on behalf of the Board.

Chairperson

Chief Executive

Whangarei Art Museum Trust
Statement of financial performance
For the six months ended 31 December 2020

Statement of financial performance
For the six months ended 31 December 2020

	Note	31 December 2020 Actual \$	30 June 2021 Budget \$	30 June 2020 Actual \$
Revenue				
Donations	3	7,172,307	10,771,500	5,897,351
Council funding	4	203,874	584,747	569,970
Other revenue	5	3,069	36,300	36,499
Interest revenue	6	25,989	100,400	166,331
Total revenue		<u>7,405,239</u>	<u>11,492,947</u>	<u>6,670,151</u>
Expenditure				
Employee related costs	8	222,358	575,043	402,732
Depreciation and amortisation	11	11,015	25,182	21,555
Other expenditure	7	90,720	1,702,392	506,541
Total operating expenditure		<u>324,093</u>	<u>2,302,617</u>	<u>930,828</u>
Surplus/(deficit)		<u>7,081,146</u>	<u>9,190,330</u>	<u>5,739,323</u>
Surplus/(deficit) attributable to:				
Whangarei Art Museum Trust		21,114	(44,770)	(42,855)
HWMAC		<u>7,060,032</u>	<u>9,235,100</u>	<u>5,782,178</u>
		<u>7,081,146</u>	<u>9,190,330</u>	<u>5,739,323</u>

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

Whangarei Art Museum Trust
Statement of financial position
As at 31 December 2020

Statement of financial position
As at 31 December 2020

	Note	31 December 2020 Actual \$	30 June 2021 Budget \$	30 June 2020 Actual \$
ASSETS				
Current assets				
Bank accounts and cash	9	6,415,592	3,035,711	2,412,645
Debtors	10	8,712	230,945	147,630
Other current assets		-	200,000	2,887,371
Total current assets		<u>6,424,304</u>	<u>3,466,656</u>	<u>5,447,646</u>
Property, plant and equipment	11	<u>23,572,573</u>	<u>29,414,629</u>	<u>18,571,527</u>
Total non-current assets		<u>23,572,573</u>	<u>29,414,629</u>	<u>18,571,527</u>
Total assets		<u>29,996,877</u>	<u>32,881,285</u>	<u>24,019,173</u>
LIABILITIES				
Employee cost payable		125	-	34,127
Creditors and accrued expenses	12	<u>127,049</u>	<u>847,687</u>	<u>1,196,489</u>
Total current liabilities		<u>127,174</u>	<u>847,687</u>	<u>1,230,616</u>
Total liabilities		<u>127,174</u>	<u>847,687</u>	<u>1,230,616</u>
NET ASSETS		<u>29,869,703</u>	<u>32,033,598</u>	<u>22,788,557</u>
Equity				
Retained earnings	13	29,869,693	32,033,588	22,788,547
Contributed equity	13	10	10	10
Total equity attributable to Whangarei Art Museum Trust		<u>29,869,703</u>	<u>32,033,598</u>	<u>22,788,557</u>

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

Whangarei Art Museum Trust
Cash flow statement
For the six months ended 31 December 2020

Cash flow statement

For the six months ended 31 December 2020

	31 December 2020 Actual \$	30 June 2020 Actual \$
Cash flows from operating activities		
Council funding	134,636	455,571
Donations received	7,185,063	5,925,427
Other revenue	3,407	36,499
Payments to suppliers and employees	(1,221,455)	(518,873)
Interest received	<u>25,988</u>	<u>166,331</u>
	<u>6,127,639</u>	<u>6,064,955</u>
Cash flows from investing activities		
Purchase of PPE	<u>(5,012,062)</u>	<u>(8,774,830)</u>
	<u>(5,012,062)</u>	<u>(8,774,830)</u>
Total cash provided to investing activities	<u>2,887,370</u>	<u>972,687</u>
Net (decrease)/increase in cash, cash equivalents, and bank overdrafts	4,002,947	(1,737,188)
Bank accounts and cash, and bank overdrafts at the beginning of the year	<u>2,412,645</u>	<u>4,149,833</u>
Cash, cash equivalents, and bank overdrafts at the end of the year	<u>6,415,592</u>	<u>2,412,645</u>

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

1 Statement of accounting policies for the six months ended 31 December 2020

1.1 Reporting entity

The Whangarei Art Museum Trust (WAMT) 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 as defined 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 are prepared on the assumption that WAMT will continue to operate in the foreseeable future.

