

THE BISHOP SUTER TRUST

The Suter® | Gallery | Theatre | Gift Shop | Cafe

Te Aratoi o Whakatū

STATEMENT OF INTENT 2021/2026

THE BISHOP SUTER TRUST

Registered Office:

208 Bridge Street, Nelson 7010

P.O. Box 751, Nelson 7040

www.thesuter.org.nz

CONTENTS

1.	The Bishop Suter Trust Statement of Intent 2021-2026	
1.1.	Executive Summary: The Suter, a Destination Where Art Matters	3
1.2	Organisational Description	5
2.	Nature and scope of the activities to be undertaken	5
2.1	Trust’s Kaupapa, Vision, Purpose & Values	5
2.2	Key priorities	6
2.3	Alignment with NCC and TDC outcomes	11
3.	Objectives, Performance Measures and Targets	13
4.	Operating Framework	15
4.1	Background	15
4.2	Governance, Stakeholders and Staffing	16
5.	Operating Environment	17
6.	Accountability	19
6.1	Information to be provided to the NCC	19
7	Prospective Financial Statements	20
7.1	Introduction	20
7.2	Statement of Significant Assumptions	20
Appendices:		
I.	Financial Budgets	22
	Notes to the 2021-2026 SOI Budgets	26
II.	The Bishop Suter Trust Statement of Accounting Policies	27
i.	Reporting Entity	27
ii.	Basis of preparation	27
iii.	Significant Accounting Policies	28
III.	The Trust’s Approach to Governance	33
IV.	Index of responses to The Statement of Expectation	36

1. The Bishop Suter Trust (BST) Statement of Intent 2021-2026

As a Nelson City Council (NCC), council-controlled organisation (CCO) and in accordance with statutory obligations of Schedule 8 Section 64 of the Local Government Act 2002, and in response to the NCC's Statement of Expectation (SoE) for the BST, this Statement of Intent (Sol) is for the forthcoming financial year 2021/22 and the following four financial years, ending 30 June 2026.

The BST is the governance body for The Suter® Art Gallery Te Aratoi o Whakatū and the purpose of this Statement of Intent, is to promote public accountability and it is intended as a base against which performance can be assessed. The five years' financial forecast is aligned with the BST's 5-year strategic plan objectives and targets, and this Sol identifies the funding required to deliver on those objectives and targets, in addition to responding to the NCC's Letter of Expectation.

The BST's core funding is provided by NCC, and Tasman District Council (TDC) also contributes funding. BST services are provided with a combined Nelson and Tasman regional focus; and align with both Councils' joint community outcomes as outlined in their respective LTPs.

1.1. Executive Summary: The Suter®, a destination where art matters

The Trust's aspiration is to be a visual arts destination of the highest quality, a 'must do' attraction for visitors to the region, whilst at the same time being a place of relevance and pride for our community. COVID-19 has shown us the importance of providing a special place of inspiration, sanctuary, connection, and for activities for locals as well as being a drawcard, and a reason for people to come to Nelson.

A positive from the pandemic has been the strengthening of collaborations- and we mean to keep on developing these synergies, between our lessees, Nelson Suter Art Society, Friends and supporters, iwi, other arts, cultural, tourism and business organisations in our region. This way we will get the most out of all aspects of The Suter's facilities, programmes of exhibitions, education and activities, taking us to the 'next level' whilst contributing to Nelson/ Tasman.

We intend to take a holistic view of sustainability from ensuring that we have sufficient resource in reserve to withstand existential threats, to focussing in on the environmental impact of our activities and those of our business partners. Financial resilience will be achieved by managing our core activities as efficiently and effectively as possible, building revenue streams from both existing and future commercial activities to off-set a significant proportion of the day-to-day operations and channelling any surplus into endowment funds- to grow and care for our collection, protect our valued education services and ensure our facilities are kept well maintained.

The Suter will present an annual programme of changing exhibitions, and these will be enhanced with talks, events and activities that encourage the development of art and its appreciation in the community. Although we have programmed exhibitions

for the next 24-30 months ahead we also expect that we may have to review and re-jig aspects of the programme if need be¹. We have contingency strategies including exhibitions that can be called up on short notice, extending exhibition seasons, and creating shows from our collection. Included in the forward programme are exhibitions that compliment local festivals and significant events, for example a series of toi Māori exhibitions that coincide with kapa haka events leading up to Te Matatini 2025, as well as special exhibitions of top local artists to enhance their profile. We will be developing a series of exhibitions on abstraction, intended to profile a particular strength of our collection, culminating in a publication and from 2022 one of our gallery spaces will be dedicated to showing aspects of The Suter's collection. Our Summer 2021-22 programme will include 2 signature Suter biennale exhibitions- *The Suter Contemporary Art Project* and *Fire & Earth: Top of the South ceramics*.

Learning opportunities will be provided for all ages, with an emphasis on providing high quality, structured learning experiences outside the classroom (LEOTC) for school students. One of the challenges ahead is securing sufficient resource to ensure the same level of The Suter's education service should the Ministry of Education cease funding LEOTC and/or The Suter is no longer contracted.² The Gallery aims to keep growing community hands-on learning with after school and adult art classes, school holiday programmes and to explore more community outreach ventures particularly focussing on Tasman District audiences.

Increasingly The Suter's marketing involves promotion via digital means, through social media channels and collaborative promotions with like or partner organisations. We hope to expand our audience base, through our exhibitions and by holding special events and undertaking collaborative ventures. Converting visitors to supporters is another aim which may manifest as repeat visitation, joining our Friends of The Suter, volunteers' programme or becoming a Legacy Patron.

We will continue to prudently build the Collection through acquisitions, funded by patronage and benefaction, and through donations of art works. The collection is now searchable on The Suter's website and we will work on enhancing this and other projects that get our collection out in front of the public. One such project is a collaboration with Make/Sh/ft Spaces to put Suter collection images on walls in Nelson's city centre to form an Art Walk.

An important long term aspiration is to work towards commissioning major public art works in significant locations that will put The Suter and Nelson 'on the map' for art lovers and encourage people to explore the region.

¹ For example we have in our plan exhibitions that feature international artists however ongoing impacts of COVID-19 pandemic may impact on travel and freighting issues.

² The Suter's current contract ends 31 December 2021, and the Ministry of Education is reviewing the provision of LEOTC. The MoE is aiming to broaden curriculum linkages, and wants to strengthen local and regional providers. <https://eotc.tki.org.nz/LEOTC-home>

1.2. Organisational description:

The Suter® Art Gallery Te Aratoi o Whakatū is governed by the Bishop Suter Trust, incorporated under the Charitable Trusts Act 1957, and is a not-for-profit entity established to deliver a public art gallery service for residents of Nelson and Tasman and visitors to the region. The Bishop Suter Trust has charitable status with the Inland Revenue Department and is registered with the Charities Commission.

The Suter is a council-controlled organisation whereby the NCC has the right to directly appoint 1 or more of the trustees.

Abbreviations used in this document:			
The Suter® Art Gallery	The Suter®	The Bishop Suter Trust	The Trust
Nelson City Council	NCC	Tasman District Council	TDC
Council Controlled Organisation	CCO	Long Term Council Plan	LTP
Nelson Suter Art Society	NSAS	Ko Te Pouaranga	KTP

2 Nature and Scope of the Activities to be undertaken

The NCC's expectation is that the activities of The Suter will engage the regional community and provide a service that is of value to that community as both the owners and customers. Further, the NCC expects that the activities of The Suter will support the objectives of the Nelson Tasman Regional Arts Strategy (2007), Arts Policy (July 2010) and Arts Activity Management Plan 2015 – 2025 (2015).

Also in line with the NCC's goal to reduce annual carbon emissions The Trust must ensure its activities are conducted sustainably, consider environmental impacts and instigate mitigations.

The Trust's kaupapa is described by our Maori name Te Aratoi o Whakatū, which can be interpreted as "the pathway of art for the Nelson region"

Our vision: To be a high quality visitor destination where art matters

Our purpose: To bring people and art together by honouring our cultural and artistic heritage and proactively bringing innovative, challenging and engaging perspectives to audiences through the collection, exhibitions and education.

Our Values: The following values underpin The Suter®, informing decision making and setting the standard for performance and interactions with our communities of interest:

- Commitment: to Tiriti o Waitangi – the Treaty of Waitangi

- Manaakitanga • Inclusive of Aotearoa | New Zealand's diverse communities
- Whakahoutanga • Innovative: seeking exciting, imaginative and entrepreneurial approaches to exhibitions, education and community activities
- Whanaungatanga • respectful to all
- Hiranga • excellence and quality approaches to all we do
- Kaitiakitanga • sustainable guardianship: exercising financial, cultural, social and environmental responsibility.

The activities of The Trust are:

- **Kaitiakitanga:** Exercise responsible stewardship of all our resources of The Suter for the benefit of the public now and for the future: assets, people and cultural property
- **Making Art Matter:** -Providing engaging and memorable experiences through:
 - Exhibitions, public programmes and special projects
 - Innovative educational opportunities
 - Collecting, preserving, recording and communicating our cultural and artistic heritage
- **Partnerships:** Developing our audience, patronage and partnerships and maintain partnerships for the mutual benefit of The Suter, the community and allied organisations.

