



# Te Matatiki Toi Ora The Arts Centre

## Annual Report 2023

[artscentre.org.nz](https://artscentre.org.nz)

The  
Arts  
Centre

Te Matatiki Toi Ora

## **Part 1:**

Review of 2023 by the Chair and Director

Fundraising report

List of supporters, in grateful acknowledgement

## **Part 2:**

The Arts Centre of Christchurch Trust Board Audited Financial  
Statements for the year ended 31 December 2023

Front cover: Twisty Twins at Off Centre March 2023, photography by Charlie Rose Creative.

Back cover: Engineering buildings restoration & Health Technology Centre June 2023, photography by Johannes van Kan.

## 2023: YEAR IN REVIEW FROM THE CHAIR AND DIRECTOR

### Sustaining a world-class cultural district

In 2021, Te Matatiki Toi Ora The Arts Centre was one of 15 cultural centres featured in "World Culture Districts" published by the MuseumsQuartier in Vienna.

The Arts Centre sits proudly alongside the great museums and arts centres of the Southbank Centre, Gorky Park and Garage Museum of Contemporary Art, Museumsinsel Berlin, and Alserkel Avenue. Some of the world's great cultural capitals are represented: Dubai, Barcelona, Berlin, Helsinki, Hong Kong, Venice, London, Montréal, Vienna and Moscow. In the opening essay, Christian Strasser (Director, MuseumsQuartier, Vienna) describes cultural districts as "the flagships of an internationally connected world. On the one hand, their orientation and networks are global; on the other, they are perfectly anchored in their local and regional scenes."

With their free, open public spaces and diverse creative programming, Strasser argues that cultural districts "make an unparalleled contribution to quality of life" and enable the thoughtful exploration of ideas and democratic debate so essential given the challenges of the 21st century.

Here in Aotearoa New Zealand, it is easy to devalue homegrown efforts, not recognising how well they stack up internationally. Our world-class cultural site, The Arts Centre, has no standing nationally – central governments have always shifted responsibility to local government, a position that would be much harder to sustain were The Arts Centre in Auckland or Wellington.

Nowhere else in the country is an entire city block of heritage buildings held in trust for residents and visitors. Not only that, but The Arts Centre's category one heritage buildings are in a coherent architectural style, largely restored, and open for public use. The buildings have statutory protection against demolition, alteration, or sale. They are leased at market rates to remarkable tenants in the fields of arts, culture, creativity, and education, from architecture and film making to dance and technological innovation.

The Arts Centre's small staff produced three full-blown festivals and numerous discrete performances, exhibitions and activations, hosted artists, hired out venues, inspired audiences, coordinated volunteers, ran education programmes, and welcomed many thousands of visitors through the doors. The Arts Centre is the heart of what Christchurch City Council calls our "cultural powerhouse" city.

### Celebrating the restoration

The Arts Centre's big bang for 2023 was the Off Centre festival. Designed to celebrate 12 years of earthquake restorations, Off Centre was a chance for the community to come together and enjoy *their* Arts Centre, aided by the creative talents of some 40 artists.

It was a truly extraordinary weekend. The 70 events ranged from busking to children's shows to opera, cult

movies, and more. Despite cold rain on the Sunday, Off Centre attracted two to three times the normal foot traffic, an audience count at ticketed events of 4556, and an average satisfaction score of 91 out of 100.

### Heritage Stargazing

In April, The Arts Centre welcomed the return of an old favourite: stargazing from the Observatory Tower. How incredible to gaze at the southern stars from the heart of the city!

Heritage Stargazing is a joint venture between The Arts Centre and The University of Canterbury (UC), which owns the antique Townsend Teece Telescope (1864). After the Canterbury earthquakes, while the centre was rebuilding the tower, the university arranged for the telescope to be painstakingly restored. Now, on suitable Friday evenings during winter, visitors can book 30-minute tours where they climb the winding staircase to the top. Once in the dome, participants view the night sky through the telescope operated by UC's Townsend Observers. Together the tours offer a unique experience of the city and astronomical past and present.