The financial statements have been prepared on a going concern basis. Council has included funding for WAMT in its 2018-2028 Long - Term Plan. The level of funding for the 2020/2021 financial year is expected to assume the same level of funding. Funding is reviewed on an annual basis.

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

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 Board has received a letter of support from the Council that confirms sufficient funding for any operating deficit and any short-term funding that may be required to meet cash flow shortfalls for at least 12 months from the date of 2019/20 annual report. As a result of Council's letter of support, the Trust has prepared the financial statement on the basis that it will continue as a going concern for the foreseeable future.

Goods and services tax

WAMT 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 WAMT 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) 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.

(iv) Interest income

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

v) Sale of goods

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

2 Summary of significant accounting policies (continued)

(vi) Volunteer services

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

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

These are expensed when the related service has been received.

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 Property, plant and equipment

Property, plant, and equipment (excluding donated assets) are recorded at cost, less accumulated depreciation and impairment losses. WAMT does not revalue its property, plant and equipment. WAMT 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:

Class of PP&E	Estimated useful life	Depreciation rates
Leasehold improvements	10-100 years	1%-10%
Office equipment	2-10 years	20%-50%
Plant and equipment	6-60 years	1.6%-17%
Computer equipment	2-5 years	20%-50%
Artworks	Indefinite	-

2.5 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.

2.6 Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

2.7 Lease expense

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

2 Summary of significant accounting policies (continued)

2.8 Tier 2 PBE Accounting Standards applied

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

2.9 Changes in Accounting Policies.

There are no changes in accounting policies.

3 Donations

	December 2020	Budget 2021	Actual 2020
	\$	\$	\$
Donations - general	660	3,500	2,717
Donations - HWMAC	<u>7,171,647</u>	<u>10,768,000</u>	<u>5,894,634</u>
Total Donations	<u>7,172,307</u>	<u>10,771,500</u>	<u>5,897,351</u>

Donations for HWMAC are explained in note 14.

4 Council funding

	December 2020	Budget 2021	Actual 2020
	\$	\$	\$
Council funding	<u>203,874</u>	<u>584,747</u>	<u>569,970</u>
Total council funding	<u>203,874</u>	<u>584,747</u>	<u>569,970</u>

5 Other revenue

	December 2020	Budget 2021	Actual 2020
	\$	\$	\$
Other	<u>3,069</u>	<u>36,300</u>	<u>36,499</u>

Whangarei Art Museum Trust
Notes to the financial statements
For the six months ended 31 December 2020
(continued)

6 Interest revenue

	December 2020 \$	Budget 2021 \$	Actual 2020 \$
Interest received - general	54	400	763
Interest received - HWMAC	<u>25,935</u>	<u>100,000</u>	<u>165,568</u>
Total interest received	<u>25,989</u>	<u>100,400</u>	<u>166,331</u>

7 Other expenses

	December 2020 \$	Budget 2021 \$	Actual 2020 \$
Rent paid	-	171,000	171,000
Other expenses	22,288	110,223	109,001
Exhibition costs	15,875	67,300	40,975
Management fees	5,000	10,000	10,000
Auditors fees for 2021 financial statements	8,153	24,544	15,926
Additional disbursements in relation to audit of 2018/19 financials	-	-	6,329
Other expenses - HWMAC	<u>39,404</u>	<u>1,319,325</u>	<u>153,310</u>
Total other expenses	<u>90,720</u>	<u>1,702,392</u>	<u>506,541</u>

8 Employee related costs

	December 2020 \$	Budget 2021 \$	Actual 2020 \$
Salaries and wages	<u>222,358</u>	<u>575,043</u>	<u>402,732</u>
Total employee related costs	<u>222,358</u>	<u>575,043</u>	<u>402,732</u>

9 Bank accounts and cash

	December 2020 \$	Actual 2020 \$
Cash on hand	200	150
Bank balances - general	42,510	104,089
Bank balances - HWMAC	<u>6,372,882</u>	<u>2,308,406</u>
Total bank accounts and cash	<u>6,415,592</u>	<u>2,412,645</u>