2.2 Key Priorities:

- 1 To be a visual arts destination of the highest quality**
- 2 To inform and engage the public through the visual arts**
- 3 To provide innovative educational opportunities**
- 4 To collect and preserve, record, communicate and display our artistic heritage**
- 5 To develop partnerships that grow The Suter.**

2.2.1. To operate a visual arts destination of the highest quality

To be achieved by:

- Optimising the use of The Suter's facilities and resources, in order to achieve its objectives.
- Work in partnership with key stakeholders and other potential funders and supporters to realize objectives.

- Undertaking arts related activities and methods of marketing that will attract and engage the public, increasing visitor numbers.
- Building the capability of the organisation: people, facilities, funding streams and processes - to ensure resilience, operational sustainability and programme innovation.
- Actively identifying and addressing risks through adaptation, mitigation or elimination including; cyber, climate change, health & safety and to resourcing.

Compliance with legislation, resilience and risk mitigation: The Covid-19 pandemic has demonstrated how important it is to have risk mitigation strategies and reserves in place.

The BST will continue to focus on ensuring that it has a sustainable asset management and replacement plan, to enable the maintenance and renewal of facilities, plant and equipment in the future.

The Trust through its sub- committee structure, risk registers and regular auditing processes identifies hazards and risks and actively seeks to eliminate or minimise these through interventions, including:

- -Cyber- Maintaining a well-designed Windows based IT network with a strong focus on security; with regular patching, firewall security, monitored server systems and secure regular backups; full separation of WiFi networks and appropriate staff training and practices
- Climate change and effects of extreme weather conditions resulting in flooding or increased fire risk for which the Trust ensures it has a programme of building and grounds maintenance; vigilance with regard to neighbouring environmental risks such as the Queen's Gardens Eel pond water levels and encroaching vegetation
- Takes every possible risk protection or preventative measure, to safeguard the collection and items on loan to The Suter including security, fire detection and protection systems, management of the interior environment, storage and handling protocols, pest management etc. , plus insurances
- Health & Safety committee; regular review of the Hazards Register and elimination, minimisation or mitigation of identified hazards. Regular training of staff and volunteers

Audience generation: Marketing and promotion is focussed around promoting The Suter as a visitor attraction; letting people know 'what's on and coming up; encouraging revenue generation, benefaction and support. This is achieved on-line and via social media channels, in addition to promotion in arts publications, in tourism related media, through events and increasingly in

conjunction with other cultural or tourism organisations. Our plan takes into account the need to grow visitor segments including from the wider Tasman region, domestic and international visitors once the borders re-open.

Effort will go into encouraging return visitors and converting these into committed supporters through communication such as e-newsletters and social media, memberships (Friends and Patrons), volunteering and benefaction.

An emphasis will be on building partnerships and other supportive relationships and acknowledging this through special sponsors' events, activities and involvement.

A key objective is to **build revenue generating opportunities** including retail in The Suter Shop (and on-line and commissions; classes and other activities and services venue hire, using the Jane Evans Foyer, The Suter Theatre and other spaces in the complex.

The Suter is open every day except New Year's Day, Good Friday and Christmas Day, the exhibition galleries from 9.30am – 4.30pm. Other aspects of the facilities may however be variously in use from 8am – 11.30pm.

2.2.2. To inform and engage the public through the visual arts

To be achieved by:

- Providing a programme of exhibitions that appeal to a variety of audiences, and that present the visual arts in its many forms by local, national and where possible, international artists.

The Suter provides a programme of regularly changing exhibitions and these are mounted in 3 large exhibition galleries, the intimate Contemplation Gallery and in other spaces inside and outside the building.³ In 2021/22, as part of our exhibition programme, we begin with the second in our abstraction series, present an exhibition to tie into *Te Ramaroa Biennial Festival of Light*, mount exhibitions by international artists (COVID dependant), and hold the first in a series of Toi Māori exhibitions. Over summer the two signature Suter biennale exhibitions- The Suter Contemporary Art project and *Fire & Earth* Top of The South ceramics will feature. The work of Nelson/Tasman region artists will be profiled in solo survey exhibitions works by supported with catalogues, in addition to other touring and thematic shows either bought in or curated in-house.

³ A further gallery space is occupied by the Nelson Suter Art Society (NSAS) who run their own programme of regularly changing exhibitions, the majority of which showcase work by Nelson/Tasman region artists. 2 exhibitions per annum are more comprehensive and involve input from BST staff.

From time to time small Suter curated displays will be mounted Tasman District facilities such as the Richmond Library as part of Suter outreach initiatives.

2.2.3. To provide innovative educational opportunities

- Encouraging life-long learning by being a respected provider of curriculum relevant learning experiences outside the classroom for the school sector, and provider of visual arts experiences for diverse audiences.

The Suter has “Approved Setting” status with the Teaching Council New Zealand and has a 3-year contract with the Ministry of Education for Provision of Learning Experiences Outside the Classroom (LEOTC) for years 1-13 students of the Nelson/Tasman region which concludes 31st December 2021. This assists resourcing a .5 Educator position⁴. The Suter has a very well regarded education service, nevertheless it could potentially be a challenge to secure ongoing resourcing for LEOTC due to a nationwide review of the delivery model and so this risk is included in The Suter’s Risk Management Register. The gallery is well placed to meet any curriculum revision, BST has established an Education Endowment Fund and we will also continue to seek additional support for our LEOTC offerings.

The Suter delivers a variety of activity-based art classes and art related courses for audiences of various ages and abilities including after-school programmes- Suter Kids Club (SKC) using, in particular, the Mina Arndt Education Room. We will also look to develop more of these and holiday activities as resourcing and demand allow.

Illustrated talks, lectures, floor-talks, opening previews, workshops and other events are held to complement and support projects and the exhibitions’ programme.

The volunteers are an important part of The Suter’s visitor experience, making them welcome and introducing exhibits, aspects of the building and The Suter’s rich history. Volunteers receive structured training, periodic sessions to introduce new exhibitions and events to acknowledge their contribution to visitor hosting, archives management, enquiries’ research, fundraising and other tasks.

2.2.4 To collect and preserve, record, communicate and display our artistic heritage

⁴ Contract funding level has been at the same level since 2011

To be achieved by:

- Being the recognised custodian of Nelson/Tasman region's artistic heritage by developing the Collection, disseminating information and increasing knowledge of the Collection.
- By profiling aspects of the Collection and Nelson/Tasman regions' artists through exhibitions, loans, public programmes, publications, websites and other means such as the joint project with Make/Shift Spaces to develop an Art Walk in central Nelson.

Collection development is focussed on **acquiring works that are regionally relevant and nationally significant**, with over-arching collection themes of dislocation and the environment, guiding acquisition decisions, and with collection growth carefully managed cognizant of resources and of storage capacity. Projects include a major review of the BST's Collection Policy and further developing our Collection on line.

From 2022 a gallery space will be devoted to curated Collection exhibitions.

We will publish⁵ our research, arising from both exhibition development and particularly in relation to our collection.

2.2.5 To develop partnerships that grow The Suter

To be achieved by:

- Honouring the kaupapa of the Memorandum of Understanding [MoU] with Ko Te Pouāranga.
- Developing partnerships which contribute to the delivery of programmes, development of the Collection, resources and other projects: - in particular the ongoing operational and collection acquisitions' funding⁶ of The Suter, exhibitions and education services.

The Suter is supported through memberships: including The Friends of The Suter and the Legacy Group. We intend to review The Friends to increase memberships, activities and benefits that can be extended to those who are generous in their support for the Gallery.

- Contributing to the fulfilment of the Nelson Tasman Regional Arts Strategy and Arts Policy by providing leadership in the area of visual arts. Suter staff and Trustees have expertise that can be called upon to contribute to arts endeavours

⁵ On line; as journal articles or as catalogues and other printed materials

⁶ All collection purchases are funded through fundraising, bequests and other forms of benefaction

that enhance Nelson's reputation and achieve economic, cultural and social outcomes.