### Opening of the Health Technology Centre

In June 2023, the Health Technology Centre officially opened its doors in the Engineering Extension and Electrical Engineering buildings. Many will remember these spaces as the home of The Court Theatre and part of Southern Ballet before the Canterbury earthquakes. A contemporary glass bridge now links the upper levels of the two buildings. It was designed by Jonathan Coot of Warren and Mahoney, inspired by the well-known painting *Cass* by Rita Angus, who studied at the School of Art on site.

The Arts Centre's statutory mandate to support the pursuit of creativity invites us to reach beyond the traditional arts, which makes the Health Technology Centre a good fit. It opened as a co-working space for a cluster of health technology companies working in digital health, medical devices, and allied fields. Founding tenants included The Johner Institute, oVRcome, Myovolt, The Kite Program, ContentedAI, Komodo, The Honest Human, Calmly, Ignite Aotearoa, and Big Chats.

The long-term ambition is for the Health Technology Centre to be a community of connection, inspiration and support, where companies can readily access the commercial, intellectual property, strategy, export, quality and regulatory advice they need to succeed.

The restoration and fit-out was funded by NZ Lottery Grants Board (Significant Projects Fund, Environment and Heritage Fund), Ministry for Culture and Heritage Manatū Taonga, and the Roger Wait and Norah Emerson Wait Charitable Trust proudly managed by Perpetual Guardian.

### **Matariki Festival**

The Arts Centre's Matariki Festival also took place at mid-year and is now a firm fixture on the city calendar. In 2023, over 2500 people enjoyed the ticketed events, six of which were sold out including headline act Maisey Rika and Hoeh. There was overall attendance growth of 29% on 2022, and average satisfaction hit 93 out of 100.

### **Opening of Te Whare Tapere**

Spaces are a vital resource in the arts. They provide space to perform, challenge, and experiment, and places to stand and feel at home. But a community must warm the space or it is merely a shell.

So, while it is true to say that the opening of Te Whare Tapere was the single most significant development on site during 2023, we are not 'just' talking about a space.

Te Whare Tapere restores the ancient tradition of a house of storytelling to this place. It is a Māori space for Māori artists and beyond, particularly for Ngai Tahu artists and Ngai Tūāhuriri as mana whenua.

The Arts Centre employs artists Juanita Hepi (Kāi Tahu, Waitaha, Kāti Māmoe, Ngāti Mutunga, Moriori, Ngāti Kahungunu, Ngāti Wai, Ngāpuhi) and Ngaio Cowell (Waikato Tainui, Ngaati Te Ata, Ngāti Porou, Taiwi)

as part-time kaiwhakahaere Māori Arts Managers, and it is their hard work with support from Creative Director Chris Archer, that is making Te Whare Tapere a success.

During Matariki 2023, Juanita and Ngaio began the process of warming the whare. The white walls of the space were daubed with messages and drawings using natural pigment from whenua that Ngaio collected locally (supported by a partnership with the Natural Paint Company). Local artists, rangatahi and tamariki, literally wrote their names and aspirations into the walls. Although this mark-making is now covered, the process transferred mauri into the space. As Ngaio said at the time, "our people have been here, having their say, before we officially open."

Te Whare Tapere was officially opened in September 2023. It is a testament to the vision of mana whenua artists and our Māori Committee who continue to encourage The Arts Centre to live its values by empowering Māori artists. We look forward to an exciting future.

Te Whare Tapere is supported by grants from NZ Lottery Grants Board, Rātā Foundation, CCC Discretionary Response Fund and The Arts Foundation Te Tumu Toi Boosted crowdfunding donors.

