

Canterbury Museum Annual Plan

For the financial year
1 July 2025 to 30 June 2026



Approved 9 June 2025





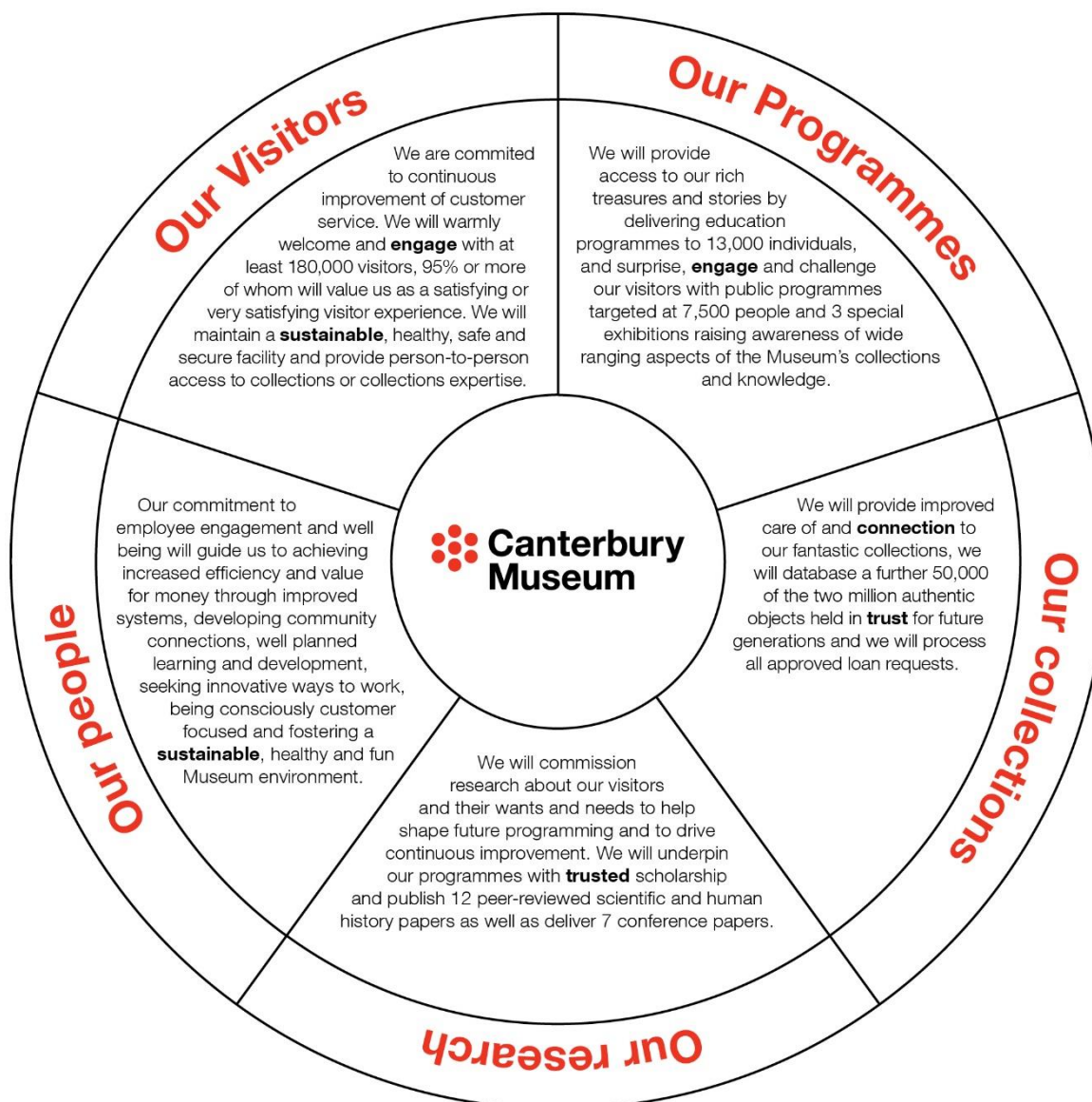
Top: Strengthening works on the Robert McDougall Gallery
Above: Propping on the Rolleston Avenue grade 3 listed facade
Front Cover: Exposed western end of 1882 building following demolition of the Roger Duff Wing
 Photographs taken February 2025.

Contents

1. Introduction.....	5
1.1 Executive Summary	6
1.2 Vision and Values Statement	8
1.3 The Museum Organisation.....	8
1.4 Organisational Chart.....	9
2. Requirements of the Canterbury Museum Trust Board Act 1993.....	10
3. 2025/26 performance objectives	12
4. Budget	14
4.1 Introduction	14
4.2 Operational budget	15
4.3 Capital Budget	16
5. Summary of significant accounting policies	19
6. Seven-year forecasts.....	23
6.1 Introduction	23
6.2 Seven-year forecast – operations	24
6.3 Seven-year forecast – capital.....	25
6.4 Operations and capital levies	26

Our Contract 2025/26

We contract with our community to deliver these great things in return for our annual funding.



Operating budget 2025/26

Revenue	Levy	\$11,043,189
Expenses	Employment remuneration	7,244,030
	Collections & Research	2,001,466
	Public Engagement	1,667,473
	Operations	862,480
		11,775,449
Net Deficit from base operational activities		(732,260)
Self-generating revenue		1,611,747
Self-generating expenditure		(889,870)
Net operating deficit		(10,383)

1. Introduction

Canterbury Museum Trust Board maintains and develops Canterbury Museum in Ōtautahi Christchurch, Aotearoa New Zealand.

Since July 2023, we have operated the *Canterbury Museum Pop-Up* at 66 Gloucester Street. This will continue until the new Museum on Rolleston Avenue is reopened in mid 2029. The pop-up Museum is proving to be very successful, maintaining our presence in the central city and attracting very good visitor numbers.

Quake City, the Museum's special exhibition telling stories from the Waitaha Canterbury earthquakes, has continued to see record visitor numbers, exceeding pre-Covid levels. Ravenscar House Museum, which the Museum owns and operates is also benefitting from increased visitor numbers. The house museum, gifted by Jim and Susan Wakefield through their Ravenscar Trust, opened in November 2021. The building is an award-winning architectural gem and a home to Jim and Susan's extraordinary collection of New Zealand art and objects, and classical antiquities.

The objectives of Canterbury Museum as expressed in the Canterbury Museum Trust Board Act 1993 are:

- To collect, preserve, act as a regional repository for, research, display and otherwise make available to the people of the present and future, material and information relating to the natural and cultural heritage of New Zealanders
- To promote interest and education in the natural and cultural heritage of New Zealanders
- To place particular emphasis on those activities as they relate to the greater Canterbury region, the Antarctic and Subantarctic, and where appropriate, their relationships in a wider global context.

In 2022 the Canterbury Museum Trust Board approved a Strategic Plan to be implemented through successive annual plans up to 2027.