2.3 Alignment with Nelson City Council and Tasman District Council Outcomes

The Suter actively seeks to deliver outcomes that align with the joint community outcomes outlined in the NCC and TDC LTPs 2018-2028 as follows:

NCC and TDC joint community outcomes	The Suter Gallery's contribution to the delivery of joint community outcomes	Suter performance objective reference
Our unique natural environment is healthy and protected	<p>The Suter was built to respect its natural environment setting and features such as the boardwalk and management of storm water run-off are designed to protect flora and fauna, land and water quality.</p> <p>Exhibitions and public programmes can profile environmental issues and the environment is a collection development theme.</p>	3.2 and 3.3
Our urban and rural environments are people friendly, well planned and sustainably managed	The Suter is a quality facility built with sustainability and accessibility in mind	3.1
Our infrastructure is efficient, cost effective and meets current and future needs	The Suter was purpose built, however needs and performance are regularly reviewed, for efficiency and cost effectiveness.	3.1
Our communities are healthy, safe inclusive and resilient	By providing a welcoming environment that respects our diverse community and visitors to the region; acknowledges and incorporates Māori culture and tikanga; that takes its role as a kaitiaki (caretaker) of our community's taonga (treasures) as a primary responsibility	3.1., 3.2., 3.3, 3.4, 3.5
Our communities have opportunities to celebrate and explore their heritage, identity and creativity	By providing an arts centre in which inspiring art, heritage and cultural activities take place; that generates pride; celebrates our artistic and built heritage and values those things that make Nelson/Tasman special and unique.	3.2 , 3.3 And 3.4

Our communities have access to a range of social, educational and recreational facilities and activities	By providing opportunities for social engagement, quality recreational, educational and leisure opportunities for all ages, backgrounds and ability levels.	3.1, 3.2,3.3
Our Council provides leadership and fosters partnerships, a regional perspective and community engagement	By demonstrating leadership in the arts community, promoting the development of Nelson arts and being the recognised custodian of Nelson/Tasman region’s artistic heritage.	3.5
Our region is supported by an innovative and sustainable economy	By encouraging a thriving arts, heritage and cultural community, through employment, exhibitions, promotion of Nelson/Tasman region’s arts, and as a destination tourism attraction.	3.1

The Suter Trust will periodically meet with NCC and TDC staff and representatives to discuss outcomes, look at future opportunities, partnership activities and resourcing requirements.



Photo: Shannon Novak

3. Objectives, Performance Measures and Targets

NOTE: The following chart indicates objectives and goals for The Bishop Suter Trust for three years and the target levels of performance. Targets for future years may need to be adjusted in light of trends that emerge, resourcing and capacity to deliver.

3.1 GOVERNANCE: Operate a visual arts destination of the highest quality:

- 3.1.1. Provide an arts centre and visitor attraction: **That is open 362 days of the year with a minimum of 100,000⁷ visits per annum to The Suter. Report six monthly with visitor statistics. >85% of surveyed visitors “recommend visiting The Suter to others”**
- 3.1.2. Ensure that The Suter is well managed and operates within its agreed plans: **Reports, plans and budgets meet set deadlines. The Risk Management Plan is reviewed annually, and mitigation strategies identified are implemented (including cyber security, and response planning for natural hazards and climate change).**
- 3.1.3. Implement an asset management plan (maintenance and renewals) in relation to the Suter facilities and develop an assets’ renewal fund, to be achieved from operational cash surpluses (before depreciation) to fully fund the BST’s share of depreciation, over time; **Report on progress annually.**
- 3.1.4. Improve our sustainability performance: **By undertaking an energy and carbon emissions audit by 31.03.2022, and a regular meeting cycle to identify and implement at least 2 sustainability and waste minimisation/recycling measures by June 2022: Monitor and report on energy and the impact of mitigations and changes 6 monthly.**
- 3.1.5. Be a good employer, fostering a culture of staff excellence and well-being by maintaining good employer policies, procedures and practices and providing a safe and healthy workplace; **Report on observance of policies, health & safety, turnover and related statistics. No significant H&S incidents and no staff hours lost to injury**

3.2 VISITOR EXPERIENCE: Inform and engage the public through the visual arts:

- 3.2.1. Provide a programme of regularly changing internally produced and externally sourced exhibitions: **10-15 exhibitions mounted per annum; Report 6 monthly on progress provide services and experiences for at least 35 community groups.**
- 3.2.2. Develop a forward exhibition programme that is diverse and stimulating, including internally produced and externally sourced exhibitions; **Exhibitions**

⁷ Modified forecast for 2020/21 assuming border restrictions, fewer tourists and a reduction in Suter Theatre patronage

scheduled that meet the needs and interests of a broad audience. Report 6 monthly on progress.

3.3 LIFE LONG LEARNING: Provide innovative educational opportunities

- 3.3.1 Provide learning experiences for regional school students that support their NZ curriculum studies based on The Suter’s programmes and resources; **Target is 3,100 students from 25 schools as per the Ministry of Education (MoE) LEOTC Contract Milestones⁸ & post visit evaluations indicate 90% satisfaction ratings of “fine” to “great”. At least one Education Advisory Committee meeting held per annum. Structured schools’ education programme delivery target: 5,000 students per annum.**
- 3.3.2 Provide public programmes which enhance community appreciation and enjoyment of the visual arts; **A minimum of 20 talks/ events/ activities are held per annum. Report 6 monthly on progress.**
- 3.3.3 Provide out-of-school and other art educational activities; **Minimum 80 SKC and other community learning sessions are delivered per annum.**
- 3.3.4 Provide and manage The Suter Volunteers’ programme: **That provides av. >80 hours of contribution per month/ per annum Report 6 monthly on progress.**

3.4 COLLECTION: Collect and preserve, record, communicate and display our artistic heritage.

- 3.4.1 Develop The Suter’s Collection in accordance with The Suter’s Collection Policy: **All acquisitions and de-accessions approved by the Trust comply with the Collection Policy and related procedures and are reported 6-monthly.**
- 3.4.2 The Collection is stored, handled and exhibited safely and securely: **The Collection is stored/displayed in environmental conditions that are in line with accepted museum practice (including temperature 18-22°C/ relative humidity 50-55%, pest control, archival materials, security and fire monitoring). There are no handling mishaps or other damage occurs to Collection items.**
- 3.4.3 Enhance knowledge and reputation of the Collection: Collection records are significantly upgraded to increase accessibility and usability, as a part of a project to make the collection searchable on www.thesuter.org.nz; **Collection records upgraded; 2020/21 all copyright cleared collection items are uploaded to www.thesuter.org.nz; Loans, reproductions and other collection requests are met in a timely fashion; Publishing occurs; Progress reported six monthly.**

3.5 COLLABORATIONS & PARTNERSHIPS: Partnerships that grow The Suter

- 3.5.1 Strengthen The Suter’s art and cultural partnerships with Iwi and Māori; **Honour the kaupapa of the Memorandum of Understanding [MoU] with Ko Te**

⁸ LEOTC statistics count repeat same class visits once only, so actual numbers of students attending Suter Educator programmes at The Suter will be higher than the MoE Contract Milestone targets

Pouāranga [KTP]; KTP input to programmes, collection and policy development; and co-develop at least 1 toi Māori exhibition / project p.a. Report 6 monthly.

- 3.5.2 Develop a collaborative Partnership Plan that actively includes both commercial partners and philanthropic sponsors who provide additional funding and/or supply goods and/or services to achieve project and programme goals. **Report 6 monthly on progress against our plan.**
- 3.5.3 The Friends of The Suter (FOTS) and Legacy Group are enhanced; **2020/21 FOTS review carried out; 30 new FoTS memberships are enrolled p.a., activities and progress on patronage scheme. Report 6-monthly.**
- 3.5.4 The Suter contributes to other organisations and community initiatives to promote Nelson/Tasman visual arts and heritage and provides leadership in fields of expertise to support both Councils provision of social /cultural wellbeing: **Report to Councils on contribution to the implementation of the Regional Arts Strategy, Heritage Strategy, and other related initiatives; report on contribution nationally in areas of expertise.**
-

4. Operating Framework

4.1. Background

The Suter has a long and rich history dating back to 1895 when Amelia Suter, widow of Nelson's second Bishop, Andrew Burn Suter, gave a collection of art works and land to encourage the establishment of an art gallery, as a memorial to her late husband. In 1896 the Bishop Suter Art Gallery Board of Trustees was formed, and a private Act of Parliament passed allowing the transfer and acquisition of property including a parcel of land adjacent to Queen's Gardens, the Matthew Campbell School buildings upon it and establishing a self-perpetuating form of trust.

The Bishop Suter Art Gallery Restructuring Act (2008) repealed The Bishop Suter Art Gallery Trustees Act (1896) the new Bishop Suter Trust was established, enabling The Suter to become a CCO of the Nelson City Council.

In May 1899 the Frederick de Jersey Clere designed Bishop Suter Memorial Art Gallery opened⁹ adjoined to the former Matthew Campbell School building. It was gradually added to including further gallery spaces, workshop and studio, Theatre, foyer shop and café.

In early 2015 everything bar the Original Gallery and Suter Theatre was demolished to enable new state-of-the-art facilities to be built, designed by Marc Barron of Jerram Tocker + Barron, a Nelson based firm and Warren & Mahoney. The Project was a partnership between the Trust and Nelson City Council and the new Suter Art Gallery Te Aratoi o Whakatū opened to the public on 2 October 2016.

⁹ This building is now generally referred to as the Original Gallery, registered as a category II historic place since 2008.

Community involvement in The Suter is very evident in the significant financial contributions to that redevelopment, to the Collection and other projects. Over 90% of items in The Suter's collection have been donated or acquired through benefaction. Of national significance, the Collection includes historical and contemporary art works and ceramics by New Zealand artists, plus some international works.