### **Other new spaces**

2023 saw the former gym come alive as Altiora under the creative direction of Danny Lee Syme (Cirko Kali). The fitout includes a new floor to protect the heritage structure, anchor points for aerial ropes and rings, lighting and AV control room, and a bar. Danny's experience and connections in circus, acrobatics, physical theatre, comedy, and cabaret has enabled Altiora to shine as an alternative performance space.

Altiora is supported by a grant from Manatū Taonga Ministry for Culture and Heritage.

Meanwhile, The Arts Centre fitted out a space on the ground floor of the Electrical Engineering Building as a flexible small venue. Cloisters Studio has simple black curtain backdrops and moveable tiered seating. It is an excellent space for intimate, acoustic performances and experimental productions.

Cloisters Studio fitout was funded by The Mainland Foundation, The Lion Foundation and a Boosted campaign, thanks to The Arts Foundation Te Tumu Toi and all those who donated, especially Friends of the Arts Centre.

## Creatives in residence

This year, The Arts Centre was delighted to host musician and composer Lisa Tui Jonathan, and visual artists Megan Brady and Hōhua Ropate Kurene, who lived and worked on site for three months (June-August) via the centre's Creative Residency programme.

Time and space are precious currency for creative practitioners – most juggle many commitments and work other jobs to pay the bills. The programme provides artists with a shared space to live, and time to reflect, research, create, and connect. In turn, creative residents engage with the public through wānanga, live performance, exhibitions, and talks.

Megan Brady later returned to paint an original mural in the Electrical Engineering building – a visible legacy of her "winter retreat."

This residency was part funded by the New Zealand Charitable Foundation, proudly managed by Perpetual Guardian.

## A place for a new generation

For long-time Christchurch residents, The Arts Centre often features large in their formative memories. Now, after some barren years, it is a joy to see a new generation becoming attached to this place.

The Arts Centre was privileged to work with Mr G aka Graeme Hoete (Ngāti Awa, Ngai Te Rangī, Ngāti Ranginui) and rangatahi from Te Kura Kaupapa Māori o Te Whānau Tahī, Te Aratai College, Avonside Girls' High School, Te Pā o Rākaihautū, and Noaia, who created a series of murals for the Worcester Boulevard fence.

Fifty rangatahi attended a one-day wānanga with Mr G on local history, the cultural narrative of the site, aerosol drawing techniques, and dealing with life's challenges. Later they spent four days creating the mural, often with a live audience of whānau, kaiako, social workers, neighbours, and passers-by.

This project was funded by Te Puni Kōkiri (Ministry of Māori Development), and the Christchurch City Council Place Partnership Fund. Special thanks to Arts Centre trustee Corban Te Aika and the team from Te Whare Tapere for their mahi behind the scenes.

September 2023 marked the first time since a staff restructuring in 2021 that The Arts Centre had offered a school holiday programme. During the holiday fortnight, we sold over 700 tickets to ticketed events

and welcomed 1660 people to free activities in the North Quad. We fear a horde of rioting pre-schoolers were the bubble machine ever to break – such fun!

This year, staff worked with gusto to create the first ever Hauntingly Historic Halloween. Patrons aged 12 and under had a screamingly good time and a new Arts Centre tradition has been born.

## Sculpture Festival

The Arts Centre's annual sculpture festival in October-November goes from strength to strength. The attendance count for 2023 was 6474, almost double that in 2022. Once again, the festival featured 42 artists mostly from Canterbury across a range of media including glass, ceramics, traditional sculpture, and jewellery.

As curator Koji Miyazaki said at the time, three-dimensional forms can be deeply satisfying and challenging for audience and maker: "Most sculpture is tactile, some is wearable, so we experience it through our skin as well as with our eyes".

The Sculpture Festival also serves as a fundraiser for The Arts Centre via commission on sales. It is supported by the Farina Thompson Charitable Trust, proudly managed by Perpetual Guardian.