10 Debtors and other receivables

	December 2020 \$	Actual 2020 \$
Sundry debtors	5,944	122,599
Receivables	<u>2,768</u>	<u>25,031</u>
Total debtors and other receivables	<u>8,712</u>	<u>147,630</u>

11 Property, plant and equipment

2020	Plant and equipment	Leasehold improvement s	Office equipment	Artwork	Work in progress	Total
Year ended 30 June 2020						
Additions	4,995	-	4,303	-	8,577,565	8,586,863
Disposals	-	-	-	(600)	-	(600)
Depreciation charge	<u>(11,540)</u>	<u>(7,919)</u>	<u>(2,098)</u>	<u>-</u>	<u>-</u>	<u>(21,557)</u>
Balance at 30 June 2020	<u>68,370</u>	<u>273,900</u>	<u>21,934</u>	<u>437,579</u>	<u>17,769,743</u>	<u>18,571,526</u>
	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2020	<u>68,370</u>	<u>273,900</u>	<u>21,935</u>	<u>437,579</u>	<u>17,769,743</u>	<u>18,571,527</u>
Additions	-	-	-	-	5,012,062	5,012,062
Disposals	-	-	-	-	-	-
Depreciation charge	<u>(5,914)</u>	<u>(3,991)</u>	<u>(1,111)</u>	<u>-</u>	<u>-</u>	<u>(11,015)</u>
Balance at 31 December 2020	<u>62,456</u>	<u>269,909</u>	<u>20,824</u>	<u>437,579</u>	<u>22,781,805</u>	<u>23,572,574</u>

Work in progress relates to costs associated with the design and construction phase of the HWMAC project. This is explained in note 14.

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 WAMT's property, plant and equipment, nor are any property, plant and equipment pledged as security for liabilities.

12 Creditors and accrued expenses

	December 2020	Actual 2020
	\$	\$
Accrued expenses	48,272	1,178,452
Trade creditors	<u>78,777</u>	<u>18,037</u>
Total creditors and accrued expenses	<u>127,049</u>	<u>1,196,489</u>

13 Equity

	December 2020	Actual 2020
	\$	\$
a) Equity		
Retained earnings	29,869,693	22,788,547
Capital contribution	<u>10</u>	<u>10</u>
Balance at 31 December 2020	<u>29,869,703</u>	<u>22,788,557</u>
b) Retained earnings		
Balance at 1 July	22,788,547	17,049,224
Surplus/(deficit) for the year	<u>7,081,146</u>	<u>5,739,323</u>
Balance 31 December	<u>29,869,693</u>	<u>22,788,547</u>
c) Contributed equity		
Capital contribution	<u>10</u>	<u>10</u>
Balance 31 December	<u>10</u>	<u>10</u>

14 Contingencies

WAMT has no contingent liabilities (2020: nil)

Update on Hundertwasser Art Centre Wairau Maori Art Gallery (HWMAC) Background

In 1993, artist Friedensreich Hundertwasser was invited by the then Mayor of Whangarei to design an art centre for the city. He chose the former Northland Harbour Board building in the Town Basin (the Building).

Council considers that it is important to have a high level of transparency around the project and its funding.

Referendum

After several years of debate a binding referendum was held in June 2015 in regards to the use of the Building. A majority voted for HWMAC as the Whangarei District Community's preferred option for re-development. As a condition of the referendum, there was a two-year period to June 2017 in which to raise the required funding needed. By June 2017 WAMT with the assistance of the Prosper Northland Trust (PNT) reached the required funding target. Donations and pledges came from the government, general public, community groups, corporates, businesses and the Lotteries Commission. The terms of the referendum have been met and the project has been initiated, and the re-development works have commenced.

Operator and Guarantees and Indemnities

Whangarei Art Museum Trust (WAMT), a CCO of Whangarei District Council will operate the HWMAC on an on-going basis once re-development is completed.

14 Contingencies (continued)

There is no intention for Council to provide funding for the operating costs of the HWMAC once it begins operation and is open to the public. Underwriting mechanisms have been 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 is the first guarantor, to a maximum amount of \$1.25 million. To facilitate the establishment of this guarantee WAMT will deposit \$1.0 million with Westpac.