This Annual Plan presents the Board's operational and developmental priorities for the year 2025/26 within the setting of the Strategic Plan. In 2023, the Board also adopted Te Rautaki Kākano Rua, a bicultural strategy which will guide our development over the next 5 years.

The Board acknowledges the ongoing major financial support of Christchurch City Council, Hurunui District Council, Selwyn District Council, Waimakariri District Council, the New Zealand Government, Mason Foundation, R S Allan Memorial Fund, Adson Trust and Friends of the Canterbury Museum.

1.1 Executive Summary

In 2025/26 the overall intent is to focus on five main streams of work.

- The continuation of Business as Usual through operating the *Canterbury Museum Pop-Up*, *Quake City* and Ravenscar House Museum. We will continue to stage temporary exhibitions, public programmes and events (including in outreach locations within the four contributing council areas such as public libraries and community facilities). Museum educators will continue to deliver programmes in schools throughout the funding areas. The day-to-day operations of the Museum in collections care and documentation, research, building maintenance and security will continue as usual.
- Providing strategic direction, guidance and support to the Museum redevelopment project through a Project Control Group comprising two Museum Trust Board members, the Tumuaki | Director, Project Director, Lead Architect, Cost Manager, representative of local government funding bodies and an independent construction industry advisor. Deliver the following key milestones in the year:
 - Complete the strengthening of the Robert McDougall Gallery with the temporary support structure and piles so that the building can be separated from the existing basement. Demolish and excavate the old basement.
 - Complete the 12-metre-deep outer basement wall around the perimeter of the Gallery and the area where the twentieth Museum buildings have been demolished. This will create the outside wall of what will become the Museum's base-isolated collection storage basement.
 - Start construction of the base-isolated basement and new 5-level above ground building, following the contract award to Leighs Construction, November 2024.
- Planning and raising the funds required to complete the redevelopment Phase 1 Construction Project and the Phase 2 New Visitor Experience development and implementation.
- With the projected total cost of the redeveloped Museum now \$247 million, up 20.5% from \$205 million in 2022, we are focused on bridging the current funding shortfall of \$86.6 million.
- Planning, developing and building the New Visitor Experience (NVE) for the new Museum in consultation with our communities and stakeholders. We have started 28 of the 60 plus NVE projects to date. These include new exhibition and displays, reinstalling old favourites, *Fred and Myrtle's Paua Shell House* and *The Christchurch Street*, and reimagining *Discovery* and the Antarctic Gallery spaces. We will start work on a further 18 NVE projects in the 2025/26 year.
- Maintaining momentum of the Inventory Project, working through the entire collection – about 2.3 million objects – to ensure that every object has a record in the Vernon database, with an up-to-date location and a photograph where appropriate. This is an essential contribution to the New Visitor Experience work over the next 5 years.

Alongside the physical redevelopment of the Museum and the projects to advance the visitor experience and inventory of the collection, we have embarked on a cultural redevelopment journey, in partnership with mana whenua. Our aim is to develop and deepen relationships with mana whenua as we reimagine and redevelop not just the buildings, but the institution itself.

Principal activities to be carried out by the Museum during 2025/26 appear in the Performance Objectives (Section 3) and are summarised below.

Our Visitors

- Achieve visitor numbers of 180,000 across all sites and maintain a highly-rated visitor experience.
- Ensure visitors remain in a safe environment with no notifiable events.

Our Programmes

- Develop, deliver and evaluate 3 special exhibitions, education programmes to 13,000 individuals and public programmes to 7,500 people.
- Maintain or increase current levels of activity in other operational areas, eg responding to enquiries, achieving media hits, participating in external organisations and providing research advice support.

Our Collections

- Continue the inventory project which is recording and verifying every object in the Museum collection.
- Continue to make collections more accessible by adding records and images to Collections Online.

Our Research

- Research and produce papers for the *Records of the Canterbury Museum* and other publications.
- Present research papers at conferences and continue to maintain adjunct positions in allied research institutions.

Our people and working environment

- Maintain healthy, safe, secure facilities for our visitors and staff.
- Support staff with learning and development initiatives.

Museum Redevelopment Construction Project

- Deliver construction milestones for the redevelopment to agreed targets.

New Visitor Experience

- Plan and manage development of the New Visitor Experience.
- Develop and implement fundraising strategy for the New Visitor Experience.

Projects & Strategy Delivery

- Complete a Museum-wide IT strategy review.
- Complete business cases for redevelopment operations.

1.2 Vision and Values Statement

He kōpapa taonga, he pātaka korero, hei kai mā Waitaha, hei kai mā te ao

A storehouse of treasures, a repository of knowledge for Canterbury and for the world

Te Whakatakanga Our Mission

Celebrating Waitaha Canterbury and discovering the world through innovative, accessible and sustainable collection care, public programmes and research.

Ā Mātou Mahi What we do

Canterbury Museum acquires and cares for world-wide collections of human and natural history, with a focus on the Ngāi Tahu rohe, Waitaha Canterbury and the Antarctic.

Access to these collections drives research, inspires learning and ignites imagination through stories that surprise and delight our visitors.

Ō Mātou Tikanga The Values We Live By

We ENGAGE positively with our visitors.

We work COLLABORATIVELY with each other and with our communities.

We are ACCOUNTABLE for what we do.

We always act with INTEGRITY.