4.2 Governance, stakeholders and staffing

The Bishop Suter Trust has been formed by the NCC, as a charitable trust, and incorporated under the Charitable Trust Act (1957) to manage and operate The Suter. As a CCO, the NCC are responsible for appointing the majority of the members of the Board, comprising 7 trustees, including a representative of Ko Te Pouāranga and ex-officio, President of the NSAS. Trustees are appointed for three-year terms.

The Bishop Suter Art Gallery Trust Board has a longstanding relationship with the **Nelson Suter Art Society Inc.**, a voluntary run incorporated society which has traditionally occupied part of The Suter premises. The relationship is defined in deeds between the BST and NSAS

Friends of The Suter comprises approximately 350 plus memberships of which about a third are Life memberships. It is not an incorporated society. Members receive regular e-newsletters, and a range of events and activities are held to advance Friends' appreciation of art in general as well as support for The Suter. Reciprocal Friends' benefits have been agreed with Christchurch Art Gallery and Auckland Art Gallery.

The Legacy Group are patrons of The Suter who contribute to the **5 x 40 Acquisitions Fund / 10 x 10 Acquisitions Fund** or otherwise choose to provide significant support for specific Suter programmes or projects such as The Suter biennial Contemporary Art Project. They receive regular updates and have involvement in projects, plus events are held especially for them, in recognition of their generosity, interest and support.

Ko Te Pouāranga is the name of the group comprising representatives from each of the six recognised manawhenua Iwi organisations of Whakatu, Motueka and Mohua. A Memorandum of Understanding reviewed every 3 years establishes principles of partnership and confirms full, permanent as of right, Māori representation on the Board of The Suter as outlined in the Trust Deed. KTP hui tend to be held in conjunction with Te Tai Ao Komiti (Tasman Bays Heritage Trust), at least 4 times per annum.

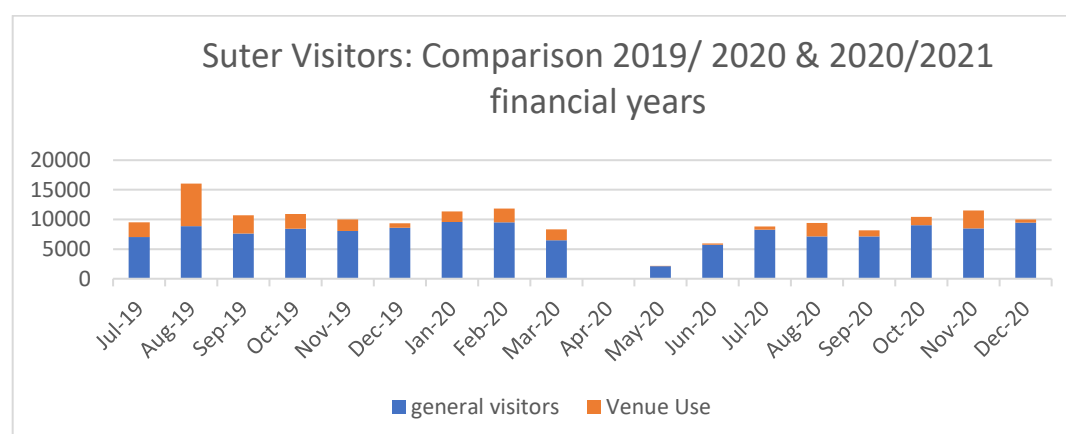
Staffing: (as at 1 March 2021) The Suter's staffing complement approximates to 8.5 F.T.E's across 7 day weeks; comprising 3 full-time staff and 8 part time. This increases with casuals and contractors to cover venue hire, graphic design, exhibition installation and maintenance and theatre technical expertise.

Volunteers: A formalised volunteer programme was introduced in August 2016. Volunteers are rostered front-of-house as visitor hosts, assisting with events and activities such as openings and fundraising; conducting visitor surveys; and behind-the-scenes with archives and collection research projects.

5. Operating Environment

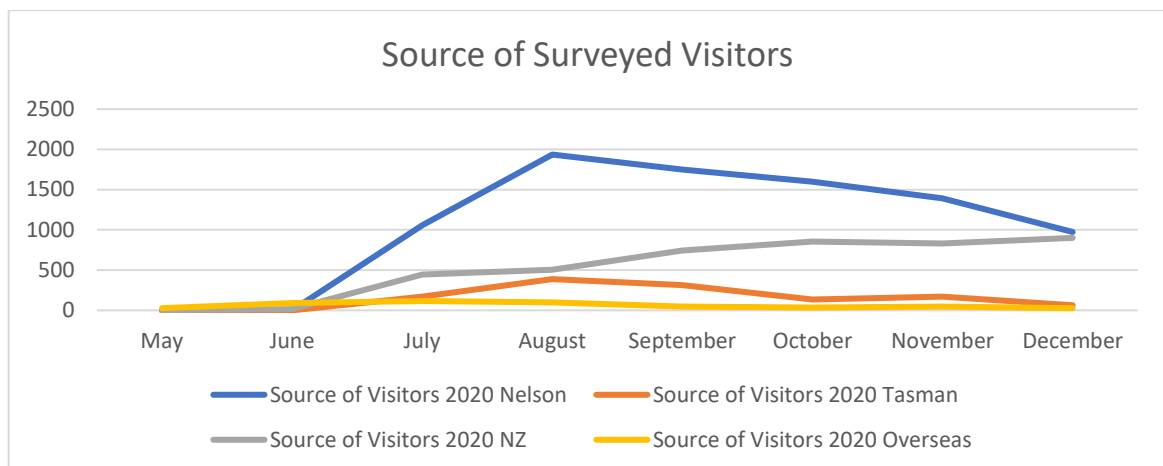
The following factors are likely to influence The Suter over the next five years:

Visitor trends: Prior to COVID-19 The Suter’s annual visitor target was 130,000 visitors. COVID-19 has significantly impacted tourism and the economy and we modified our target for the 2020/21 financial year to 100,000 due to international travel restrictions, modified regional events’ programmes and the impacts on cinema and performing arts. Visitation certainly picked up by summer 2020/21 and so long as there are no major COVID restrictions put in place we hope to see visitor levels grow with all aspects of the venue back in action and booked ahead for festivals, film screenings etc.



Normally in the peak tourism season (late November-April) travellers to the Nelson region make up approximately 60% of The Suter’s visitors. We are increasing the profile of The Suter through tourism media, having a multi-platform website www.thesuter.org.nz, and via social media. We also need to make sure that we attract our community and apart from our exhibitions, public programmes and educational activities, normally events such as the NZ International Film Festival¹⁰ have been important for ensuring a consistent flow of visitors year round.

¹⁰ The NZIFF attendance accounts for the August 2019 spike in visitor numbers; March is normally heavily weighted to tourists-domestic and international; plus, on-site LEOTC class visits. April 2020 was COVID Lockdown Level 4



Collecting: The Suter intends to continue developing its collection, by raising funds, using invested funds—generally tagged bequests and accepting relevant gifted art works. A collection of national significance with iconic pieces is both a drawcard and a source of local pride.

Collecting also includes art works that may be part of the building or able to be displayed outdoors and to this end The Suter intends to embark on fundraising to commission major public art works.

Contributors to the Acquisitions Fund will be actively involved in The Suter's collection development and as our acquisitions' programme gains momentum The Suter will continue to enhance our Collection of national significance.

The Trust's philosophy is that the more Collection items are known and recognised, the more they will be sought out and treasured. To that end The Suter prioritises requests for loans or reproductions from its collection; and makes an effort to publish either on-line or in print featuring highlights of the Collection. It is also the Trust's motivation for making the Collection available to search on-line, and partnering with Make/Shift in the development of an ArtWalk in Nelson's city centre featuring artworks from The Suter's Collection.

Resourcing: One of The Trust's key endeavours is to build income streams in addition to local government grants. Revenue comes from leases and venue hires, LEOTC Contract and life-long learning activities, sales (retail and commissions), grants and

sponsorships. Additional income is derived from memberships, donations, events/activities and specific fundraising ventures. We expect however, that the philanthropic 'space' is likely to be challenging in the near future due to low interest rates and other impacts of COVID-19.

In 2020 we experienced a drop-in venue hire of our Theatre, Jane Evans Foyer, Mina Arndt Education Room and Library/Board Room compared to previous years due to fewer live performances, conferences, lectures and films. New ways of meeting such as Zoom may impact on the conference sector however we intend to proactively develop packages that make the most of the unique character and offerings of The Suter. The Suter Store situated in the Foyer has an emphasis on items made by Nelson/Tasman region's artists, other quality merchandise that appeals to locals and tourists alike, and which relate to Suter exhibitions and other public programmes.

Sustainability: The Suter will embark on putting into action recommendations that arise from an audit to identify possible energy savings and carbon emissions mitigations 'opportunities. Currently The Suter team operate various "best practice" procedures for recycling, minimising waste and supporting environmentally friendly products and manufacturing methods throughout the operation and whilst these have varying degrees of success we have recently embarked on a more formal and structured approach to sustainability.