However, once any cumulative losses reaches \$750 thousand, Westpac has the option to crystallize its exposure and be relieved from any further obligations.

At this point, the second guarantor, WAMT will cover any remaining amount up to \$1.25 million, using any remaining funds from their \$1 million deposit with Westpac and a further cash bond of \$250 thousand.

Together these arrangements 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.

Because the maximum amount payable in any single year is \$500 thousand, at the expiration of the 7th year the guarantors' total liability shall reduce from \$2.0 million to \$1.5 million (with a further \$500 thousand reduction each year thereafter).

Council is satisfied that these underwriting mechanisms are appropriate.

There are controls in place that allow both Whangarei District Council and Westpac to directly monitor the performance of the HWMAC if significant losses start to accumulate.

Tender Process

A tender process for the HWMAC construction contract was held in at the end of 2017 and in early 2018. The construction contract has been awarded to Trigg Construction Limited. The building consent has been issued by Council. The tender process and the building consent process has determined a finalised project construction cost of \$29.18 million.

The land and the building

Council owns the land and the former Harbour Board building. The building is currently recognised by Council at a nil value because it requires seismic strengthening and is presently not habitable.

Extensive engineering for seismic strengthening being additional structural foundations to support HWMAC on the reclaimed land was required. As a result, it was determined it was not feasible to redevelop the building, so the building will be deconstructed.

Lease and Ownership of the HWMAC Structure

Council and WAMT have entered into a Lease for the HWMAC. 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. WAMT will retain substantially all the risk and rewards incidental to ownership of the HWMAC building. Due to this control, WAMT will recognise the HWMAC building in its financial statements.

Project Update

Construction is forecast to be completed in late June 2021 and the building opening is scheduled to take place on the 3rd of December 2021.

Council funding for the project

Council spent an initial sum of \$1.1m between 2011 to 2013 on consents and other pre-project costs for the project. Council provided for additional partial capital funding for "Old Harbour Board Development" in the 2015-25 Long-Term Plan of \$1.4 million in year three (2017-18 - inflated \$) and \$1.5 million in year four (2018-19 - inflated \$), a total of \$2.9 million. This Council funding is factored in as part of the required funding for the project. It has been determined that Council will not own any part of HWMAC, so consequently it was determined that it was more appropriate to provide the funding to the project as a grant. This grant was included in the 2017-18 financial statements.

14 Contingencies (continued)

Donations/Pledges and Contributions

At 31 December 2020, the total amount of money collected and held by WAMT combined with councils contribution and the net pledges yet to be received as \$37.5m (including interest received of \$461k)

Category	Amount (\$000)
Donations/Pledges	26,673
Council contribution	4,077
Pledges	<u>6,270</u>
	<u><u>37,020</u></u>

1. Donations

These are donations that have been received and treated as revenue. At 31 December 2020 the total amount of donations collected was: \$26.7m

2. Council contribution.

Council spent an initial sum of \$1.1m between 2011 to 2013 on consents and other pre project costs.

Council provided a total of \$2.977m for funding of the development of the 'Old Harbour Board Development' in the 2015-25 Long-Term Plan. This amount was recognised as a grant receivable from WDC at the end of June 2018.

This funding is factored in as part of the required funding for the project. At 31 December 2020 the total amount of council funding was: \$4.1 million.

3. Pledges

As all the conditions of the Referendum have been met and the project has commenced, remaining pledges are in essence unconditional, although subject to individual funding agreements. 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 WAMT (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 2020 the pledges have been assessed and analysed as follows:

Pledge Source	Pledged (\$000)	Collectability %	Net Pledge (\$000)
Government	4,669	100 %	4,669
Local Government	500	100 %	500
Corporates	100	100 %	100
Charitable Trusts	1,000	100 %	1,000
General public	<u>1</u>	90 %	<u>1</u>
Total	<u><u>6,270</u></u>		<u><u>6,270</u></u>

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. As at 31 December 2020, material professional services to the value of nil (2020: nil) have been quantified and recognised.

15 Other guarantees

Payroll services are outsourced to Payroll Plus Ltd, who require a letter of credit for \$40,000 as guarantee that any direct debits up to this amount will be honoured.