## Arts Centre Education

The Arts Centre is one of the country's 72 'Enriching Local Curriculum' (ELC) providers contracted by the Ministry of Education. The centre employs one educator, who collaborates with local artists, the University of Canterbury's chemistry and physics departments, and a Ngāi Tahu expert kairaranga (weaver) to deliver more than a dozen different programmes spanning key learning areas in the New Zealand curriculum. With Rutherford's Den on site, The Arts Centre's educational offerings are strong in science as well as the arts. Education is a core mission in the centre's Act of Parliament, and another success of The Arts Centre.

In 2023, The Arts Centre engaged 3335 tamariki in quality learning experiences, exceeding the target numbers for the year by 51 percent. We welcomed 57 schools on site through ELC. Students adore the activities, not least because school at The Arts Centre can take on a Hogwarts vibe.

For the 5th year in a row, The Arts Centre and UC teamed up to visit rural and low decile schools through

our Term 4 science roadshow. We are deeply grateful to the Rātā Foundation for their support so we can take interactive science lessons on the road to schools that are too far away or stretched too thin to bring their students to central Christchurch.

## Community

The Arts Centre continues to be home to many of Christchurch's most talented and inspiring entrepreneurs. Whether their business is as an arts charity, film maker, design agency, hospitality venue, or boutique retailer, these people are seriously impressive. They keep The Arts Centre alive doing what they do every day.

In 2023, the following tenants leased space at The Arts Centre:

Absolution (piercing and body art studio/gallery), Brown Bread (brand + connection), Bunsen Café, Canterbury Academy of Dance, Cellar Door (wine bar/restaurant), Common Ground Studio (architecture), Dee Dee Thai Massage, Edward Sparrow, Everyone an Artist Trust, Frangranzi Artisan Perfume Studio, Frances Nation Grocer, Frances Nation Home, Frank Film, Indigo and Provisions (premium clothing), Luke Shaw & Sam Towse, Lumière Cinemas, Maxine Burney Art Studio/Gallery, Overactive Imagination (Nadine Maxwell film producer), Paint & Sip Studio, Pua of the Pacific (retail), Peddlethorp (architecture), Sarin Hotels (operator of The Observatory Hotel), SCAPE Public Art Trust, Strategy Creative (brand agency), Teece Museum of Classical Antiquities, The Central Art Gallery, The Custard Square Bookshop, The Fudge Cottage, The Physics Room (contemporary art space), Tiny Toy Shop, University of Canterbury's School of Music and Classics department, Voices Co, Zen Sushi and Dumplings.

As the year progressed the community of food trucks on site expanded from Rolling Om' and Gelato Dolce, with the arrival of Dimitri's Souvlaki, Itty Bitty Bakery, Jaeju, Pom's Thai Takeaways, Sangkutsa, The Toasty Shack and The Smoking Que. Once again, The Arts Centre is becoming the place to go for flavour-packed food made on the spot.

There were also a number of regular venue hirers including Christchurch Girls' Choir, Concerts for Christchurch, Neurofit Workshop, Schola Cantorum, Sogetsu Ikebana and Voices Co.

Meanwhile, Pūmanawa community exhibition space continues to be a popular venue, booked for 88% of all available days.

## Financial Position

In 2023, the centre's financial position has been top priority for the Trustees. As shown in the audited financial statements, which form the bulk of this Annual Report, centre operations were in deficit of \$1.5 million in 2023.

The Trust continues to hold significant cash reserves, but that masks the urgent need for secure operational support. Reserves are held in accordance with the terms of the contract with the hotel operator, Sarin, which requires the centre to be able to cover 30 years' worth of repairs and maintenance.

In 2021, Christchurch City Council agreed to provide \$5.5 million over three years as a capital grant to free up Arts Centre funds for operational expenses. This deal funded The Arts Centre until June 2024.

In 2023 we engaged with the Council to discuss our operational deficits but were ultimately unsuccessful in having any funding included in the draft Long Term Plan, released in March 2024.