1.3 The Museum Organisation

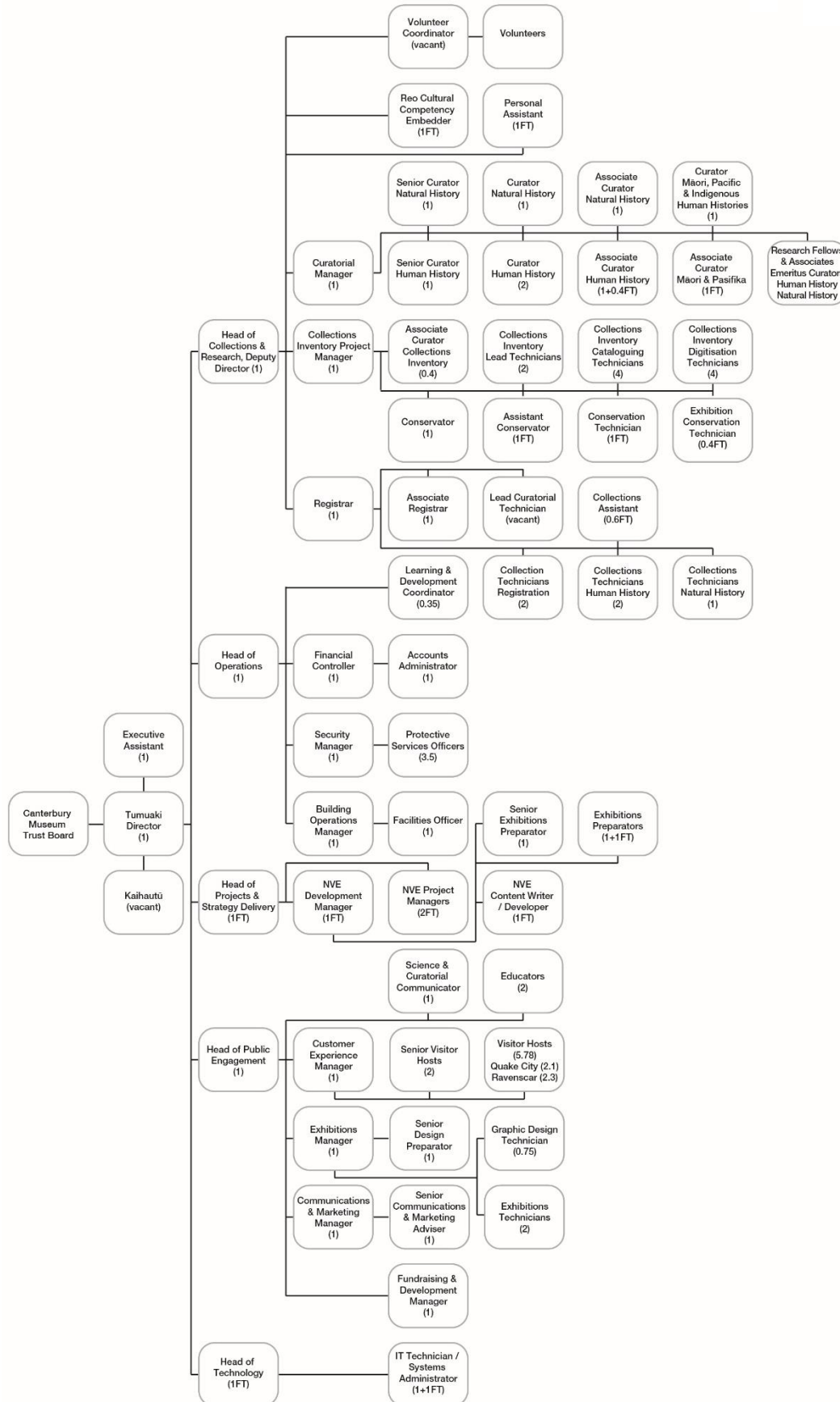
Canterbury Museum is governed by the Canterbury Museum Trust Board. The appointment of trustees and the Board's responsibilities are set out in the Canterbury Museum Trust Board Act 1993.

The Museum has recently reviewed its organisational structure given the needs of developing the visitor experience for the new Museum over the next four years. It is anticipated that at the beginning of the 2025/26 financial year there will be 84 full-time equivalent (FTE) establishment and fixed term staff (which is an increase from 79 FTE last year):

Directorate	2.00
Collections and Research	35.80
Public Engagement	24.93
Operations	9.85
New Visitor Experience	8.00
Technology	3.00

Due to the high level of rostering in front-of-house positions the 84 FTE is represented by approximately 88 staff (83 staff last year).

1.4 Organisational Chart



2. Requirements of the Canterbury Museum Trust Board Act 1993

Section 15 of the Canterbury Museum Trust Board Act 1993 requires that:

- (1) The Board shall prepare and adopt, for each financial year ending with 30 June, an annual plan which outlines:
 - (a) In particular terms for the financial year in which the plan is adopted and in general terms for each of the following two financial years:
 - (i) The intended significant policies and objectives of the Board
These are outlined in Sections 1 and 5. A detailed Operating (Policy and Procedures) Manual is available for inspection at the office of the Director.
 - (ii) The nature and scope of significant activities to be undertaken
These are outlined in Section 3.
 - (iii) Performance objectives together with performance targets and other measures by which performance may be judged in relation to the objectives
These are set out in Section 3.
 - (b) In particular terms for the financial year in which the report is adopted, and in general terms for each of the following two financial years, in total and for each significant activity of the Board:
 - (i) The indicative costs, including an allowance for depreciation of plant
These are set out in Section 4.
 - (ii) The sources of funds and the amount of any proposed levies
These are set out in Section 4.
- (2) The plan shall include an explanation of any significant changes between policies, objectives and activities, and performance targets specified in the plan as being those for the financial year in which the plan is adopted and those specified in the plan for the immediately preceding financial year as being those for the financial year in which the plan is adopted.

There are no significant changes between the objectives, activities and performance targets specified in the plan as between those in this 2025/26 financial year and those for the immediately preceding 2024/25 financial year.

The Museum will continue to fulfil the current year (2024/25) objectives.
- (3) The draft annual plan shall be referred to contributing authorities for a period of six weeks concluding no later than 31 May in each year or such earlier date as agreed by mutual consultation with contributing authorities.

This draft annual plan was referred to the contributing Local Authorities for a period of six weeks from Friday 14 March 2025 concluding on Friday 25 April 2025.
- (4) The Board shall consider all submissions received in respect of the draft annual plan and amend it as considered appropriate prior to adoption by the Board no later than two weeks following the period referred to in subsection (3) of section 15.
- (5) A copy of the annual plan, when adopted, shall forthwith be sent to each contributing local authority.

Section 16 of the Canterbury Museum Trust Board Act 1993 requires that:

- (1) The levies proposed in the draft annual plan shall be deemed to have been approved by all contributing authorities and binding on them once the annual plan is adopted unless either the Christchurch City Council or 2 or more of the remaining contributing

authorities give notice in writing objecting to the levies proposed therein during the period referred to in section 15(3).

- (2) Within 14 days of the receipt of such notice, the Board shall convene a meeting of all contributing authorities to be held not later than 1 month following that date referred to in Section 15(3) of this Act.
- (3) At that meeting each contributing authority may be represented by 1 delegate. The delegates attending the meeting shall hear such submissions as the Board may make in support of its budget and levy. The Christchurch City Council or not less than 3 other contributing authorities may resolve that the total levy be reduced to an amount being not less than the total levy made in respect of the previous year.



Araiteuru will be the Māori heart of the new Museum. Image: Athfield Architects

3. 2025/26 performance objectives

Our KPI's for 2025/26 prioritise mahi towards New Visitor Experience (NVE) and Inventory Project, while maintaining the needs of our community with Business as Usual.

The following performance objectives describe the principal activities to be carried out by the Museum during the 2025/26 year.

In addition, there will be many other activities furthering the overall objectives of the Museum contained in the 2025/26 Performance Plans of individual staff members.