16 Capital commitments and operating leases

Capital commitments

WAMT have budgeted commitments of \$32m. At 31 December 2020, \$5.77m was committed (2020: \$11.4m).

	December 2020 \$	Actual 2020 \$
Capital commitments		
HWMAC Project (see note 14 above)	<u>5,770,000</u>	<u>11,400,000</u>
Total capital commitments	<u>5,770,000</u>	<u>11,400,000</u>

Operating leases as lessee

WAMT leases property as part of its normal course of business. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	December 2020 \$	Actual 2020 \$
Not later than one year	1	1
Later than one year and not later than five years	4	4
Later than five years	<u>26</u>	<u>27</u>
Total non-cancellable operating leases	<u>31</u>	<u>32</u>

The operating lease consists of the annual rental paid to Council. WAMT also receives a rent concession of the same amount from Council. The lease was renewed for a 5-year period, in accordance with the deed of renewal and variation of lease.

Council and WAMT have entered into a lease for the HWMAC. The lease has a nominal annual rental of \$1 and a lease term of approximately 35 years.

17 Trustee fees

All trustees work on a voluntary basis and receive no fees (2020: nil).

18 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 WAMT requiring disclosure

	December 2020	Actual 2020
	\$	\$
Receipts awarded from Council		
Grants	<u>203,874</u>	<u>569,970</u>
Details of grants received from Council are detailed in note 4.		
	December 2020	Actual 2020
	\$	\$
Grants outstanding	<u>-</u>	<u>-</u>
Balance at 31 December	<u>-</u>	<u>-</u>

The annual operating grant is paid twice yearly July and January.

19 Events occurring after the balance date

There were no events after the balance sheet date (2020: nil).

Full Year Forecast 2020-2021

Whangarei Arts & Museums Forecasting 2020-21, up to and including period 6.					
	Actuals	Full year	Full year	Variance	Commentary
	YTD	forecast	budget		
Revenue					
Hireage Fee (R)	900	2,100	2,500	(400)	
Sales of Goods	287	287	100	187	
Misc Income	574	884	200	684	
Operational Rec	199	199	-	199	
Grants Received	203,874	578,748	578,747	1	
Donations Received	660	1,610	3,500	(1,890)	Impact of Covid-19 on visitor numbers.
Interest (R)	54	78	400	(322)	
Grants Received	-	-	30,000	(30,000)	Application in progress.
Admission Fees	1,109	1,217	3,500	(2,283)	Fewer events than anticipated.
Operational Rec	338	338	-	338	
Donations Recei	7,171,309	10,805,309	10,768,000	37,309	
Interest (R)	25,935	30,000	100,000	(70,000)	Interest rates lower than anticipated.
Grants Received	-	-	6,000	(6,000)	WDC support for audit costs no longer provided.
Total Income	7,405,237	11,420,769	11,492,947	(72,178)	
Expenditure					
Salary & Wages	126,404	269,094	278,143	9,049	Marketing manager role vacant for several months.
Conference Trav	-	2,500	2,500	-	
Learning & Dev	189	2,500	2,500	(0)	
ACC Levies	1,241	1,703	900	(803)	
Refreshments Pr	312	1,512	400	(1,112)	
Freight/Cartage	-	0	100	100	
COS - Retail	254	742	-	(742)	
General Misc	107	657	800	143	
Tele/Comm	134	1,511	1,592	81	
Postage/Courier	-	170	100	(70)	
Collection Care	758	2,000	2,000	0	
Other Insurance	-	7,429	7,429	-	
Prof Subscripti	-	1,614	1,700	86	
Market Research	234	608	-	(608)	
Marketing	4,845	15,445	30,000	14,555	Activity cut to reduce WAM budget deficit.
Rent Paid	-	171,000	171,000	-	
Electricity	-	20,000	25,000	5,000	Budget allocation over estimated. Gallery will be closed for AC repairs.
Water Rates Pd	-	2,600	2,600	-	
Building Compli	-	2,000	2,000	-	
Travelling Exp	1,223	3,000	3,000	(0)	
Gifts & Promos	-	0	300	300	
Graphic/Print	1,513	1,513	300	(1,213)	
Gen Stationery	395	770	1,500	730	
Minor Office	-	0	499	499	
Comp Supplies	(233)	876	700	(176)	
Annual Software	876	0	700	700	
Waste/Recyc	29	287	100	(187)	
Vehicle Running	263	263	-	(263)	
Bank Fees/Char	152	302	300	(2)	
Cleaning	666	3,416	2,200	(1,216)	
Security	81	1,362	1,353	(9)	
Payments to Ext	963	2,313	1,500	(813)	
Exp Cons/Contra	210	210	-	(210)	
Other Profess	4,000	4,000	-	(4,000)	Collection valuation undertaken.
R&MPlant/equip	2,975	8,721	5,000	(3,721)	Gallery AC review and repairs.
R&M Buildings	1,214	1,894	5,000	3,106	
R&M: Lighting	-	0	1,500	1,500	
Minor Asset Pur	812	1,622	2,500	878	
Refreshments Pr	569	1,276	2,100	824	
Freight/Cartage	2,496	23,284	19,800	(3,484)	Absorbed by underspend elsewhere in exhibition budget.
General Misc	5,022	8,371	16,050	7,679	
Travelling Exp	-	0	500	500	
Graphic/Print	2,597	4,897	11,100	6,203	Activity cut to reduce WAM budget deficit.
Photography	609	1,359	1,550	191	
Exhibition Fees	4,000	17,387	14,200	(3,187)	Overspend forecast in error.
R & M Buildings	-	1,600	3,200	1,600	
Minor Asset Pur	-	0	350	350	
Refreshments Pr	198	198	1,000	802	
General Misc	105	105	-	(105)	
Postage/Courier	13	13	-	(13)	
Graphic/Print	-	0	500	500	
Other Profess	582	582	2,000	1,418	
Salary & Wages	94,714	296,000	296,000	0	
Learning & Dev	-	2,801	2,800	(1)	