We then ran a highly visible and extremely successful campaign to influence the process. This resulted in the Council providing \$750k p.a. for 2024 and 2025, with \$500k p.a. in 2026 – 2033, and the continuance of an existing \$110,000 Strengthening Communities grant for the next two years.

This secured the immediate future of The Arts Centre. However, the medium to long term future remains uncertain. The Council has agreed to engage with us to find a long term solution to our funding, and we will pursue this with urgency. To assist with this process, we have agreed to defer depreciation as a short-term measure. A solution to this must be found, otherwise it will result in the long-term deterioration of the heritage site.

We are grateful and thankful to everyone who contributed to the Long Term Plan consultation, and we look forward to openly and collaboratively working with the Council to find a long term solution.

The Arts Centre's financial challenges are not unique amongst world-class cultural districts. As Gail Lord points out in her essay in that MuseumsQuartier publication, five major challenges confront cultural districts around the globe if they are to remain vibrant: "tourism dependency, balancing production and consumption, climate change, property costs, and governance." Lord notes that in most places, public sector "artist grants, operating subsidies and education funding" support cultural production lest these districts lose their authenticity and become "stale and homogenised, featuring the same shows and shops as other global destinations."

As Lord observes, successful cultural districts are made, not born and the act of construction is ongoing: "The leaders of cultural districts will increasingly need to inspire their members to collaborate, to pressure governments to sustain creation, to maintain the public realm, to look outside their disciplines for new partners, and to sustain relationships with communities contributing to their quality of life." In other words, a vibrant Arts Centre requires more than simply co-locating a bunch of creative types, the community must be actively facilitated, assiduously nurtured, and continuously renewed. In this regard, 2023 was a particularly successful year for us in Ōtautahi Christchurch.

## Thanks

This brief review of 2023 is by no means comprehensive. There is so much happening at The Arts Centre, and that is the way it should be. As we moved into 2024, it was clear that the funding environment is extremely tight, but creativity in a multitude of guises is the thing that gets communities through tough times. Having seen flourishing creative expression amongst the rubble, Christchurch people know this better than most.

Our thanks to all of you for spending time and creating new shared memories at The Arts Centre. Thanks to our generous supporters and sponsors, whose contributions we acknowledge on the following pages. Thanks to our hard-working staff and tenants. Thanks to the Trustees and many others who volunteer their time to help.

Ngā mihi,



Murray Dickinson  
Chair, The Arts Centre of Christchurch Trust Board



Philip Aldridge ONZM  
Director, Te Matatiki Toi Ora The Arts Centre

<sup>1</sup> Strasser (ed.), World Cultural Districts. Places of the 21st Century, 2021, MuseumsQuartier Wien, Austria.

## FUNDRAISING

A huge thank you to all of the funders, trusts, individuals and organisations who have generously supported Te Matatiki Toi Ora The Arts Centre during 2023, despite the financial pressures of the year. Our many donors have loyally supported and promoted our work this year, providing us with grants, donations, and sponsorships. This funding has enabled a wide variety of activities onsite, essential equipment to be purchased, education programmes to run onsite and offsite, and a stunning array of performances and several excellent festivals to take place! Thank you to every person and organisation who has supported us this year, financially or in-kind by donating time, goods and services to The Arts Centre, helping us stay relevant, vital and bring joy to Ōtautahi Christchurch.

The Ministry of Culture and Heritage Manatū Taonga awarded a sizeable grant from the Cultural Sector Regeneration Fund. The Arts Centre partnered with Cirko Kali to establish a new performing arts venue, Altiora, for circus and physical theatre in the Gymnasium, creating an affordable dedicated public venue and permanent home for Ōtautahi Christchurch circus, physical theatre and performers - bringing comedy, cabaret, drag, circus, burlesque, indie music, and dance to new audiences.

Te Puni Kōkiri generously funded the colourful Mr G "Tumanako" project, creating a large section of art with rangatahi, providing new skills and hope for teenagers who actively participated in the week-long project. The CCC Place Partnership Fund also kindly provided funding towards helping build the plywood wall along Worcester Boulevard, as well as cultural support and catering.