	Objectives	Targets
1.	Our visitors	
1.1	Achieve visitor numbers	180,000
1.2	Achieve visitor donations	\$70,000
1.3	Achieve % of visitors rating their Museum experience as satisfied or very satisfied	≥ 95%
1.4	Achieve visitor numbers for <i>Quake City</i>	85,000
1.5	Ensure staff have completed relevant customer service training	95%
1.6	Ensure all Museum premises occupants remain in an environment where zero Notifiable Events arise through negligence of the PCBU's business or undertaking	Achieve
1.7	Number of unique visits to Museum websites by our digital visitors	230,000
1.8	Social media engagement (eg comments, interactions, shares, likes)	150,000
2.	Our programmes	
2.1	Develop, deliver and evaluate 3 special exhibitions	3
2.2	Tour an exhibit to the four local council areas to reach a visitor target of	170,000
2.3	Achieve 13,000 individuals receiving a Museum education programme throughout the contributing council areas delivered either by Museum staff or their own teacher (including 11,000 school students)	13,000 (11,000)
2.4	Achieve 7,500 individuals engaging in a Museum delivered public programme	7,500
2.5	100% of external written/phone/email enquiries will be acknowledged within 2 working days and answered within 5 working days (total number to be reported)	100%
2.6	Achieve 700 media hits (via print, broadcast, and online media)	700
2.7	Actively participate in professional associations/external bodies	40
2.8	Provide outreach advice and support to other Canterbury museums and related organisations (number of interactions)	200
3.	Our collections	
3.1	Process 100% of newly offered objects received between 1 April 2025 and 31 March 2026 in the 2025/26 financial year	100% (Max. 700 acquired)
3.2	Create new inventory records and check and verify new and existing Vernon records	50,000
3.3	Process 100% of all approved loan requests (total number of objects loaned)	100%
3.4	Provide access to collections or collections expertise in response to 100% of requests (total number to be reported)	100%
3.5	Make collections more accessible by adding records and images to Collections Online	50,000
3.6	Complete conservation treatment of collection items ready for new visitor experience	700

4.	Our research	
4.1	Peer-reviewed research papers accepted for publication	12
4.2	Publish research via popular formats, including blogs	10
4.3	Peer review external articles or supervise a thesis	15
4.4	Publish one volume of <i>Records of the Canterbury Museum</i>	1
4.5	Present conference papers	7
4.6	Adjunct positions held in research institutions	3
4.7	Undertake professional visitor survey research to drive continuous improvement	Achieve
5.	Our people and working environment	
5.1	Maximise return on investment funds within the Museum's Investment Policy	3.42%
5.2	Achieve timely audit to a pre-agreed plan with the only qualification being agreed departure from accounting standards as regards valuation and capitalisation of heritage assets	Achieve
5.3	Achieve an end-of-year financial result within budget	Achieve
5.4	Achieve learning and development hours	1,800
5.5	Review risk register quarterly for report to the Audit and Risk Committee	Achieve
5.6	Maintain healthy, safe and secure facilities in accordance with Building Compliance schedules by completing regular cyclical maintenance and achieving Building Warrants of Fitness for Museum sites	Achieve
5.7	Seek an employee engagement mean score within the two top bands of best practice, being 3.9 or higher as indicated by the annual Gallup Q12 survey, underpinned by a people and capability strategy	Achieve
5.8	Answer 100% of IT helpdesk requests within 2 working days	100%
6.	Museum Redevelopment Construction Project	
6.1	Maintain an up-to-date construction project plan	Achieve
6.2	Update construction staging plan for monthly reporting to the Board	Achieve
6.3	Report quarterly on the Redevelopment construction fundraising target to the Board	Achieve
6.4	Deliver the construction milestones to the agreed targets	Achieve
7.	New Visitor Experience	
7.1	Maintain an up-to-date project plan and manage planning for the New Visitor Experience	Achieve
7.2	Report quarterly on the Redevelopment New Visitor Experience fundraising strategy to the Board	Achieve
7.3	Lead project planning and resource management to ensure effective delivery of NVE milestones with at least 15 NVE pods launched	Achieve
7.4	10 NVE pods progressed to Developed Design stage 3	Achieve
8	Projects & Strategy Delivery	
8.1	Complete a Museum-wide IT Strategy review and improvement development project through a review of systems, processes and resourcing for technology to future-proof Museum operations	Achieve
8.2	Research, complete and present business cases for retail, merchandising, café operations, and functions/events to ELT	Achieve

4. Budget

4.1 Introduction

The level of operational levy increase requested from contributing local authorities is 3.1%.

The funded depreciation has been removed from the operating budget for the next 4 years and included as part of the capital budget funded by the contributing local authorities.

The base operating deficit for the 2025/26 financial year is (\$732,260) with a net operating deficit, including self-generated income, of (\$10,383).

In 2020 Christchurch City Council advised that they were trying to achieve substantial savings across the board, largely as a result of the Covid-19 pandemic, and requested a 0% levy increase. The resulting levy increase for 2021/22 and 2022/23 was 0.29% (effective 0% for CCC) and 0.65% (effective 0% for CCC) respectively. In 2023/24 the Board approved a budget increase of 22% for consultation. After meeting with the Councils Consultative Committee, it was agreed that depreciation for the next five years will be capitalised and added to the redevelopment project funding in each contributing council's long-term plan. Payment of this portion of the 'operating levy' as capital means Councils can borrow and thus lessen their load on rates. This resulted in a 4.5% increase in operating levies for 2023/24.

Whilst it would be preferable for the base operating result to be break-even, the Museum has agreed that we will aim for a break-even scenario after the self-generated revenue/expenditure.

The 2024/25 Annual Plan has been used as the basis for the LTP projections for the Councils. Whilst we had forecast levy increases of 5% increases for the next four years, with small surpluses and deficits, the CCC has recommended levy increases that achieve break-even. These increases are 5.4%, 3.1%, 3.7% and 7.8% (which are an average of 5.0%).

The following assumptions have been made in the draft 2025/26 operations budget.

- An operating expense inflationary adjustment of 2.5% has been applied
- Increases in remuneration spend to support the required investment in IT upgrades as we move towards the new Museum and to support the delivery of the New Visitor Experience
- A 3.0% cost of living adjustment made for remuneration expenses
- Continued deferral of Ravenscar House building depreciation
- Continued growth of *Quake City* admissions
- An operating levy increase of 3.1%.

Overhead and administration expenses are allocated to each division of Collections and Research, Public Engagement and Operations based on staff numbers.

Collection acquisitions which are funded by way of bequests and the interest income on these bequests are shown separately in the operational budget (Section 4.2).

Budgeted capital grants are recognised as the redevelopment expenditure is incurred (Section 4.3).

A detailed breakdown of revenue, expense and depreciation items is provided in the notes to the operational and capital budgets (Section 4.4).

