Southland Museum & Art Gallery Trust Board Inc

INTERIM ANNUAL REPORT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

southland
MUSEUM & ART GALLERY
NIHO O TE TANIWHA

Southland Museum & Art Gallery Trust Board Inc

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Southland Museum & Art Gallery Trust Board Inc

ENTITY INFORMATION

Structure of the Trust's operations, including governance arrangements
The Trust comprises a board of ten trustees who oversee the governance of the Trust.

	Current Trustee(s) appointment
3 trustees are appointed by Invercargill City Council	Cr Ludlow (Chairperson) Cr Amundsen Cr Soper
2 trustees are appointed by Southland District Council	Mayor Tong Cr Menzies
2 trustees are appointed by trustees appointed by Invercargill City Council & Southland District Council	G Neave R Eagles
1 trustee is appointed by Tangata Whenua	E Cook
1 trustee is appointed by Friends of the Southland Museum & Art Gallery	C Henderson
1 trustee is appointed by Gore District Council	Cr Highsted

The Trust has a management contract with Invercargill City Council for the operations of the museum facilities.

Main source of Trust's cash and resources
Grants received from Southland Regional Heritage Committee and service contract revenue from Invercargill City Council are the primary sources of funding to the Trust.

Registered office: 108 Gala Street, P O Box 1012, Invercargill
Postal address: 108 Gala Street, P O Box 1012, Invercargill, Phone (03) 219 9069
Solicitors: Preston Russell Law, 45 Yarrow Street, Invercargill
Bankers: Westpac, 62 Kelvin Street, Invercargill
Auditor: Audit New Zealand on behalf of the Auditor - General

Southland Museum & Art Gallery Trust Board Inc

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

	Note	2021 $	2020 $
Revenue			
Grant - Invercargill City Council		-	20,000
Grant - Southland Regional Heritage Committee		610,845	590,987
Revenue from providing services	1	-	498,497
Bequests		-	-
Interest revenue		590	1,920
Total revenue		611,435	1,111,593
Expenses			
Cost of providing services	2	610,870	1,106,986
Depreciation of property, plant, and equipment	6	1,019	1,135
Total expenses		611,889	1,108,121
Surplus / (Deficit) for the year		**(454)**	**3,472**
Other comprehensive revenue and expenses			
		-	-
Total other comprehensive revenue and expenses for the year		-	-
Total comprehensive revenue and expense for the year		**(454)**	**3,472**
Surplus / (Deficit) attributable to:			
Owners of the parent entity		(454)	3,472
		(454)	**3,472**
Total comprehensive revenue and expense attributable to:			
Owners of the parent entity		(454)	3,472
		(454)	**3,472**

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

Southland Museum & Art Gallery Trust Board Inc

STATEMENT OF CHANGES IN NET ASSETS/EQUITY AS AT 30 JUNE 2021

	Attributable to owners of the parent entity			
	Retained surplus $	Restricted reserve $	Special purpose reserve $	Total equity $
Balance at 1 July 2020	**938,674**	**268,601**	**38,504**	**1,245,779**
Surplus / (Deficit) for the year	3,472			3,472
Total other comprehensive revenue and expenses for the year	-			-
Transfers	(270)	2,064	(1,794)	-
Balance at 31 December 2020	**941,876**	**270,665**	**36,710**	**1,249,251**
Balance at 1 July 2021	**952,385**	**251,792**	**36,717**	**1,240,894**
Surplus / (Deficit) for the year	(454)			(454)
Total other comprehensive revenue and expenses for the year	-			-
Transfers	(21)	13	8	-
Balance at 31 December 2021	**951,910**	**251,805**	**36,725**	**1,240,440**