6. Accountability

6.1 Information to be provided to Nelson City Council

Half Yearly

By 28 February a six-month report covering Statement of Financial Performance and Statement of Financial Position, performance against targets, commentary on activities, cash flow statement, and other such information as the Trustees consider necessary to enable an informed assessment of the Trust's performance during the period being reported.

Annually:

Within three months of the end of the financial year (i.e. 30 September) the Trustees shall deliver to NCC an annual report which fulfils the requirements of Section 67 of the Local Government Act 2002, prepared to comply with International Financial Reporting Standards and audited financial statements in respect of the financial year, containing the following information as a minimum:

- A Trustees' Report including a summary of the financial results, a review of operations, and a comparison of planned and actual performance in relation to objectives.
- A financial statement disclosing actual and budgeted revenue and expenditure and comparative figures from the previous financial report.

- A statement of financial position as at the financial year end.
- A statement of cash flows.
- An Auditor's Report on the above statements and the measures of performance in relation to objectives.
- Any other matters that NCC and the Trustees agree shall be disclosed as appropriate.

This Annual Report shall be made available for inspection at Council offices.

7. Prospective Financial Statements

7.1. Introduction:

The Suter's Statement of Intent covers the period 1 July 2021 to 30 June 2026. The financial information contained in the Statement of Intent has been prepared to assist the NCC consider The Suter's planned performance.

The prospective financial statements are based on assumptions as to future events that The Suter may reasonably expect to occur at the time when this information was prepared. Actual results may vary, and this variation may be material.

7.2 Statement of Significant Assumptions

The SOI shows that there will be net losses in general funds after depreciation. Accordingly, we need to build revenue to reduce and eliminate these over time. The extent to which we can achieve that in these post Covid times will determine the degree to which we need to gain grants or fundraise for future projects.

7.2.1. Fiscal support from local authorities: The Suter is an NCC CCO initiated with NCC's commitment to long term funding support set out in a Memorandum of Understanding. The TDC also provides an annual contribution, and the basis of this commitment is set out in the TDC's LTP, (not currently annually adjusted for CPI). To the extent the actual money allocated is less or more than that set out, The Suter will need to adjust its activity levels.

7.2.2. Other revenues: Other revenues reflect forecast visitor activity levels consistent with historic trends, obligations of lessees and the restrictions.

7.2.3. Special Purpose Funds The Suter has historic and ongoing bequests, gifts and contributions that generally have restrictions on use. These funds are shown separately on the balance sheet.

7.2.4. Operating Expenditure Operating expenditure is generally forecast to continue at historic levels adjusted for inflation.

7.2.5. Capital Expenditure The majority of Capital Expenditure during the period will relate to the ongoing asset renewals programme

7.2.6. Inflation: 1.9 % CPI adjustment was applied from the 2021/2022 financial year and the subsequent financial years' projected revenue from the NCC.

7.2.7. Trustees' Estimate of Trust Value: The Trustees estimate that the opening balance of funds in the annual accounts will represent the value of the Trust. The Trustees will advise NCC on an annual basis if they believe the value to differ materially from this state. The audited opening equity at 9 August 2008 is \$9,593,656¹¹.

7.2.8. Heritage Assets: This is represented by the Collection. Additions to the Collection will be recorded at either purchase price or market valuation for donated art works. The Collection is not regarded as a realisable financial asset and valuation is carried out for the purposes of insurance and compliance with NZ IFRS.

7.2.9. Dividend Policy: It is important to note that the shareholders of the Trust do not expect, nor anticipate, the Trust to pay dividends in the usual commercial manner. However, the Trust anticipates, through appropriate performance measures, to review annually the non-financial dividend which will be returned to our wider regional community.



¹¹ This is the date when The Bishop Suter Trust assumed responsibility for governance of The Suter Art Gallery

Appendix I: Financial Budgets

The Bishop Suter Trust
Business Plan 2019 to 2025

	Actual YE 30 Jun 2020	Plan YE 30 Jun 2021	Plan YE 30 Jun 2022	Plan YE 30 Jun 2023	Plan YE 30 Jun 2024	Plan YE 30 Jun 2025	Plan YE 30 Jun 2026
Cpi		1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
	\$	\$	\$	\$	\$	\$	\$
Statement of Comprehensive Income							
Income							
General Funds							
Non-exchange Revenue							
Donations & Sponsorships	36,080	22,250	33,850	34,495	35,150	35,825	35,825
Fundraising Events	17,578	70,000	70,000	100,000	100,000	100,000	100,000
Grants							
NCC - Operating	686,771	701,657	714,988	728,573	742,416	756,522	770,896
NCC - Depreciation	233,028	230,133	0	231,309	231,705	232,065	232,065
NCC - Capital, maintenance	0	0	0	0	0	0	0
TDC	87,813	87,813	87,813	87,813	87,813	87,813	87,813
Covid Wage Subsidy	68,837						
Total non-exchange Revenue	1,130,107	1,111,853	906,651	1,182,190	1,197,084	1,212,225	1,226,599
Exchange Revenue							
Investments	5,854	1,000	4,000	2,000	2,500	2,500	2,500
Exhibitions - commission	15,105	5,000	5,095	5,192	5,291	5,392	5,494
Education	72,647	75,000	75,000	76,425	77,877	79,357	80,865
Education Sponsorship	10,000	1,000	5,000	7,500	10,000	10,000	10,000
Retail and Membership (FoTs)	154,260	160,000	175,000	185,000	188,515	192,097	195,747
Rent and outgoing recovery	118,867	119,000	149,000	151,831	154,716	157,656	160,651
Other Income	3,482	250	1,000	1,000	1,000	1,000	1,000
Total Exchange Revenue	380,215	361,250	414,095	428,948	439,899	448,002	456,257
Total Income General Funds	1,510,322	1,473,103	1,320,746	1,611,138	1,636,983	1,660,227	1,682,856
Special Purpose Funds - Exchange Revenue							
Education Endowment Fund							
Income earned		100	150	250	400	600	600
Unrealised Market Adjustments	(179)	179	500	250	300	300	300
Maintenance and Depreciation Funds							
Income earned	12,325	4,500	5,000	6,000	7,000	8,500	8,500
Unrealised Market Adjustments	10,012	5,000	50,000	25,000	25,000	25,000	25,000
Cuthbertson Fund							
Interest and dividends earned	10,423	5,500	5,500	8,000	9,500	11,800	11,800
Cuthbertson Fund unrealised market adjustment	(26,131)	25,000	20,000	15,000	15,000	15,000	15,000
Burton Fund							
Income earned	3,017	1,500	2,250	2,750	3,000	3,000	3,000
Acquisitions Fund							
Legacy Group Income	26,208	40,000	50,000	60,000	75,000	100,000	100,000
Interest earned	78	400	250	300	400	550	550
Total Special Purpose Funds Income	35,753	82,179	133,650	117,550	135,600	164,750	164,750
Other Non-exchange Revenue							
Donated Collection Items at Valuation	53,065	10,000	10,000	10,000	10,000	10,000	10,000
Total Other Income	53,065	10,000	10,000	10,000	10,000	10,000	10,000
Total Revenue	1,599,140	1,565,282	1,464,396	1,738,688	1,782,583	1,834,977	1,857,606
Expenses							
General Funds							
Personnel Costs	559,552	595,532	606,847	618,377	630,126	642,098	654,298
Audit	16,771	16,000	15,000	15,285	15,575	15,871	16,173
Administration	121,926	110,449	115,000	117,185	119,412	121,681	123,993
Governance	53,953	56,805	62,000	63,178	64,378	65,601	66,847
Exhibitions	96,176	123,570	125,000	127,375	129,795	132,261	134,774
Education	9,060	6,400	7,000	7,133	7,269	7,407	7,548
Retail (CoGS & FoTs)	73,073	84,900	75,000	79,286	80,792	82,327	83,892
Marketing			25,000	25,000	26,500	26,500	28,000
Collection	11,792	8,656	8,820	8,988	9,159	9,333	9,510
Facilities	139,297	162,905	160,000	163,040	166,138	169,295	172,512
Deferred maintenance and redevelopment planning	12,899						
Operating Costs	1,094,499	1,165,217	1,199,667	1,224,847	1,249,144	1,272,374	1,297,547
EBITDA (before redevelopment costs)	504,641	400,065	264,729	513,841	533,439	562,603	560,059
Depreciation and Loss on sale							
Depreciation Landscaping	22,962	22,962	22,962	22,962	22,962	22,962	22,962
Depreciation Buildings	380,920	380,920	380,920	380,920	380,920	380,920	380,920
Depreciations Plant and Equipment	62,173	63,582	67,132	70,532	73,032	75,532	78,032
Depreciation and Loss on sale	466,055	467,464	471,014	474,414	476,914	479,414	481,914
Total Expenses before Redevelopment	1,560,554	1,632,681	1,670,681	1,699,261	1,726,058	1,751,789	1,779,461
Redevelopment Fund Costs	76,209	0	0	0	0	0	0
Total Expenses	1,636,763	1,632,681	1,670,681	1,699,261	1,726,058	1,751,789	1,779,461
Earnings after Depreciation and Redevelopment	(37,623)	(67,399)	(206,285)	39,427	56,525	83,188	78,145
Net Surplus							
General Funds	(28,073)	(159,578)	(349,935)	(88,123)	(89,075)	(91,562)	(96,605)
Maintenance Fund	0	9,500	55,000	31,000	32,000	33,500	33,500
Redevelopment Fund	(76,209)						
Education Fund	0	279	650	500	700	900	900
Cuthbertson Fund	(15,708)	30,500	25,500	23,000	24,500	26,800	26,800
Burton Fund	3,017	1,500	2,250	2,750	3,000	3,000	3,000
Acquisitions Fund	79,316	50,400	60,250	70,300	85,400	110,550	110,550
Other Funds	35						
	(37,622)	(67,399)	(206,285)	39,427	56,525	83,188	78,145