4.2 Operational budget

CANTERBURY MUSEUM TRUST BOARD

Operational budget

	Note	Actual 2023/24	Forecast 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28
Base Operating Activities						
<i>Operating levy increase</i>		4.50%	5.40%	3.1%	3.7%	7.8%
Operating levy		10,162,377	10,711,143	11,043,189	11,451,787	12,345,026
Base Operating Expenditure						
Employee remuneration		6,001,342	6,972,474	7,244,030	7,529,108	7,855,461
Collections Research division	3	1,945,465	1,886,215	2,001,466	2,036,260	2,387,342
Public Engagement division	4	1,462,156	1,557,442	1,667,473	1,728,329	1,972,217
Operations division	5	922,713	822,499	862,480	882,149	905,425
Depreciation	6	-	-	-	-	-
		10,331,675	11,238,630	11,775,449	12,175,846	13,120,446
Base Operating (Deficit)		(169,298)	(527,486)	(732,260)	(724,059)	(775,420)
Self-Generated Revenue						
Commercial activities	1	1,680,124	1,332,900	1,502,341	1,540,573	1,582,938
Donations and grants	2	216,682	201,908	109,406	110,215	131,046
		1,896,806	1,534,808	1,611,747	1,650,787	1,713,984
Self-Generated Expenditure						
Employee remuneration		423,972	421,897	321,532	330,374	339,459
Collections & Research	3	63,597	29,177	29,406	30,215	31,046
Public Engagement	4	201,497	193,300	189,535	194,747	200,102
Operations	5	367,088	365,046	349,397	359,006	368,878
		1,056,154	1,009,420	889,870	914,341	939,485
Net Self-Generated Surplus		840,652	525,388	721,877	736,446	774,499
Net Operating Surplus/(Deficit)		671,354	(2,099)	(10,383)	12,387	(921)
Non Operating income/(expenditure)						
Investment income on Project funds	1	1,729,467	700,000	700,000	420,000	380,000
plus capital grants	7	25,821,539	31,112,000	31,889,525	57,500,758	67,631,093
plus bequest income		2,047,471	300,000	300,000	320,000	340,000
plus interest on trust and bequest funds		676,055	500,000	500,000	500,000	500,000
less relocation expenses		(470,037)	-	-	-	-
less capital levy funded depreciation	6	(1,994,184)	(1,574,100)	(1,574,100)	(1,580,600)	(1,493,400)
less bequest funded acquisitions		(3,646,868)	(500,000)	(500,000)	(500,000)	(500,000)
Net Annual Report Surplus	8	24,834,798	30,535,801	31,305,042	56,672,545	66,856,772

4.3 Capital Budget

	Note	Actual 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28
Capital expenditure		3,012,346	700,000	700,000	800,000	900,000
Asset replacement/gallery redevelopment reserve		(3,012,346)	(700,000)	(700,000)	(800,000)	(900,000)
Fixed asset expenditure	9	-	-	-	-	-
Museum Redevelopment works	7	7,127,375	31,112,000	31,889,525	57,500,758	67,631,093
Net capital budget		7,127,375	31,112,000	31,889,525	57,500,758	67,631,093

4.4 Notes to the operational and capital budgets

1 Commercial activities (exchange transactions)					
Lease income	97,162	86,005	95,026	97,639	100,324
Image Service income	4,552	5,000	5,000	5,138	5,279
Exhibitions income	3,546	-	-	-	-
Other trading income	1,574,864	1,241,895	1,402,315	1,437,796	1,477,336
Realised gain/(loss) on sale of investments	(392,192)	-	-	-	-
Interest on operating funds	1,761,766	500,000	500,000	320,000	270,000
Dividends on operating funds	359,893	200,000	200,000	100,000	110,000
	3,409,591	2,032,900	2,202,341	1,960,573	1,962,938
2 Donations and grants (non-exchange transactions)					
Donations admission	68,433	50,000	70,000	70,000	90,000
Donations and bequests	1,626	1,500	-	-	-
Grants	146,624	150,408	39,406	40,215	41,046
	216,682	201,908	109,406	110,215	131,046
3 Collections & Research					
Collections Inventory	651,525	549,888	592,654	602,011	616,881
Collections Registration	423,844	469,462	486,493	496,979	809,944
Curatorial	933,692	896,041	951,725	967,485	991,563
	2,009,061	1,915,392	2,030,872	2,066,474	2,418,388
4 Public Engagement					
Communications	342,237	360,215	373,810	382,933	393,182
Customer Experience & Education	751,240	760,727	818,899	832,059	852,669
Exhibitions	570,176	629,800	664,299	708,084	926,468
	1,663,653	1,750,742	1,857,008	1,923,076	2,172,319
5 Operations					
IT	140,680	152,978	159,222	163,022	167,365
Building Operations	710,380	760,593	754,327	773,914	794,916
Security	438,741	273,974	298,328	304,218	312,023
	1,289,801	1,187,545	1,211,878	1,241,155	1,274,304

	Actual 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28
6 Depreciation					
Buildings	1,032,365	777,200	777,200	777,200	777,200
Building systems / plant	122,894	327,000	327,000	330,000	332,000
Security	115,865	100,000	100,000	105,000	73,000
Exhibition galleries	13,587	13,000	13,000	17,000	19,000
Front of house fixed facilities	1,943	4,200	4,200	3,700	1,500
Collection stores	231,816	115,000	115,000	117,000	115,000
Back of house fixed facilities	132,103	7,700	7,700	7,700	7,700
Furniture fittings and equipment	182,322	115,000	115,000	123,000	85,000
Information technology and audio visual	161,289	115,000	115,000	100,000	83,000
Museum Redevelopment Project	-	-	-	-	-
	1,994,184	1,574,100	1,574,100	1,580,600	1,493,400
7 Capital grants					
Capital Grants are only recognised when the redevelopment expenditure has been spent.					
8 Income					
Levies	10,162,377	10,711,143	11,043,189	11,451,787	12,345,026
Grants	146,624	150,408	39,406	40,215	41,046
Capital Grants	25,821,539	31,112,000	31,889,525	57,500,758	67,631,093
Bequest income	2,047,471	300,000	300,000	320,000	340,000
Donations admission	68,433	50,000	70,000	70,000	90,000
Donations and bequests	1,626	1,500	-	-	-
Trading activities	1,680,124	1,332,900	1,502,341	1,540,573	1,582,938
Interest	1,761,766	500,000	500,000	320,000	270,000
Interest on trust and bequest fund	676,055	500,000	500,000	500,000	500,000
Dividends	359,893	200,000	200,000	100,000	110,000
Realised gain/(loss) on sale of investments	(394,833)	-	-	-	-
Total income	42,333,715	44,857,951	46,044,461	71,843,332	82,910,103
Expenses					
ACC levies	11,460	42,156	43,389	44,583	45,809
Audit fees	73,381	63,816	65,411	67,210	69,058
Building services	414,318	434,164	390,594	401,336	412,372
Board expenses	28,557	17,495	17,682	18,169	18,668
Books and journals	17,388	24,521	20,134	20,687	21,256
Cleaning	286,752	293,168	269,293	276,699	284,308
Collection acquisitions	3,816,311	834,062	825,014	825,977	1,126,966
Depreciation	1,994,184	1,574,100	1,574,100	1,580,600	1,493,400
Equipment	15,350	24,394	18,767	19,283	19,813
Exhibition expenses	208,908	241,005	247,080	283,875	491,682
Heat, light and power	224,635	229,432	235,150	241,617	248,261
Human resources support	15,109	15,000	15,000	15,413	15,836
Insurance	693,931	625,759	810,778	820,778	840,778
IT expenses	72,635	94,101	91,204	93,712	96,289
Lease	1,350,579	1,067,688	1,097,994	1,129,165	1,161,226
Legal fees	30,146	24,983	25,608	26,312	27,036
Management expenses	79,738	89,261	91,441	93,956	96,540
Marketing and public relations	296,258	334,549	342,770	352,196	361,881
Operational expenses	581,001	614,389	640,713	638,333	655,887
Postage and freight	10,898	9,955	11,204	11,512	11,828
Rates	31,114	42,782	43,876	45,083	46,323
Recruitment	30,907	24,983	25,608	26,312	27,036
Remuneration	6,301,615	7,236,624	7,411,278	7,700,956	8,032,034
Repairs and maintenance	183,590	102,580	165,204	169,747	174,415
Staff expenses	112,239	115,591	110,894	113,944	117,077