The Lottery Community Fund for Christchurch and Kaikoura provided vital funding towards the creation and running of Te Whare Tapere, the new toi Māori arts space in the lower Common Room, enabling us to step confidently forward with hiring new staff and fitting out this space.

Creative New Zealand approved a grant as part of the 2022/23 Arts Grants Round 4 toward underwriting the Maisey Rika concert which was a breathtaking evening as part of the Matariki Festival 2023.

Rātā Foundation awarded a grant from their Small Grant Fund for Term 4 2023 Education Programme activities that takes science on the road to remote and low decile schools – enabling the team to reach over 2,000 ākonga in Canterbury, Nelson/Tasman and Malborough/Kaikoura.

The Ministry of Education Te Tāhuhu o te Mātauranga funded our core education programme as part of Enriching Local Curriculum (ELC, formerly Learning Experiences Outside of the Classroom, LEOTC).

### A sincere thank you to our other wonderful funders in 2023 including:

- As part of the Boost Ōtautahi crowd funding campaign (hosted by The Arts Foundation Te Tumu Toi), The Arts Foundation, Rātā Foundation and Christchurch City Council provided matching funding for the Boosted crowdfunding project, the one-day "Sounds of Salaam, Music from the Muslim World" festival. Thank you to all our online donors!
- The New Zealand Charitable Foundation, proudly managed by Perpetual Guardian, provided funds towards the Creative Residencies programme.
- Te Puni Kōkiri once again provided some vital funding from the Te Pū Harakeke fund for the Matariki Festival 2023.
- The Farina Thompson Charitable Trust, proudly managed by Perpetual Guardian, provided year four of the multi-year grant for the Sculpture Festival, helping underpin this event.
- The Barbara and Robert Stewart Trust again provided generous and timely funding.
- Pub Charity funded two new PayWave eftpos machines to help speed up tickets sales and other activities for our events, enabling us to replace obsolete machines.
- The Lion Foundation approved a grant for key audio/visual end-user equipment (screen, projector, wireless mics) for Cloisters Studio.



- A grant was received from The Mainland Foundation towards three of the five units of relocatable stadium seating for Cloisters Studio.
- Christchurch Casino Charitable Community Trust provided a grant towards technical costs during the Off Centre festival in 2023.
- WALK Christchurch donated the proceeds from their ticketed walks and private tour groups to The Arts Centre, enabling the manufacture of Oamaru stone and wooden tables for the Engineering Laneway.
- The Friends of the Arts Centre applied to Te Papa Helping Hands grant programme to secure funds for two PayWave eftpos machines for Te Whare Tapere and Altiora.
- We have continued to benefit from sales of Neil Dawson maquettes of the "Echo" sculpture, sold via The Central Art Gallery, Neil has generously donated his commission back to The Arts Centre.
- Several individual donors give monthly donations to The Arts Centre, we are honoured to receive these funds, they are truly appreciated.
- Our corporate donors donate their consulting time and provide greatly discounted rates including Ernst and Young, Holmes Consulting, Rhodes + Associates, as well as an anonymous corporate supporter.

Christchurch City Council supported us via several different grants in 2023, for which we are most grateful:

- A grant from the CCC Discretionary Response Fund helped part-fund the salaries of the kaiwhakakaere for our ngā toi Māori programmes in Te Whare Tapere.
- Year two funding of the three-year contract with CCC Events and Festivals for the Matariki Festival 2023 was gratefully received and carefully spent, as our Matariki celebrations continue to grow in size and quality each year.
- The CCC Event Seeding Fund helped support the Off Centre Festival 2023 by providing funding towards technical and operational expenses, helping give wings to this fledgling festival.
- Activities funded by the CCC Heritage Festival fund in October, with the theme "Our Stories of Learning and Living", were creative activities with The White Room, a "Walk back in time around Canterbury College" with Walk Christchurch, a Practical Heritage expert panel discussion, and a talk on the History and Restoration of the Townsend Teece Telescope.
- A helpful multi-year grant was awarded from the CCC Strengthening Communities Fund for three years, towards "Keep the Arts Centre buzzing by helping fund the creative team who plan and deliver programming and events".