The Bishop Suter Trust
Business Plan 2019 to 2025

Cpi	Actual	Plan	Plan	Plan	Plan	Plan	Plan
	YE 30 Jun 2020	YE 30 Jun 2021	YE 30 Jun 2022	YE 30 Jun 2023	YE 30 Jun 2024	YE 30 Jun 2025	YE 30 Jun 2026
		1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
	\$	\$	\$	\$	\$	\$	\$
Statements of Changes in Equity							
General Purpose Funds							
Opening Equity	13,513,972	13,485,899	13,096,188	12,515,592	12,196,160	11,875,380	11,551,753
Nelson City Council Equity subscription							
Transfer to Maintenance Fund		(230,133)	(230,661)	(231,309)	(231,705)	(232,065)	(232,065)
Surplus/(deficit) for the period	(28,073)	(159,578)	(349,935)	(88,123)	(89,075)	(91,562)	(96,605)
Closing Equity	13,485,899	13,096,188	12,515,592	12,196,160	11,875,380	11,551,753	11,223,083
Redevelopment Fund							
Opening Equity	4,804,859	4,728,650	4,728,650	4,728,650	4,728,650	4,728,650	4,728,650
Nelson City Council							
Transfer to Maintenance Fund							
Surplus/(deficit) for the period	(76,209)	0	0	0	0	0	0
Closing Equity	4,728,650	4,728,650	4,728,650	4,728,650	4,728,650	4,728,650	4,728,650
Maintenance Fund							
Opening Equity		0	239,633	294,633	556,942	820,647	1,086,212
Transfers In to Maintenance Fund		230,133	0	231,309	231,705	232,065	232,065
Surplus/(deficit) for the period		9,500	55,000	31,000	32,000	33,500	33,500
Closing Equity	0	239,633	294,633	556,942	820,647	1,086,212	1,351,777
Cuthbertson Fund							
Opening Equity	559,579	543,871	574,371	599,871	622,871	647,371	674,171
Unrealised Market Adjustments	(26,131)						
Surplus/(deficit) for the period	10,423	30,500	25,500	23,000	24,500	26,800	26,800
Closing Equity	543,871	574,371	599,871	622,871	647,371	674,171	700,971
Burton Fund							
Opening Equity	161,554	164,571	166,071	168,321	171,071	174,071	177,071
Surplus/(deficit) for the period	3,017	1,500	2,250	2,750	3,000	3,000	3,000
Closing Equity	164,571	166,071	168,321	171,071	174,071	177,071	180,071
Acquisitions Fund							
Opening Equity	1,772,209	1,851,525	1,901,925	1,962,175	2,032,475	2,117,875	2,228,425
Surplus/(deficit) for the period	79,316	50,400	60,250	70,300	85,400	110,550	110,550
Transfers							
Closing Equity	1,851,525	1,901,925	1,962,175	2,032,475	2,117,875	2,228,425	2,338,975
Other Funds							
Opening Equity	48,467	48,502	48,781	49,431	49,931	50,631	51,531
Surplus/(deficit) for the period	35	279	650	500	700	900	900
Transfers							
Closing Equity	48,502	48,781	49,431	49,931	50,631	51,531	52,431
Total Changes in Equity							
Opening Equity	14,860,640	14,823,018	14,755,619	14,549,334	14,588,761	14,645,286	14,728,474
Nelson City Council Equity subscription	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Surplus/(deficit) for the period	(37,622)	(67,399)	(206,285)	39,427	56,525	83,188	78,145
Closing Equity	20,823,018	20,755,619	20,549,334	20,588,761	20,645,286	20,728,474	20,806,619

Appendix I: Financial Budgets continued

The Bishop Suter Trust Business Plan 2021 to 2026	Actual	Plan	Plan	Plan	Plan	Plan	Plan
	YE 30 Jun	YE 30 Jun	YE 30 Jun	YE 30 Jun	YE 30 Jun	YE 30 Jun	YE 30 Jun
	2020	2021	2022	2023	2024	2025	2026
Cpi		1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
	\$	\$	\$	\$	\$	\$	\$
The Bishop Suter Trust							
Statement of Financial Position							
Current Assets							
Current Assets							
Cash and Cash equivalents	230,951	292,498	279,653	302,238	335,007	367,460	397,401
Cash on hand	540	540	540	540	540	540	540
Bank term deposit	350,000	350,400	450,650	550,950	651,350	751,900	852,450
Receivables	13,117	13,117	13,117	13,117	13,117	13,117	13,117
Accrued Interest Burton Fund	104	104	104	104	104	104	104
Accrued Interest Redevelopment Fund		0	0	0	0	0	0
Operations Term Deposit		0	0	0	0	0	0
Other Current Assets	50,562	50,562	50,562	50,562	50,562	50,562	50,562
GST receivable	7,061	7,061	7,061	7,061	7,061	7,061	7,061
Total Current Assets	652,335	714,282	801,687	924,573	1,057,743	1,190,746	1,321,237
Specific Purpose Investments							
Cuthbertson Investments	447,890	478,390	503,890	526,890	551,390	578,190	604,990
Burton Fund Investments	103,184	104,684	106,934	109,684	112,684	115,684	118,684
Education Fund Investments	9,930	10,209	10,859	11,359	12,059	12,959	13,859
Maintenance and Depreciation Funds	535,187	544,687	599,687	630,687	662,687	696,187	729,687
Total Specific Purpose Investments	1,096,191	1,137,970	1,221,370	1,278,620	1,338,820	1,403,020	1,467,220
Non Current Assets							
NCC Depreciation Fund							
Collection	863,363	1,093,496	1,093,496	1,324,805	1,556,510	1,788,575	2,020,640
Opening Balance	7,867,842	7,952,853	8,002,853	8,062,853	8,132,853	8,217,853	8,327,853
Additions from accumulated reserves							
Donated	53,065	10,000	10,000	10,000	10,000	10,000	10,000
Ex Cuthbertson		0	0	0	0	0	0
Ex Burton		0	0	0	0	0	0
Ex Acquisitions	31,946	40,000	50,000	60,000	75,000	100,000	100,000
Total Collection Assets	7,952,853	8,002,853	8,062,853	8,132,853	8,217,853	8,327,853	8,437,853
Property Plant and Equipment							
Land	442,000	442,000	442,000	442,000	442,000	442,000	442,000
Landscaping	459,249	459,249	459,249	459,249	459,249	459,249	459,249
Depreciation Landscaping	(85,245)	(108,207)	(131,169)	(154,131)	(177,093)	(200,055)	(223,017)
Work in Progress	0	0	0	0	0	0	0
Buildings and fitout	10,829,848	10,831,660	10,831,660	10,831,660	10,831,660	10,831,660	10,831,660
Additions / Redevelopment	1,812	0	0	0	0	0	0
Depreciation Buildings	(1,597,829)	(1,978,749)	(2,359,669)	(2,740,589)	(3,121,509)	(3,502,429)	(3,883,349)
Plant & Equipment	596,505	618,073	635,823	671,323	705,323	730,323	755,323
Additions	21,568	17,750	35,500	34,000	25,000	25,000	25,000
Depreciation Plant and Equipment	(256,473)	(320,055)	(387,188)	(457,720)	(530,752)	(606,285)	(684,317)
Property Plant and Equipment	10,411,435	9,961,721	9,526,206	9,085,792	8,633,878	8,179,464	7,722,549
	18,364,288	17,964,574	17,589,060	17,218,645	16,851,731	16,507,317	16,160,403
Total Assets	20,976,177	20,910,322	20,705,612	20,746,643	20,804,804	20,889,657	20,969,499