Staff training	107,362	110,148	112,902	116,007	119,197
Stationery	19,264	21,420	21,955	22,559	23,179
Strategic development	470,037	-	-	-	-
Telephone and tolls	21,252	14,022	14,373	14,768	15,174
Total expenses	17,498,918	14,322,150	14,739,418	15,170,787	16,053,332
Net surplus	24,834,798	30,535,801	31,305,042	56,672,545	66,856,772

9 **Fixed asset expenditure**

The fixed asset expenditure is equal to the depreciation expense which is now funded by a capital levy until the opening of the redeveloped Museum.

5. Summary of significant accounting policies

A) REPORTING ENTITY

The Canterbury Museum Trust Board (the "Museum") is a non-profit-making permanent institution, founded by the people of Canterbury for the service and development of their community with a particular responsibility for the natural and cultural heritage of the wider Canterbury region. The Museum is created under the Canterbury Museum Trust Board Act 1993 and is a charitable organisation registered under the Charities Act 2005. It is located at Rolleston Avenue, Christchurch, New Zealand.

These financial statements are for the reporting entity, Canterbury Museum Trust Board, and are prepared pursuant to Section 28 of the Canterbury Museum Trust Board Act 1993.

B) BASIS OF PREPARATION & MEASUREMENT BASE

The Museum followed the accounting principles recognised as appropriate for the measurement and reporting of revenue and expenses and financial position on a historical cost basis, as modified by the fair value measurement of certain items of property, plant and equipment and financial assets.

These financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable Financial Reporting Standards as appropriate that have been authorised for use by the External Reporting Board for Public Sector entities, with the exception of PBE IPSAS 17 'Property, Plant and Equipment' as stated in Note 1(d)(viii). For the purposes of complying with NZ GAAP, the Museum is a public benefit not-for-profit entity and is eligible to apply Tier 2 Public Sector PBE IPSAS on the basis that it is a large not-for-profit organisation. The financial statements have been prepared in accordance with Tier 2 PBE standards and the Museum has taken advantage of all applicable Reduced Disclosure Regime (RDR) concessions. The financial statements have been prepared on the basis that the Museum is a going concern.

The information is presented in New Zealand dollars, which is the Museum's functional and presentation currency.

Changes in accounting policy

PBE IPSAS 41 Financial Instruments replaces PBE IPSAS 29 Financial Instruments:

Recognition and Measurement and is effective for the year ending 30 June 2024. The main changes under the standard relevant to the Museum are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which might result in the earlier recognition of impairment losses.
- Other changes include reclassifying held-to-maturity/loans & receivables to amortised cost and available-for-sale financial assets to fair value through other comprehensive revenue or expenses (equity instruments).

The Museum's initial assessment is there will be little change as a result of adopting the new standard as the requirements are similar to those contained in PBE IPSAS 29.

C) JUDGEMENT AND ESTIMATION UNCERTAINTY

The preparation of financial statements of necessity involves judgement and estimation. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable. Actual results may differ from these estimates. The key sources of estimation that have had the most significant effect on the amounts recognised in the financial statements are presented in Note 18.

D) SPECIFIC ACCOUNTING POLICIES

The following specific accounting policies which materially affect the measurement of revenue and expenses and financial position have been applied consistently to both reporting periods:

i) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Museum and revenue can be reliably measured. Revenue is measured when earned at the fair value of consideration received or receivable. The following specific recognition criteria must be met before revenue is recognised.

Revenue from non-exchange transactions

Local authority operating levies

Local authority operating levies are recognised as revenues when levied.

Grants and donations

Grants and donations, including Government grants, are recognised as revenue when received. When there are

conditions attached which require repayment of the grants and donations if they are not met, revenues are recognised when the conditions for their use are met. Where there are unfulfilled conditions attached to the revenue, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

Bequests

Bequests are recognised in the statement of comprehensive revenue and expenses upon receipt. Where contributions recognised as revenue during the reporting period were obtained on the restriction that they be expended in a particular manner or used over a particular period, and those restrictions were undischarged as at the reporting date, the amounts pertaining to those undischarged restrictions are transferred to trust and bequests reserve in equity and the nature of such restrictions are disclosed in the notes to the financial statements.

Capital donation

Capital donations are recognised as non-operating revenue when received.

Revenue from exchange transactions

Discovery income, image service income and other revenues

Discovery income, image service income and other operating revenues are recognised when services have been performed or goods provided.

Lease income

Revenue is recognised on a straight-line basis over the rental period. The Museum Store and Café lease agreements are reviewed and renewed annually.

Interest income

Interest is recognised in the Statement of Comprehensive Revenue and Expenses as it accrues using the effective interest rate method.

Dividend income

Dividends from equity instruments are recognised when the shareholder's rights to receive payment have been established.

ii) **Budget figures.** The budget figures are from the Canterbury Museum Trust Board Annual Plan that was approved by the Board on 12 June 2023. Budget figures have been prepared in accordance with PBE IPSAS, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

iii) **Offsetting of income and expenses.** Income and expenses are not offset unless required or permitted by an accounting standard. Items of income and expenses are offset when offsetting reflects the substance of the transaction or other event. In addition, gains or losses arising from a group of similar transactions are reported on a net basis, unless items of gains or losses are material, in which case they are reported separately.

iv) **Income tax.** The Museum has charitable status and accordingly no taxation expense or liability is recognised in the financial statements.

v) **Financial instruments.** Financial instruments are transacted on a commercial basis to derive an interest yield/cost with terms and conditions having due regard to the nature of the transaction and the risks involved. All financial instruments are accounted for on a settlement basis. They are classified in one of the following categories at initial recognition: Amortised cost (for cash, debtors, bank term deposits and fixed interest investments) or fair value through other comprehensive revenue or expense (for equity instruments).

