SOUTHLAND REGIONAL HERITAGE COMMITTEE

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

SOUTHLAND REGIONAL HERITAGE COMMITTEE

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SOUTHLAND REGIONAL HERITAGE COMMITTEE

ENTITY INFORMATION FOR THE YEAR ENDED 30 JUNE 2023

Legal name
Southland Regional Heritage Committee

Type of entity and legal basis
The Southland Regional Heritage Committee is a committee formed and domiciled in New Zealand.

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

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

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

The Reporting Period of the committee is for the year ended 30 June 2023.

Committee members

Cr L Soper	Invercargill City Council
Cr B Stewart	Invercargill City Council
Cr P Duffy (Chairman)	Southland District Council
Cr C Menzies	Southland District Council
Cr B Reid	Gore District Council
Cr N Phillips	Gore District Council
E Cook	Iwi Representation

Registered office
C/- Invercargill City Council
101 Esk Street
Invercargill

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

Bankers
Bank of New Zealand
84 Esk Street, Invercargill

Solicitors
Preston Russell Law
45 Yarrow Street, Invercargill

Auditor
Audit New Zealand
on behalf of the Auditor - General

SOUTHLAND REGIONAL HERITAGE COMMITTEE

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 $
Revenue			
Council funding	*1*	1,900,554	1,877,493
External funding		205,735	46,215
Interest		44,429	9,141
TOTAL REVENUE		2,150,718	1,932,849
Expenses			
Audit fees		15,538	6,663
Depreciation	4	2,284	3,762
Grants made	2	1,510,170	1,547,932
Other expenses		326,836	395,452
TOTAL EXPENSES		1,854,828	1,953,809
TOTAL SURPLUS / (DEFICIT)		**295,890**	**(20,960)**

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

SOUTHLAND REGIONAL HERITAGE COMMITTEE

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 $	2022 $
Assets			
Current assets			
Bank accounts and cash		686,559	618,305
Other Financial Investments		400,000	400,000
GST receivable		11,027	-
TOTAL CURRENT ASSETS		**1,097,586**	**1,018,305**
Non-current assets			
Property, plant and equipment	4	4,308	6,592
TOTAL NON-CURRENT ASSETS		**4,308**	**6,592**
TOTAL ASSETS		**1,101,894**	**1,024,897**
Liabilities			
Current liabilities			
Creditors and accrued expenses	3	154,946	187,868
GST payable		-	17,638
Revenue Received in Advance		133,416	245,500
TOTAL CURRENT LIABILITIES		**288,362**	**451,006**
Creditors and accrued expenses	3	-	56,250
TOTAL NON-CURRENT LIABILITIES		**-**	**56,250**
TOTAL LIABILITIES		**288,362**	**507,256**
TOTAL ASSETS less TOTAL LIABILITIES		**813,531**	**517,641**
Equity			
Contributed capital	5	137,514	137,514
Accumulated surpluses	5	676,017	380,127
TOTAL COMMITTEE EQUITY		**813,531**	**517,641**

CHAIRMAN
29th September 2023

COMMITTEE MEMBER
29th September 2023

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

SOUTHLAND REGIONAL HERITAGE COMMITTEE

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Receipts of council funding		1,994,205	2,169,209
Interest receipts		44,429	9,141
Payment of grants		(1,585,171)	(1,622,932)
Payments to suppliers		(356,544)	(365,827)
GST (net)		(28,665)	41,054
Net cash flow from / to operating activities		**68,254**	**230,645**
Cash Flows from investing and financing activities			
Purchase of property, plant, and equipment		-	-
Sale of Investments		800,000	800,000
Purchase of Investments		(800,000)	(800,000)
Net cash flow from / to investing and financing activities		-	-
Net increase/ (decrease) in cash		68,254	230,645
Opening cash balance		618,305	387,660
CLOSING CASH BALANCE		**686,559**	**618,305**

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

SOUTHLAND REGIONAL HERITAGE COMMITTEE

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2023

ACCOUNTING POLICIES APPLIED

BASIS OF PREPARATION

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

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

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

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

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

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

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

SIGNIFICANT ACCOUNTING POLICES

CREDITORS AND ACCRUED EXPENSES

Creditors and accrued expenses are measured at the amount owed.

DEBTORS

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

BANK ACCOUNTS AND CASH

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

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is shown at cost, less accumulated depreciation and impairment losses.

Additions

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

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Financial Performance.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the committee and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a diminishing value basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated based over the economic life of the assets.

- Plant and Equipment	25-50% DV

REVENUE

Revenue is measured at the fair value of consideration received.