Recruitment	3,055	5,555	-	(5,555)	Recruitment some HAC roles brought forward.
Refreshments Pr	5,571	6,501	5,000	(1,501)	
Freight/Cartage	-	129,000	129,000	-	
General Misc	-	175,507	205,000	29,493	Includes contingency of 165,000 (10%).
Tele/Comm	-	20,000	20,000	-	
Postage/Courier	-	751	750	(1)	
Other Insurance	-	92,000	92,000	-	
Professional Body Memberships	-	3,100	3,100	-	
Advert Other	9,500	25,000	25,000	-	
Marketing	6,261	477,000	477,000	(0)	
Rates Paid	-	17,000	17,000	-	
Electricity	-	24,628	25,000	372	
Natural Gas Supply Costs	-	372	-	(372)	
Travelling Exp	524	45,001	45,000	(1)	
Graphic/Print	-	2,000	2,000	-	
Lic/Upgrades	609	2,269	-	(2,269)	
H&S Compliance	3,510	12,870	-	(12,870)	Monitoring passive fire sealing not accounted for in budget.
Vehicle Running	45	45	-	(45)	
Bank Fees/Char	488	968	-	(968)	
Cleaning	-	18,000	18,000	-	
Security	-	35,000	35,000	-	
Legal Fees	-	82,050	82,050	-	
Other Profess	8,120	101,626	101,625	(1)	
Audit - External	-	6,000	6,000	-	
R&M Plant/Equip	-	10,000	10,000	-	
R&M Buildings	102	985	-	(985)	
R&M Sched Maint	-	1,500	1,500	-	
R&M: Other	-	6,500	6,500	-	
Depn Buildings	3,434	11,575	11,575	(0)	
Minor Asset Pur	1,620	16,000	16,000	(0)	
Management Fee	5,000	10,001	10,000	(1)	
Audit NZ Fees	8,153	18,544	18,544	0	
Depn Buildings	557	1,348	1,163	(185)	
Depn Office Equ	1,111	3,735	3,366	(369)	
Depn Plant/Equi	5,914	11,039	9,078	(1,961)	
Total Expenditure	324,094	2,264,973	2,302,617	37,644	
Net Profit / (Loss)	7,081,143	9,155,796	9,190,330	(34,534)	
WAM	-21,114	52,249	44,271	(7,978)	
Hundertwasser	-7,060,029	-9,208,045	-9,234,601	(26,556)	