The Friends of the Arts Centre ran their popular Friends French Film Fundraising event once more, as well as a summer garden tour on a very hot Sunday afternoon. The Friends have continued to be generous with their time and energy, volunteering at various public events during the year, thank you.

Our most loyal individual donors are members of the Cornerstone Programme, and they are a wonderful group of generous people who provide financial leadership by donating generously year on year. A very sincere thank you to you all, including our anonymous donors. The Cornerstone donors attended drinks and theatrical and musical performances during the year, as well as the Sculpture Festival opening night.

With the restoration project ending for now, caring for and maintaining the twenty buildings that have been re-opened since the earthquakes continues to be a challenge. Promoting and conserving the built heritage onsite is one of our three strategic pillars, Kaitiakitanga Guardianship. This will be both now and into the future and will require ongoing funding.

The Arts Centre is a unique and outstanding cultural centre, and in order to provide a rich, quality programme of events and activities for all of the people of Ōtautahi Christchurch throughout the year – of different ages, interests, backgrounds, income – we need to continue to seek, ask and lobby for funding.

Please help support us in these efforts. Join us in maintaining this home for arts, culture, heritage, creativity and education in Ōtautahi Christchurch. Find out how you can help at [artscentre.org.nz/support](https://artscentre.org.nz/support).



## THANK YOU TO OUR SUPPORTERS

### FOUNDATION DONORS

The Aotearoa Foundation  
Christchurch City Council  
Fletcher Building (New Zealand) Limited  
Manatū Taonga Ministry for Culture and Heritage  
New Zealand Lottery Grants Board  
John Griffin

### FOUNDATIONS AND TRUSTS

The Arts Foundation Te Tumu Toi  
Christchurch Casino Community Charitable Trust  
Christchurch Earthquake Appeal Trust  
Creative New Zealand  
Elizabeth Ball Trust  
The Farina Thompson Charitable Trust, proudly managed by Perpetual Guardian  
Kiwi Gaming Foundation  
The Lion Foundation  
The Mainland Foundation  
Ministry for Business, Innovation & Employment Hīkina Whakatutuki  
Ministry for Culture and Heritage Manatū Taonga  
Ministry of Education Te Tāhuhu o te Mātauranga  
New Zealand Charitable Foundation, proudly managed by Perpetual Guardian  
New Zealand Music Commission Te Reo Reka O Aotearoa  
Pub Charity  
Rātā Foundation  
Robert and Barbara Stewart Charitable Trust  
Te Papa Helping Hands National Services Te Paerangi  
Te Puni Kōkiri  
The Roger Wait and Nora Wait Charitable Trust, proudly managed by Perpetual Guardian  
The Stout Foundation, proudly managed by Perpetual Guardian

### MAJOR DONORS

Friends of the Arts Centre  
Walk Christchurch  
Anonymous

## CORNERSTONE PROGRAMME

### Diamond supporters

The late Boris, Wira and Wasyl Bereza  
Robert and Barbara Stewart Charitable Trust

### Platinum supporters

The late Dorothy Maclean

### Gold supporters

Kathy Brown and Mark Wilson  
Charles Fleischmann and Carol Caldwell  
Jen Crawford and Andy Mathers  
Robin and Annette Mann

### Silver supporters

Paddy and Gayle Cotter  
Peter and Deirdre Cottrell  
Drummond Inheritance Trust  
In honour of Bill and Debbie Lipner  
Sally Page  
Dame Adrienne Stewart  
Jill and Mark Todd  
Anonymous