Appendix I: Financial Budgets continued

The Bishop Suter Trust
Business Plan 2019 to 2025

	Actual YE 30 Jun 2020	Plan YE 30 Jun 2021	Plan YE 30 Jun 2022	Plan YE 30 Jun 2023	Plan YE 30 Jun 2024	Plan YE 30 Jun 2025	Plan YE 30 Jun 2026
Cpi		1.90%	1.90%	1.90%	1.90%	1.90%	1.90%
		\$	\$	\$	\$	\$	\$
Liabilities							
Current Liabilities							
GST Payable		0	0	0	0	0	0
Payables from exchange transactions	81,292	82,837	84,410	86,014	87,649	89,314	91,011
Employee Entitlements	49,150	49,150	49,150	49,150	49,150	49,150	49,150
Redevelopment accruals and retentions							
Other Liability							
Income In Advance	22,717	22,717	22,717	22,717	22,717	22,717	22,717
Total Current Liabilities	153,159	154,705	156,279	157,884	159,520	161,185	162,882
Long Term Liabilities							
NSAS Loan							
Total Long Term Liabilities	0	0	0	0	0	0	0
Total Liabilities	153,159	154,705	156,279	157,884	159,520	161,185	162,882
Net Assets							
	20,823,018	20,755,618	20,549,333	20,588,759	20,645,284	20,728,473	20,806,618
The Bishop Suter Trust Equity							
Capital & Reserves							
General Purpose Funds	7,485,900	7,096,187	6,515,591	6,196,158	5,875,376	5,551,751	5,223,081
Nelson City Council	6,000,000	6,000,000	6,000,000	6,000,000	6,000,002	6,000,000	6,000,000
Redevelopment Fund	4,728,650	4,728,650	4,728,650	4,728,650	4,728,650	4,728,650	4,728,650
Maintenance Fund		239,633	294,633	556,942	820,647	1,086,212	1,351,777
Cuthbertson Fund	543,871	574,371	599,871	622,871	647,371	674,171	700,971
Burton Fund	164,570	166,071	168,321	171,071	174,071	177,071	180,071
Other Funds	48,502	48,781	49,431	49,931	50,631	51,531	52,431
Acquisitions Fund	1,851,525	1,901,925	1,962,175	2,032,475	2,117,875	2,228,425	2,338,975
Total Trust Equity	20,823,018	20,755,618	20,318,672	20,358,098	20,414,623	20,497,811	20,575,956
The Bishop Suter Trust							
Statement Of Cash Flows							
CashFlows from operating Activities							
Sales of Good and Services	419,914	321,750	367,596	381,235	388,461	395,824	403,325
Grants and Donations	907,078	970,220	1,009,151	1,066,594	1,099,318	1,139,838	1,154,966
Interest and Dividends	18,256	13,000	17,150	19,300	22,800	26,950	26,950
Payments to Suppliers	(609,601)	(568,140)	(591,246)	(604,866)	(617,384)	(628,611)	(641,552)
Payment to Employees	(544,501)	(595,532)	(606,847)	(618,377)	(630,126)	(642,098)	(654,298)
Net GST	1,291						
Net Cash flows from Operating Activities	192,437	141,297	195,804	243,885	263,069	291,903	289,391
Cash Flows from Investing Activites							
Proceeds from sale of Financial Assets	100,000						
Purchase of Property Plant and Equipment	(24,495)	(17,750)	(35,500)	(34,000)	(25,000)	(25,000)	(25,000)
Purchase of Collection Assets	(31,946)	(50,000)	(60,000)	(70,000)	(85,000)	(110,000)	(110,000)
Purchase of Investments	(385,758)	(12,000)	(113,150)	(117,300)	(120,300)	(124,450)	(124,450)
Net Cash flow from Investing Activities	(342,199)	(79,750)	(208,650)	(221,300)	(230,300)	(259,450)	(259,450)
Cash flows from Financing Activities							
Repayment of Borrowings							
Net cash flow from Financing Activities	0	0	0	0	0	0	0
Net Increase/(Decrease) in Cash and Cash equivalents	(149,762)	61,547	(12,846)	22,585	32,769	32,453	29,941
Cash and cash equivalents at beginning of Period	381,253	231,491	293,038	280,193	302,778	335,547	368,000
Cash and Cash equivalents at end of Period	231,491	293,038	280,193	302,778	335,547	368,000	397,941

Notes to the 2021-2026 SOI Budgets (Appendix 1):

- The budgets clearly separate activities between Operating and Special Purpose Funds which have independent and tagged purposes; these are:
 - Cuthbertson Fund – a historic bequest whose capital is invested, and growth tagged to purchase and care for collections items.
 - Burton Fund – a historic bequest whose capital is invested, and growth tagged to purchase collections items.
 - 5 x 40 & 10X10 Acquisitions Fund [Legacy Group] and Fields Pond – Specific funds sought and held in trust to purchase collection items, put the collection on-line, provide educative interpretation and a library.
 - Education Endowment Fund- Donated funds invested and tagged for educational purposes. These funds are currently deposited with others to take advantage of higher interest rates.
 - Asset Maintenance Fund: Redevelopment Fund – This fund has been established to provide for asset maintenance and renewal guided by the 25-year Asset Management and Maintenance Plan commissioned by the Trust upon completion of the Project and transfer of the balance of funds remaining after completion of the Redevelopment Project. The Asset Management and Maintenance Plan informs planning, funding and decisions that will ensure the redeveloped premises and related plant and equipment are properly maintained consistent with the provisions of the *Redevelopment Project Heads of Agreement* between The Suter and NCC and the Annex thereto.
- Total Exchange Revenue is budgeted to increase in the 2021-2022 year by 7.1% from a forecasted \$383,200 in the current 20/21 financial year to \$410,425. This is derived from increases in our overall commercial activity, especially retail which continues to go from strength to strength and better than expected venue hire revenue.
- Our Operating costs have been adjusted up slightly following specific cost reductions linked directly to our Covid responses last year. Property and Personnel costs remain our largest expense areas and we have made allowance for the impact of the Minimum Wage increase and potential Living Wage adjustments.
- Investment interest income has been kept conservative given the level of uncertainty remaining in the investment market.
- Our stronger than anticipated performance in the 20/21 year has seen our budget return to positive gains and we remain cautiously optimistic for the future.

Appendix II: The Bishop Suter Trust Statement of Accounting Policies

Statement of significant accounting policies

i. REPORTING ENTITY

The Bishop Suter Trust (the Trust) is a charitable trust incorporated in New Zealand under the Charitable Trusts Act 2005 on 5 April 2008 and is domiciled in New Zealand. The Trust is controlled by Nelson City Council as a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees

The primary objective of the Trust is to provide the people of Nelson and visitors to the region access to our cultural heritage and to the many forms of contemporary cultural expression. This means communicating the diverse ideas and experiences that art offers to the widest possible audience by the presentation of quality visual arts programmes and by developing and caring for the permanent collection.

Accordingly, the Trust has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

ii. BASIS OF PREPARATION

Compliance

The financial statements of the Trust will be prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

Financial statements will be prepared in accordance with NZ GAAP and comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Measurement base

The financial statements will be prepared on a historical cost basis.

Functional and presentation currency

The financial statements will be presented in New Zealand dollars and all values rounded to the nearest dollar. The functional currency of the Trust is New Zealand dollars.

Changes in accounting policies

No changes in accounting policies are anticipated. In the event there are, they will be disclosed.

iii. SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenue is measured at the fair value of consideration received.

Grants

Grants received from Nelson City Council and Tasman District Council are the primary sources of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's Trust Deed. The Trust also receives grants from bodies such as Creative New Zealand, and these grants have restrictions on their use.

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

Other revenue

Products held for sale are recognized when a product is sold to the customer.

Where art works are donated in the Trust for nil consideration, the fair value of the work is recognised as income.

Interest income is recognised on receipt.

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

Advertising costs

Advertising costs are expensed when the related service has been rendered.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Income Tax

The Trust has been granted Charitable status by the Inland Revenue Department, and therefore is exempt from income tax.

Leases

- Finance Leases

The Trust has no finance leases.

- Operating leases

The Trust has 3 (tenancy) leases with other parties; these leases cover the Trust's Theatre, the Café and a special lease arrangement with NSAS. The income received from the leases is recorded as income on receipt. The Trust also has an operating lease for its photocopier.

There are no incentives attached to the leases.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of 3 months or less.

Debtors and other receivables

Debtors and other receivables are usually paid within a month. Other than operational grants, debtors are not significant.

Inventories

Inventories are held at the lower of cost or net realisable value. Any Trust published inventory remaining after 2 years is written off.

Investments

Investments are shown at actual or realisable value.

Property, plant and equipment

Land and buildings were re-valued for the Trust's opening balance. Plant and equipment were brought on at book value, i.e. cost less accumulated depreciation.

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 Trust and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at cost. When an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are recognised 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 Trust and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight-line basis on all property plant and equipment at rates that will write-off the cost 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 as follows:

Buildings	50 years (2%)
Improvements	20 years (5%)
Furniture and fittings	16 years (6.25%)
Computer equipment	5 years (20%)

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Intangible assets

Software acquisition:

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the development and maintenance of the Trust's website are recognised as an expense when incurred because the website is primarily promoting the Trust's services.

Staff training costs are recognised as an expense when incurred.

Amortisation

Computer software licences are amortised on a straight-line basis over their estimated useful life of 5 years. Amortisation begins when the asset is available for use and ceases

at the date that the asset is disposed of. The amortisation charge for each period is recognised in the Statement of Financial Position.