GRANTS

Council grants are recognised as revenue when the funding is received 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

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

GRANT EXPENDITURE

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

DISCRETIONARY GRANT

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

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

GOODS AND SERVICES TAX

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

STATEMENT OF CASH FLOWS

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

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

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

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

TAX

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

CHANGES IN ACCOUNTING POLICIES

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1 *Council funding*

	2023 $	2022 $
Southland District Council	660,021	638,208
Invercargill City Council	1,002,820	1,009,068
Gore District Council	237,713	230,217
Total council funding	**1,900,554**	**1,877,493**

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

2 *Grants made*

	2023 $	2022 $
Southland Museum & Art Gallery Trust	1,244,661	1,221,691
Gore District Council	198,002	193,361
Southland District Council	-	-
Discretionary Grants	67,507	132,880
Total grants made	**1,510,170**	**1,547,932**

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

3 *Creditors and accrued expenses*

	2023 $	2022 $
Accrued committed expenses	139,408	237,455
Venture Southland	-	-
Audit fees	15,538	6,663
Creditors	-	-
Total creditors and accrued expenses	**154,946**	**244,118**

Accrued committed expenses includes $56,250. This is funding for the RMO till 31 March 2024.

4 *Property, plant & equipment*

	Plant $	Total $
Carrying amount at 1 July 2021	10,354	10,354
Additions	-	-
Disposals (net of accumulated depreciation)	-	-
Depreciation expense	(3,762)	(3,762)
Carrying amount at 30 June 2022	**6,592**	**6,592**
Carrying amount at 1 July 2022	6,592	6,592
Additions	-	-
Disposals (net of accumulated depreciation)	-	-
Depreciation expense	(2,284)	(2,284)
Carrying amount at 30 June 2023	**4,308**	**4,308**

5 *Equity*

	2023 $	2022 $
Contributed capital		
Balance at 1 July	137,514	137,514
Capital contribution	-	-
Balance at 30 June	**137,514**	**137,514**
Accumulated surpluses		
Balance at 1 July	380,127	401,087
Surplus/(deficit) for the year	295,890	(20,960)
Balance at 30 June	**676,017**	**380,127**
TOTAL EQUITY	**813,531**	**517,641**

6 *Related Parties*

		2023 $	2022 $
The committee paid grants to **Southland Museum & Art Gallery Trust Board** *(Related through joint involvement with 3 councils)*	Value for year	1,244,661	1,221,691
	Balance outstanding	-	-
The committee paid grants to **Gore District Council** *(Related through joint involvement with 3 councils)*	Value for year	198,002	193,361
	Balance outstanding	-	-
The committee has reimbursed **Invercargill City Council** for operational expenses incurred on behalf of the committee *(2 committee members are part of Invercargill City Council)*	Value for year	661	-
	Balance outstanding	-	-
The committee received grants from **Invercargill City Council** *(2 committee members are part of Invercargill City Council)*	Value for year	1,002,820	1,009,068
	Balance outstanding	-	-
The committee received grants from **Southland District Council** *(2 committee members are part of Southland District Council)*	Value for year	660,021	638,208
	Balance outstanding	-	-
The committee received grants from **Gore District Council** *(2 committee members are part of Gore District Council)*	Value for year	237,713	230,217
	Balance outstanding	-	-
The committee has reimbursed **Venture Southland** now referred as **Southland Regional Development Agency T/A Great South** for operational expenses incurred on behalf of the committee *(2 committee members are part of Venture Southland)*	Value for year	-	6,645
	Balance outstanding	-	-
The committee has reimbursed **Gore District Council** for operational expenses incurred on behalf of the committee *(2 committee members are part of Gore District Council)*	Value for year	321,690	381,048
	Balance outstanding	95,632	122,136
The committee has reimbursed **Kathleen Simmonds** *(prepares financial statements for meetings)*	Value for year	225	-
	Balance outstanding	-	-

7 ***POST BALANCE DATE EVENTS***

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

8 ***CONTINGENCIES***

There are no known contingent liabilities or contingent assets at 30 June 2023 (2022: nil).

9 ***COMMITMENTS***

The Committee has outstanding commitments of grants approved but not paid as at 30 June 2023 of $10,500 (2022: $105,000).

The Committee has outstanding operational commitment approved but not paid as at 30 June 2023 of $32,986 (2022 : 32,986).

There is no capital commitments as at 30 June 2023 (2022 : Nil).

10 ***TAX***

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

12 ***STATEMENT OF INTENT***

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

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