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

Southland Museum & Art Gallery Trust Board Inc

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 $	2020 $
Assets			
Current assets			
Cash and cash equivalents	3	193,062	242,693
Receivables	4	32,038	33,662
Other financial investments	5	207,821	206,995
Total current assets		432,921	483,350
Non-current assets			
Property, Plant and Equipment	6	868,734	838,807
Total Non-current assets		868,734	838,807
TOTAL ASSETS		**1,301,655**	**1,322,157**
Liabilities			
Current Liabilities			
Payables and accrued expenses	7	8,446	20,137
Unused grants with conditions	8	52,769	52,769
TOTAL LIABILITIES		**61,215**	**72,906**
NET ASSETS		**1,240,440**	**1,249,251**
Equity			
Retained surplus		951,910	941,876
Restricted reserve	9	251,805	270,665
Special purpose reserve	9	36,725	36,710
		1,240,440	**1,249,251**

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

Southland Museum & Art Gallery Trust Board Inc

CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Receipts from grants and donations		610,845	611,177
Receipts from providing services		-	498,497
Interest receipts		65	1,930
Payments to suppliers		(627,132)	(1,097,871)
GST (net)		(1,764)	(265)
Net cash flows from operating activities		(17,986)	13,468
Cash flows from investing activities			
Receipts from sale of investments		-	218,874
Payments to acquire property, plant and equipment		(32,081)	(1,800)
Payments to acquire investments		-	(200,666)
Net cash flows from investing activities		(32,081)	16,408
Net increase/(decrease) in cash & cash equivalents		(50,067)	29,876
Cash & cash equivalents at the beginning of the financial year		243,129	212,817
Cash & cash equivalents at the end of the financial year	3	**193,062**	**242,693**

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

STATEMENT OF ACCOUNTING POLICIES FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

REPORTING ENTITY

The reporting entity is Southland Museum & Art Gallery Trust Board Inc (the "Trust"). The Trust is domiciled in New Zealand and is a charitable organisation incorporated in New Zealand under the Charitable Trusts Act 1957.

The purpose of the Trust is to ensure prudent administration of the Museum collections and to monitor the management contract, which is currently with the Invercargill City Council.

The financial statements were approved and authorised for issue by the board of Trustees on 10 February 2022.

STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with NZ GAAP. They comply with Tier 2 PBE (RDR) accounting standards on the basis the Trust is not considered publically accountable or large with expenditure under $30 million per annum. All available disclosure concessions have been applied.

CHANGES IN ACCOUNTING POLICIES

There are no changes in accounting policies during the period. All accounting policies have been consistently applied throughout the period covered by these financial statements.

BASIS OF PREPARATION

The preparation of financial statements in conformity with Tier 2 PBE accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and in future periods if the revision affects both current and future periods.

The financial statements have been prepared on the basis of historical cost, except for heritage assets and the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. Heritage assets are valued as per Property Plant and Equipment, Heritage Assets policy.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The financial statements have been prepared with unaudited prior year numbers. This is due to a delay in the audit process that has been comuicated to the Board.

The financial statements have been prepared on a going concern basis, and the accounting policies set out below have been applied consistently to all periods presented in these financial statements.

New Zealand dollars are the Trust's functional and presentation currency.

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

STATEMENT OF ACCOUNTING POLICIES FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

The following accounting policies which materially affect the measurement of results and financial position have been applied:

SIGNIFICANT ACCOUNTING POLICIES

REVENUE

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and GST.

Grants and Donations

Council, government, and non-government grants are recognised as revenue when the funding is receivable unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Interest revenue

Interest revenue is recognised on an accrual basis.

Revenue from providing services

Revenue from services rendered is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. The stage of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services to be performed.

Donated Services

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

TAXATION

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

GOODS AND SERVICES TAX

Revenues, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Trust's Statement of Financial Position when the Trust becomes a party to contractual provisions of the instrument. The Trust is party to financial instruments as part of its normal operations. These financial instruments include cash and cash equivalents (including bank overdraft), trade and other receivables, other financial assets, trade and other payables and borrowings. The relevant accounting policies are stated under separate headings.