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in banks and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Debtors

Debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for expected credit loss of debtors is established when there is objective evidence that the Museum will not be able to collect all receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The provision, if any, is recognised in the statement of comprehensive revenue and expenses.

Bank term deposits

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

Fixed interest investments

Assets in this category are measured at amortised cost.

Equity instruments

Equity instruments are designated at initial recognition at fair value through other comprehensive revenue and expense. They are initially measured at fair value plus transaction costs. They are subsequently measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to accumulated surplus/(deficit).

Other financial liabilities

This category includes all financial liabilities other than those at fair value through comprehensive income. Liabilities in this category are measured at amortised cost. They represent:

- liabilities for goods and services provided to the Museum prior to the end of the reporting period that are unpaid and arise when the Museum becomes obliged to make future payments. These amounts are unsecured.

Other financial liabilities include:

- creditors
- employee entitlements (refer to item ix below)
- grants received in advance (refer to item i above)
- retirement gratuity (refer to item ix below)

vi) **Property, plant and equipment.** All property, plant and equipment are stated at cost less accumulated depreciation and impairment, except for land and buildings (see further under Revaluation). Cost includes expenditure that is directly attributable to the acquisition of the item. Repairs and maintenance are charged against income as incurred. Depreciation is calculated on a straight-line basis so as to write off the net cost amount of each asset over its expected useful life to its estimated residual value. Land is not depreciated.

The Board reviews depreciation rates and adjusts them to more appropriately reflect the consumption of economic benefits where necessary. The depreciation rates applied are as follows:

	Rate (Straight Line)
Buildings	2%
Buildings fit-out	10% - 33%
Furniture, fittings and equipment	10% - 33%

When an item of property, plant and equipment is disposed of, any gain or loss is recognised in the income statement and is calculated as the difference between the net disposal proceeds and the carrying value of the item.

Revaluation

Land and buildings are revalued on a cyclical basis at least every five years by an independent valuer. Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount. If the asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to equity under the heading "Asset Revaluation Reserve". However, the increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit. Revalued assets are depreciated over the remaining useful life. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the asset revaluation reserve, net of any related deferred taxes, is transferred directly to retained earnings.

Work in progress

Work in progress costs are capital costs of a partially finished asset which are not yet able to be recognised as property, plant and equipment. The work in progress is not depreciated. At the completion of the construction, these costs will be transferred to property, plant and equipment and will then be depreciated.

Intangible assets

Computer software are finite life intangibles and are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives of 3 years and reported within the

Statement of Comprehensive Revenue and Expenses. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period.

Heritage assets

Heritage assets include collection items or artefacts of cultural or historical significance. The cost of acquisition of heritage assets is charged to the Statement of Comprehensive Revenue and Expenses. During the reporting period, the acquisition cost of collection items amounted to \$3,803,116 (2023: \$734,469).

It is the policy of the Museum to expense collection acquisitions and not attribute a monetary value to items gifted to the collection. The classification of the collections as a heritage asset is based on the premise that the collections are held in trust in perpetuity for the benefit of the public.

PBE IPSAS 17 requires that where an asset, eg collection item or artefact of cultural or historical significance, is acquired at no cost, or for a nominal cost, the asset is capitalised at its fair value as at the date of acquisition. PBE IPSAS 17 has not been followed because the Board considers that the fair values of the collection items cannot be measured reliably. Usually, gifts to the collection are unique items that have iconic status or are historic and irreplaceable or sacred to particular communities, with no market, so no financial value can be ascribed.

The Museum holds in excess of two million individual collection items. To comply with the requirements of PBE IPSAS 17 the value of these items would need to be assessed on an annual basis to identify possible impairment, which is required to be undertaken on an asset by asset basis.

Impairment of property, plant and equipment and intangible assets

The Museum does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

Non-cash generating assets

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or service units approach. The most appropriate approach used to measure value in use depends on the nature of impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

vii) **Employee entitlements.** Provision is made for benefits accruing to employees in respect of salaries and wages, annual leave, alternate leave, and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Museum in respect of services provided by employees up to the reporting date.

viii) **Goods and Services Tax (GST).** The financial statements have been prepared using GST exclusive figures with the exception of receivables and payables which have been shown inclusive of GST in the Statement of Financial Position.

ix) **Inventories.** Inventories are measured at the lower of cost and net realisable value.

x) **Leases.** Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

6. Seven-year forecasts

6.1 Introduction

The seven-year operational funding forecast, Section 6.2, shows the increase in operating funds of 3.70%, 7.8% and 5.0% until the opening of the redeveloped museum.

The funding of depreciation for the five years from 2023/24 totalling \$7.55m has been added to the Local Government capital levy contribution to the Museum Redevelopment.

The Redevelopment depreciation has been itemised separately in Section 6.2 so that its impact can be clearly differentiated. The seven-year capital forecast, Section 6.3, details costs and sources of funding for the Redevelopment as well as ongoing asset maintenance.

The following assumptions have been made regarding the new Redevelopment:

- Aim for a single site solution,
- All buildings to be strengthened to 100% or better of code,
- To conserve the 19th Century Heritage Buildings and restore heritage features,
- Design within City Plan envelope and tie development into wider urban development context
- Aim for a 50-year solution to Museum's needs incorporating as much flexibility as possible
- Undertake redevelopment and planning in as open and transparent a manner as possible,
- The Museum Redevelopment budget has increased from \$205 million to \$247 million.
- The Museum Redevelopment commenced with start of demolition in 2023.
- Central Government has committed \$25m from the Greater Christchurch Regeneration Portfolio and \$10m from Ministry Culture and Heritage towards the seismic strengthening and base-isolated basement of the main premises.
- The first Capital Levy payments from the Christchurch City Council for the initial Robert McDougall Gallery strengthening works began in 2023/24.
- The first Capital Levy payments for the main premises from the District Councils began in 2023/24
- Christchurch City Council has deferred its first Capital Levy payments in their LTP for the main premises until 2024/25.
- The construction phase (pre services/fitout) of the redevelopment (Stages 1 -- 4) is budgeted at \$160m. The Museum has \$160m as in-hand or committed funding
- The services fitout (Stage 5) is budgeted at \$60m. Funding has been proposed as Central Govt \$25m, Local Govt \$25m and Museum fundraising of \$10m.
- Our suggested additional Local Govt funding over 3 years (from 2026/27) of 22%, 58% & 20% based upon projected cashflow requirements.
- The Museum would then be solely responsible for the remaining \$23.4m for Exhibitions and return to Rolleston Avenue
- Total new funding of Central Govt \$25m, Local Govt \$25m and Museum \$33.4m
- The funded depreciation methodology on the Redevelopment has been set out in an Asset Replacement Principles document that has been distributed to the contributing Councils. Under the agreement, the buildings are not depreciated for the first 10 years, so no impact until 2039.
- Earliest opening of the new redeveloped Museum in 2029.