Impairment of property, plant and equipment and intangible assets

Property, plant and equipment are reviewed for impairment at each balance date. When impairment is recognised, the recoverable value of the asset is estimated, an impairment loss is recognised and the carrying value of the asset is reduced to its recoverable amount.

Impairment loss is recognised in the statement of financial performance.

Collection

The opening balance of the Collection is the deemed cost at market valuation at the commencement of the Trust. Items purchased for the Collection are recorded at cost. Items donated to the Collection are valued at the time of acquisition and recorded at valuation.

The value of the Collection assets is reviewed and reassessed from time to time. In accordance with IFRS, the Trust will apply an impairment test to the Collection each year.

The Collection is not depreciated.

Creditors and other payables

Creditors and other payables are measured at fair value.

Employee entitlements

Short term entitlements

Entitlements that the Trust expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include annual leave and holiday pay earned to, but not yet taken at balance date.

Good and Service Tax (GST)

All items on the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognized as part of the related asset or expense.

The net GST recoverable from or payable to, the Inland Revenue Department (IRD) is included as part of the 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 an operating cash flow in the statement of cash flows.

Budget figures

The budget figures are those approved by the Trustees at the beginning of the year in the Statement of Intent. This budget has also been reassessed post Covid to reflect the expected global downturn and reduced tourism numbers over the next year.

The budget figures have been prepared in accordance with NZ IFRS, using accounting policies that are consistent with those adopted by the Trust for the preparation of the financial statements.

Critical accounting estimates and assumptions

The Trust has made a number of estimates and assumptions in the preparations of the financial forecasts.

- That Council funding will be consistent with the Memorandum of Understanding and Community Plans
- A consistent level of donations has been assumed
- Commercial revenue is based on visitor numbers and historical performance
- Expenditure costs have both an historical and an actual (if known) base

Critical judgement in applying the Trust's accounting policies

The Trustees must exercise their judgement when recognising grant income to determine if conditions of the grant contract have been satisfied. This judgement will be based on the facts and circumstances that are evident for each grant contract.



Appendix III: The Trust's Approach to Governance

Governance Principles

The Trust operates to the Principles and Guidelines for Corporate Governance in New Zealand, published by the Securities Commission New Zealand;

- Trustees should observe and foster high ethical standards.
- There should be a balance of independence, skills, knowledge, experience, and perspectives among Trustees so that the Board works effectively.
- The Board should use committees where this would enhance its effectiveness in key areas while retaining board responsibility.
- The Board should demand integrity both in financial reporting and in the timeliness and balance of disclosures on entity affairs.
- The remuneration of Trustees and executives should be transparent, fair, and reasonable.
- The Board should regularly verify that the entity has appropriate processes that identify and manage potential and relevant risks.
- The Board should ensure the quality and independence of the external audit process.
- The Board should foster constructive relationships with NCC that encourage them to engage with the entity.
- The Board should respect the interests of stakeholders within the context of the entity's ownership type and its fundamental purpose.

The Role of The Trust Board

- Ensuring that the Trust operates in accordance with its Deed of Trust.
- Ensuring that the Trust meets its objectives as defined in this Statement of Intent.
- Ensuring the Trust complies with all its lawful obligations.
- Ensuring the NCC are kept well informed on all relevant issues and that there are "no surprises" on matters likely to cause community or political concern.
- Making any decisions as to policy that are not the preserve of general management and day-to-day administration.
- Employing the Gallery Director (including entering into a performance management agreement, reviewing performance and setting remuneration).

- Ensuring sound financial management of The Trust.

Composition of The Board

- The Board is made up of 6 non-executive Trustees.
- Trustees are appointed by resolution of Council in accordance with the Trust Deed of The Bishop Suter Trust, the Council's policy for the appointment of Trustees and cognisant of the balance of competencies that shall include financial stewardship, expertise and knowledge in art matters and issues, education, tourism, regional development, promotion, iwi perspectives and cultural awareness¹².
- Ideally the BST should have a split of members who have business, marketing, human resources, legal and financial skills and those who have significant understanding of art, fundraising skills and networks, both local and national including in terms of patronage.
- The Trustees appoint a Chairperson at the first meeting after the AGM.

Board Remuneration

- The NCC will set total remuneration for the Board. The Board will from time to time determine their remuneration and apportionment of this allocation cognisant of The Trust's financial position.

Risk Management Policies

- The Board shall ensure that appropriate insurance is maintained on all insurable risks of the Trust, and in particular public liability insurance and insurance of the heritage assets.
- The Board shall ensure that the Trust has procedures in place to achieve compliance with all applicable legislation.
- The Board will complete a risk review annually and identify mitigations of those risks. Cyber security and environment risks form part of the evaluation
- The Chair of the Audit & Risk Sub-committee also sits on the Executive Health & Safety Committee as a Board representative. Minutes of meetings are distributed to all Trustees
- The Board shall complete a regular 25-year property maintenance & renewal plan.

¹² Section 13 clauses C; 2 & 3 The Bishop Suter Trust Deed of Trust

Guidance and Resources Provided to Board Members.

Sound financial management and systems that provide reports to the Board as follows:

- Statement of financial performance for the preceding month, year to date and year end projections.
- Statement of financial position at the preceding month end.
- Statement of cash flow for the preceding month and monthly update on expected year end position.
- Gallery Director's report addressing issues related to the Trust's performance against objectives (financial and non-financial).
- The Board will ensure that relevant training opportunities are made available to Trustees.

Board and management Succession Planning

- With a small staff it is not possible to have succession planning for all key positions e.g. Director, Curator or Educator, Commercial Manager as there are limited opportunities for internal promotion.
- Trustee succession relies on identification of competency needs prior to trustee rotation/replacement; and ensuring that there is cover during Trustee change (which may involve short duration extension of term(s) to provide transition support to an incoming trustee(s))

Board Performance Review

- A performance review is undertaken every 18 months. Initiatives arising from this include:
 - the need to focus on a Board succession programme
 - review of Board subcommittees and terms of reference



Appendix IV: Index of Responses to the Statement of Expectation

As requested in the Letter of Statement of Expectations [SoE] sent to the Bishop Suter Trust Chair from the Office of the Mayor 16 December 2020

Ref. S.o.E.	Requirement	BST Sol references
1.1;1.2	Prospective financial statements	Appendix I pp22-32
1.3,1.4	Compliance with LGA and Public Records Act	Appendix III pp33ff The Trust's approach to Governance
1.5	Reporting on Health & Safety matters	Performance measure 3.1.5
1.6	Non- council revenue streams	p.8; p18 resourcing, p22 Statement of comprehensive Income & notes p26
1.7	Capital expenditure & asset management	P20; p26
1.8-1.11	Performance targets & measures Organisational description, intentions Strategic context	pp13-15 pp3-10 pp17-19
1.12; 1.14	Risk management and health & Safety	P7 and p34. A risk register is maintained and regularly reviewed by the Audit Risk & Remuneration Sub-committee. A comprehensive review of the Risk Register and process carried out in 2020/2021 Accepted BST mtg 18.02.2021. H&S reported monthly to BST mtgs. Related Performance targets: 3.1.2 & 3.1.5
1.13	Sustainability	p.19; related Performance target: 3.1.4
1.15	Governance Performance & recommendations for re-appointment recruitment of trustees	Appendix III p35; BST will notify by letter to Council skill sets, diversity etc required in advance of trustee terms ending.
1.16 and 1.17	Knowledge of tikanga Māori at governance level; consultation prior to decision making	Iwi appointed representation on BST; MoU between BST and Ko Te Pouaranga (Iwi Advisory komiti).

		Ref. p16; related Performance objective: 3.5.1
Specific expectations to be include in the Sol of The Bishop Suter Trust		
1.18	Response to the effects of COVID-19 -on visitor numbers and budget Contribution to regional recovery efforts	Introduction pp3-4; visitor numbers p.17 related Performance objective/target:3.1.1 ref. footnote. Impact on non-council revenue p.18 Partnerships objective: 3.5.4. The BST is working closely with other arts, heritage, tourism and business development organisations
1.18.2	Planning and reporting	Section 3 pp13-15
1.18.3	Good employer obligations; Fair Pay, equal opportunities and Living Wage	related Performance objective:p3.1.5 ref. notes to the budget p26 3 rd bullet point re transitioning to paying the Living Wage
1.18.4	Development of the relationship with TDC	Services provided are linked to both TDC and NCC community outcomes pp11-12; particularly educational delivery and through outreach projects p.9 Related Performance objective:3.5.4
1.18.5	Resilience	See above 1.12; 1.14 entry
1.18.6	Governance & succession plan to id and mentor a future Chair of the Trust & for board members whose terms end 2021 and 2022	Development of a plan is on the Board's forward work programme and May 2021 Meeting. Notification of Trustees who intend to retire October 2021 will be given to Council in April See 1.15 above
1.18.7	Strategies to grow non-Council revenue	See 1. 6
1.18.8	Health & Safety learnings as a result of any previous incidents	Trust processes are of continuous review, eliminate minimise for improvement. See 1.12 above