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss which are initially valued at fair value.

(1) Financial Assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The category determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Trust's financial assets are classified as financial assets at fair value through surplus or deficit, loans and receivables or as available for sale financial assets. The Trust's financial assets include: cash and cash equivalents, short-term investments and receivables.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(2) Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments or a derivative that is a financial guarantee contract.

(3) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalents, receivables transactions fall into this category of financial instruments.

(4) Available for sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

(5) Impairment of financial assets

The Trust assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there are any objective evidence of impairment, the Trust first assesses whether there are objective evidence of impairment for financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Trust determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial asset with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

(6) Financial liabilities

The Trust's financial liabilities include trade and other creditors.

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

PROPERTY, PLANT AND EQUIPMENT

The Trust has the following classes of property, plant and equipment:

(A) Land and buildings assets
(B) Heritage assets

(A) LAND AND BUILDINGS ASSETS

Cost / Valuation

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The Trust has elected not to revalue property plant and equipment and record the asset value on the cost basis.

Additions

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

Cost includes expenditure that is directly attributable to the acquisition of the assets. In most instances, an item of property, plant and equipment is recognised at cost. Where an asset is acquired through a non-exchange transaction, or for a nominal cost, it is recognised at fair value at the date of acquisition.

Depreciation

Depreciation is calculated as detailed below:

Operational Assets	**Rate**
Buildings	2% SL
Fit-out	9 - 40% DV

Expenditure incurred to maintain these assets at full operating capability is charged to the Statement of Financial Performance in the year incurred.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

Disposals

An item of property, plant and equipment is derecognised upon disposal or recognised as impaired when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Financial Performance in the period the asset is derecognised.

(B) HERITAGE ASSETS

The Southland Museum & Art Gallery Trust Board owns an extensive collection of material and information relating to natural, cultural and scientific heritage.

Heritage assets are valued at cost or fair value at the date of acquisition and are not depreciated.

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

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

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

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

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

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

The collection is valued at $10,380,000 for insurance purposes.

IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset is not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential. In assessing value in use for cash-generating assets, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in the Statement of Financial Performance immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

RESERVES

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or established by the Trust.

Restricted reserves are subject to specific conditions. Expenditure or transfers from these reserves may be made only for certain specified purposes.

Special purpose reserves are reserves established by decisions made by the Trust. The Trust may alter them without reference to any third party. Expenditure or transfers to and from these reserves is based on established policy.

SIGNIFICANT ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key Sources of Estimation Uncertainty

Judgements made by management in the application of Tier 2 PBE accounting standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements. Key Sources of Estimation Uncertainty include:

- Estimating the remaining useful life of various items of property, plant and equipment. If the useful life does not reflect the actual consumption of benefits of the asset, the Trust could be over or under estimating the depreciation charge recognised as an expense in the Statement of Financial Performance.

- Determining whether the conditions of a grant has been satisfied, to determine whether the grant should be recognised as revenue in the Statement of Financial Performance. This judgement will be based on the facts and circumstances that are evident for each contract.

Estimates and judgements are continually evaluated and are based on historical experience and other functions, including expectations of future events that are believed to be measurable under the circumstances.

Key Assumptions

The Trust and its stakeholders have agreed to undertake a restructure of the Trusts' governance structure. The Council stakeholders are to contribute their views to the board on changes to the trust deed before the board agree the future structure. It has also been agreed to transfer the management of the museum operations, including future museum redevelopments, to the Invercargill City Council. The Trust will continue to operate as the guardians / owners of the collection. These changes are expected to be carried out in the 2021/22 year.