Details of the capital levy funding are provided in Section 6.3 and 6.4.

In Section 6.4 is a schedule showing the calculation of the operations levy in the Annual Plan. The calculations are also shown for the capital levy relating to the Redevelopment, including the payments that have been made and held in trust. For the purpose of apportioning levies the population figures are those provided by Statistics New Zealand as at 30 June 2022.

6.2 Seven-year forecast – operations

	Actual 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30	Budget 2030/31	Budget 2031/32
Local Authority levy	10,162,377	10,711,143	11,043,189	11,451,787	12,345,026	12,962,277	15,749,167	19,213,984	19,886,473
Commercial activities	1,680,124	1,332,900	1,502,341	1,540,573	1,582,938	1,626,469	2,072,231	2,131,283	2,192,020
Donations and grants	216,682	201,908	109,406	110,215	131,046	131,900	202,857	223,842	244,857
Total revenue	12,059,183	12,245,951	12,654,936	13,102,574	14,059,010	14,720,646	18,024,255	21,569,109	22,323,351
Operating expenses	(11,387,829)	(12,248,050)	(12,665,318)	(13,090,187)	(14,059,932)	(14,712,521)	(15,068,481)	(15,661,122)	(16,268,087)
Depreciation (existing assets)	-	-	-	-	-	-	(642,273)	(1,284,546)	(1,284,546)
Depreciation (Project assets funded)	-	-	-	-	-	-	(2,325,000)	(4,650,000)	(4,650,000)
Total expenditure	(11,387,829)	(12,248,050)	(12,665,318)	(13,090,187)	(14,059,932)	(14,712,521)	(18,035,754)	(21,595,668)	(22,202,633)
Net funded operating surplus/(deficit)	671,354	(2,099)	(10,383)	12,387	(921)	8,125	(11,500)	(26,559)	120,718
Extraordinary items									
Investment income on									
Redevelopment funds	1,729,467	700,000	700,000	420,000	380,000	380,000	380,000	380,000	380,000
plus bequest income	2,047,471	300,000	300,000	320,000	340,000	360,000	380,000	400,000	420,000
plus interest on trust and									
bequest funds	676,055	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
less bequest funded acquisitions	(3,646,868)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
	806,125	1,000,000	1,000,000	740,000	720,000	740,000	760,000	780,000	800,000
Net operating surplus	1,477,480	997,901	989,617	752,387	719,079	748,125	748,500	753,441	920,718
CLA levy % increase (excl Redevelopment depn)	4.50%	5.40%	3.10%	3.70%	7.80%	5.00%	3.56%	7.24%	3.50%
CLA levy % increase (funded Redevelopment depn)	-	-	-	0.00%	0.00%	0.00%	17.94%	14.76%	0.00%
Local Authority levy % increase	4.50%	5.40%	3.10%	3.70%	7.80%	5.00%	21.50%	22.00%	3.50%

6.3 Seven-year forecast – capital

	Actual 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30	Budget 2030/31	Budget 2031/32
Income - Redevelopment									
Capital levy - local government	11,551,398	11,133,715	11,133,715	14,531,704	14,500,000	5,000,000	-	-	-
Capital fundraising by the Museum	-	-	15,000,000	15,000,000	19,550,000	14,448,735	-	-	-
Capital grants - central government	5,900,000	22,900,000	20,866,667	12,866,667	12,866,667	-	-	-	-
Extension towards McDougall Gallery (Districts)		1,244,296	1,244,297	-	-	-	-	-	-
Robert McDougall Gallery - CCC	8,370,141	8,912,192	3,955,267	-	-	-	-	-	-
	25,821,539	44,190,203	52,199,945	42,398,370	46,916,667	19,448,735	-	-	-
Income – other									
Funded depreciation	-	-	-	-	-	-	-	-	-
Total income	25,821,539	44,190,203	52,199,945	42,398,370	46,916,667	19,448,735	-	-	-
Expenditure – Redevelopment									
Redevelopment works	22,552,486	31,112,000	31,889,525	57,500,758	67,631,093	24,040,112	-	-	-
	22,552,486	31,112,000	31,889,525	57,500,758	67,631,093	24,040,112	-	-	-
Expenditure – other									
Capital expenditure	592,923	700,000	700,000	800,000	900,000	1,000,000	1,000,000	900,000	800,000
Asset replacement / gallery redevelopment reserve	(592,923)	(700,000)	(700,000)	(800,000)	(900,000)	(1,000,000)	(1,000,000)	(900,000)	(800,000)
	-	-	-	-	-	-	-	-	-
Total expenditure	22,552,486	31,112,000	31,889,525	57,500,758	67,631,093	24,040,112	-	-	-
Surplus/(deficit)	3,269,053	13,078,203	20,310,420	(15,102,388)	(20,714,426)	(4,591,377)	-	-	-

6.4 Operations and capital levies

Operations levy for 2025/26 by population and distance factor

Local Authority	Population *		Differ- ential	Product	% of Total products	TOTAL	Installment amount
	% of total	No.					
Christchurch City	0.71	415,100	1.00	70.99	84.84	9,369,308	3,123,103
Hurunui District	0.02	14,400	0.30	0.74	0.88	97,508	32,503
Selwyn District	0.15	85,600	0.45	6.59	7.87	869,443	289,814
Waimakariri District	0.12	69,600	0.45	5.36	6.40	706,930	235,643
	1.00	584,700	2.20	83.68	100.00	11,043,189	3,681,063

* The population numbers used are the estimated resident populations as at 30 June 2024, as provided by Statistics New Zealand.

Capital levy payments by population and distance factor

Local Authority	Population *		Differ- ential	Product	% of Total products	Levy paid and held in trust	Remaining capital levy	Funded Depn	Additional levy	TOTAL	Outstanding capital levy	
	% of total	No									2025/26	2026/27 to 2028/29
Christchurch City	0.71	389,300	1.00	70.76	84.69	7,509,336	45,209,214	6,399,545	21,173,719	80,291,814	12,986,235	30,204,687
Hurunui District	0.02	13,700	0.30	0.75	0.89	-	556,571	67,563	223,540	847,674	208,044	223,540
Selwyn District	0.14	79,300	0.45	6.49	7.76	643,777	4,188,644	586,611	1,940,879	7,359,911	1,592,067	1,940,879
Waimakariri District	0.12	67,900	0.45	5.55	6.65	-	4,137,722	502,281	1,661,862	6,301,866	1,546,668	1,661,862
	1.00	550,200	2.20	83.54	100.00	8,153,113	54,092,152	7,556,000	25,000,000	94,801,265	16,333,014	34,030,968

* The population numbers used are the estimated resident populations as at 30 June 2022, as provided by Statistics New Zealand.