1 *REVENUE FROM PROVIDING SERVICES*

	2021 $	2020 $
Service contract - Invercargill City Council	0	498,497
Total revenue from providing services	0	498,497

2 *COST OF PROVIDING SERVICES*

	2021 $	2020 $
Operating costs	25	17,503
Management Fee - Invercargill City Council	610,845	1,089,483
Total cost of providing services	**610,870**	**1,106,986**

3 *CASH AND CASH EQUIVALENTS*

	2021 $	2020 $
Westpac Cheque account	53,633	103,336
Westpac Redevelopment Account	70,354	70,319
Bank accounts		
- Bequest	43,621	43,598
- Baird Library	742	742
- Capital acquisition	24,712	24,698
Total cash and cash equivalents	193,062	242,693

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

4 *RECEIVABLES*

	2021 $	2020 $
GST - Inland Revenue	31,285	31,955
Accrued interest - Westpac	530	-
Other receivables	223	1,707
Total Receivables	32,038	33,662

All Receivables above are recognised as non-exchange transactions

5 *OTHER FINANCIAL INVESTMENTS*

		2021 $	2020 $
Available-for-sale at fair value			
Term deposits (Bequest)	**Current**	207,821	206,995
Total Other financial investments		207,821	206,995

6 *PROPERTY, PLANT AND EQUIPMENT*

	Land & buildings Assets $	Heritage Assets $	Total $
Cost amount at 1 July 2020	**37,910**	**815,582**	**853,492**
Accumulated depreciation amount at 1 July 2020	15,350	-	15,350
Carrying amount at 1 July 2020	**22,560**	**815,582**	**838,142**
Additions	*-*	*1,800*	*1,800*
Disposals (net of accumulated depreciation)	*-*	*-*	*0*
Depreciation expense	*(1,135)*	*-*	*(1,135)*
Impairment loss	*-*	*-*	*-*
Cost amount at 31 December 2020	**37,910**	**817,382**	**855,292**
Accumulated depreciation amount at 31 December 202	16,485	-	16,485
Carrying amount at 31 December 2020	**21,425**	**817,382**	**838,807**
Cost amount at 1 July 2021	**37,910**	**815,582**	**853,492**
Accumulated depreciation amount at 1 July 2021	15,350	-	15,350
Carrying amount at 1 July 2021	**22,560**	**815,582**	**838,142**
Additions	*-*	*33,881*	*33,881*
Disposals (net of accumulated depreciation)	*-*	*-*	*-*
Depreciation expense	*(3,289)*	*-*	*(3,289)*
Impairment loss	*-*	*-*	*-*
Cost amount at 31 December 2021	**37,910**	**849,463**	**887,373**
Accumulated depreciation amount at 31 December 202	18,639	-	18,639
Carrying amount at 31 December 2021	**19,271**	**849,463**	**868,734**

The Trust has not recognised exhibits and donated art works because the value of these are not readily available. However the direct purchase costs of exhibits and art collections acquired during the year have been capitalised.

7 *PAYABLES AND ACCRUED EXPENSES*	2021 $	2020 $
Audit fee	8,446	-
Other payables	-	20,137
Total payables and accrued expenses	8,446	20,137

8 *UNUSED GRANTS WITH CONDITIONS*	2021 $	2020 $
Invercargill City Council - Redevelopment Grant	52,769	52,769
Total unused grants with conditions	52,769	52,769

The grant from the Invercargill City Council requires the Trust to spend the funds on the museum redevelopment project and has a "use or return" condition.

9 *RESERVES*	2021 $	2020 $
A) RESTRICTED RESERVES		
Estate C F Broadley - Tuatara		
Balance as at 1 July	50,180	49,119
Transfer to reserve	-	189
Interest revenue	3	343
Transfer from reserve	-	-
Balance at 30 June	50,183	49,651

The bequest requires the Trust to spend the funds on Tuatara related expenses. Although the bequest is for a specific purpose, there is no obligation to return unspent funds, so no liability has been recorded for the unspent amount.

Estate D I Alloo - Tuatara		
Balance as at 1 July	37,444	56,993
Transfer to reserve	-	-
Interest revenue	2	398
Transfer from reserve	-	- 20,071
Balance at 30 June	37,446	37,320

The bequest requires the Trust to spend the funds on Tuatara related expenses. Although the bequest is for a specific purpose, there is no obligation to return unspent funds, so no liability has been recorded for the unspent amount.

Estate D I Alloo - Natural History		
Balance as at 1 July	164,168	162,489
Transfer to reserve	-	-
Interest revenue	8	1,134
Transfer from reserve	-	-
Balance at 30 June	164,176	163,623

The bequest requires the Trust to spend the funds on Natural History Gallery related expenses. Although the bequest is for a specific purpose, there is no obligation to return unspent funds, so no liability has been recorded for the unspent amount.

	2021 $	2020 $
B) SPECIAL PURPOSE RESERVES		
Education Service Reserve		
Balance as at 1 July	11,269	11,269
Transfer to reserve	-	-
Interest revenue	-	-
Transfer from reserve	-	-
Balance at 30 June	11,269	11,269

The Education Service reserve comprises the remains of a grant from the Ministry of Education for the delivery of Curriculum Support Programmes. This grant is for the Learning Experiences Outside The Classroom (LEOTC) program.

Baird Library		
Balance as at 1 July	742	742
Transfer to reserve	-	-
Interest revenue	1	-
Transfer from reserve	-	-
Balance at 30 June	743	742

The Baird Library reserve comprises for funds to be used for the purchase of books for the museum's collection

Collection acquisitions		
Balance as at 1 July	24,706	26,493
Transfer to reserve	-	-
Interest revenue	7	6
Purchases	0	(1,800)
Balance at 30 June	24,713	24,699

The Collection acquisitions reserve comprises for funds to be used for the purchase of items for the museum's collection

Total Reserves	***Balance at 30 June***	**288,530**	**287,304**

10 *COMMITMENTS*

There are no capital or operating commitments at 31 December 2021 (2019: Nil).

11 *CONTINGENCIES*

There are no known contingent liabilities or contingent assets at 31 December 2021 (31 December 2020: nil).

12 *SUBSEQUENT EVENTS*

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

OUTPUTS & OUTCOMES FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

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

The Collections: **Caring for, developing, and researching collections.**				
Outputs	**Strategies to achieve Outputs**	**2020/21 Outcome**	**2020/21 Target**	**2019/20 Outcome**
The collection is developed to enable the Museum to document, illustrate and explore Southland's unique natural and cultural heritage	• Collection management policies are reviewed as required.	Governance documentation under review; Firearms policies and procedure are complete. Acquisition and deaccessioning policy is currently under review.	One review annually	To be carried out in second half of year
	• New acquisitions are considered according to the Collection Management Policy. (minimal acquisitions desired while museum building is closed)	100% of objects acquired are considered	100% of objects acquired are considered	100% of objects acquired are considered
	• New acquisitions are entered into Vernon Collection Management System (CMS) to the level of Stripped Stage 1.	0 records, due to loss of Registrar	1,000 records	359 records
	• Existing CMS records are updated to Stage 1 (Full Documentation). Stage 1 is designed to make the updated records searchable, identify key hazards, and ensure that the items ready for relocation.	9,445 records	2,400 records	498 records
	• Collections items to have digital images made.	907 records	0 items (Photography will only be undertaken as required for the purposes of condition reporting, online presence, and the temporary gallery space.)	45 items

OUTPUTS & OUTCOMES FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

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

The Collections: Caring for, developing, and researching collections.				
Outputs	**Strategies to achieve Outputs**	**2020/21 Outcome**	**2020/21 Target**	**2019/20 Outcome**
The collection is prepared for removal from the building by 2021/22 (4 years)	• Pack items for storage and transportation. Stage 2a of the current Collection Relocation Plan involves packing and physically readying objects for relocation. Stage 2b of the current Collection Relocation Plan involves implementing a temporary transporting/packing solution for objects to be safely transported off-site.	14,562 records	2,000 records across Stage 2a and 2b.	614 records
Collections are maintained in optimal conditions for their long term preservation.	• Storage space is kept at temperature of 19oC±1oC, percentage of time in range.	Minimal variations outside the range. Range to be reviewed in accordance with contemporary Collection Management procedures.	Minimise variance	Variations outside range
Collections are maintained in optimal conditions for their long term preservation.	• Storage space is kept at humidity of 50%±5%, percentage of time in range	Minimal variations outside the range. Range to be reviewed in accordance with contemporary Collection Management procedures.	Minimise variance	Variations outside range
	• Storage space is monitored for infestation by pests and moulds.	Ongoing monitoring of traps and all procedures followed	Minimum pests, moulds and pollutants found.	Minimum pests, moulds and pollutants found.
	• A procedure to minimise deterioration by light is followed.	Followed	Followed	Followed
	• A procedure to avoid loss or damage to objects in the collection or on loan is followed.	Followed	Followed	Followed

STATEMENT OF SERVICE PERFORMANCE FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

OUTPUTS & OUTCOMES FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

The Community: **Be the facilitator , connector, activator, conductor and co-creator working with community**				
Outputs	**Strategies to achieve Outputs**	**2020/21 Outcome**	**2020/21 Target**	**2019/20 Outcome**
Maintain strong relationships with iwi over issues relating to the collections, exhibitions and tuatara management	• Iwi Liaison Komiti (representing the four Southland runanga; Waihopai, Oraka-Aparima, Hokonui, Awarua) meets regularly.	One meeting	Four meetings	Two meetings
Promotion of a museum presence	• Develop & implement a marketing strategy for a museum presence.	Increased presence of He Waka Tuia via online platforms and local media	Develop by December 2019 & implement by June 2020	Marketing strategy was developed by December 2019 and implemented prior to the opening of He Waka Tuia.
	• Provide outreach to other museums and related organisations in the region and community.	Supported Bluff Maritime Museum, Te Hikoi, IPAG, Miharo and other organisations in Invercargill and Southland in information, exhibtion installation and professional development.	No target	Much of the curatorial outreach has been focused on Dawn Raids exhibition tour and "The Last Tour" documentary with Heritage South

OUTPUTS & OUTCOMES FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

The Experience:
Interactive and social connections. A whole brain learning – sparking memories of lifetime connections with the past and the future, connecting with the mauri of our taonga, celebrating our land, people and culture.

Outputs	Strategies to achieve Outputs	2020/21 Outcome	2020/21 Target	2019/20 Outcome
Establish a temporary museum presence within the city.	• Deliver short-term exhibitions within the museum presence.	Eight exhibitions achieved against annual target of four.	Four exhibitions.	He Waka Tuia was opened on 12 September 2020. The first exhibition has had a change over in December.

The Development:
Planning, consulting and establishing a future direction.

Outputs	Strategies to achieve Outputs	2020/21 Outcome	2020/21 Target	2019/20 Outcome
Establish a clear strategic direction for the SMAGTB and the future of the museum (including collection and building on the current site)	• Establish concept design plans for a future museum on the current site.	Museum Governance Group established by ICC in July 2021.	Complete by June 2021	N/A*
	• Establish funding plans for a future museum on the current site.	The current site and alternative options were reveiwed by MGG and reported to ICC in December 2021.	Complete by June 2021	N/A*
	• Promote plans for a future museum on the current site.	The requirements for a future Museum and Art Gallery were reviewed by the MGG and reported to ICC in December 2021.	Develop by June 2021	N/A*
	• Begin developing plans for the museum collection, including storage and public accessibility.	Museum storage was reviewed as part of the MGG work programme. A number of sites were reviewed, and consultation has included the engagement of the Regional Museum sector. A shortlist of sites and opportunities was presented to ICC in December 2021.	Complete by June 2021	N/A*