### Bronze supporters

Gillian Archbold  
Margaret Austin  
Susan Doig  
Dr Ian and Dr Lynne Lochhead  
Virginia Nelson  
Dr Sue Nightingale and Dr Stuart Wise  
James Stringer  
Anonymous

### Supporters

Mark and Krissy Christensen  
Martin Hadlee  
Henshaw Developments Trust  
Kate and Matthew Reid  
Monica Ryan

### DONORS

Anna Wilson  
Beris Whelan  
Brian and Beatrice Stokes  
Clive Antony  
Deborah Williams and David Minifie  
Edward Sparrow  
Edith Tripp  
Elizabeth and John Wilks  
Gay Rathgen  
Graeme and Quita McNally  
Helen Peate  
Helen Tait  
Jean and Graeme Sharfe  
Lyn Cotton  
Martin Hadlee  
Murray and Rachel Dickinson  
Norma Hampton  
Philip Bones  
Ray and Lois Spring  
Richard Benton  
Robert Bull  
Robert Fleming  
Rod and Pat Syme  
Stella Ward  
Susanne Trim  
Ted Perry

## IN MEMORY OF MALCOLM DOUGLASS

Philip Aldridge  
Margaret Austin  
Gavin Bishop  
Vivian Bishop  
Annie Bonifant  
Bruce & Jennie Bridges  
David & Eileen Caygill  
Lee & Hector Dawson  
CC Kissling  
RJ Manthei  
Jenny May  
Felicity Price  
Stewart Ross  
David Sheppard  
SJ & HJ Wakefield

## IN MEMORIAM

Grant Close recently passed away. We would like to acknowledge the great support that he gave to The Arts Centre.

## TAP TO DONATE

Thank you to our many donors who tapped their credit and debit cards in 2023.

## ONLINE TICKET PURCHASERS

Many thanks to our online shoppers who added an extra donation to their ticket purchases.

## BOOST ŌTAUTAHI

Thank you to our crowdfunding supporters of the one-day "Sounds of Salaam, Music from the Muslim World" festival project:

Andi Liu  
Katie Martin  
Sudi Dargipour  
Philip Aldridge  
Morgane Honore  
Lorna Withell  
Brown Bread  
Mahi Toi  
Kathryn Ruge  
Murray Dickinson  
Renee Walker  
Sarah Rowlands  
Phoebe Fulton  
Susan Henson  
André Lovatt  
Mel Haskell  
Olivia Webb  
Lisa Gallaway  
Georgie Inglis  
Anna Coulthart  
Emma Cameron  
Brenda Banning  
Nuha Fathina  
Jamie Hanton  
Erin Hills  
Erica Austin  
Fiona Browne  
Graham Dockrill  
Anna Wilson  
Lynne Lochhead  
Denise Murfitt  
Friends of the Arts Centre

## **OFF CENTRE FESTIVAL 2023 SPONSORS**

Leighs Construction

Christchurch City Council

Powell Fenwick

Anderson Lloyd

Christchurch Casino Community Charitable Trust

Dame Adrienne Stewart

Adgraphix

Phantom Billstickers

Printers Inc.

Star Media

## **CORPORATE SPONSORSHIP AND DONATIONS**

Georges Road Wines

Christchurch Attractions

Holmes Consulting

Rhodes + Associates

Ernst and Young

Anonymous

Te Matatiki Toi Ora  
The Arts Centre of Christchurch Trust Board

Financial statements  
For the year ended 31 December 2023

## Contents

---

Trust directory . . . . .	1
Independent auditor's report . . . . .	2
Statement of service performance . . . . .	4
Statement of financial position . . . . .	5
Statement of comprehensive revenue and expenses . . . . .	6
Statement of movements in trust capital . . . . .	7
Statement of cash flows . . . . .	8
Notes to the financial statements . . . . .	9

## Trust directory

---

**Date of settlement**

31 December 1978

**Governing legislation**

Charitable Trusts Act 1957

Arts Centre of Christchurch Act 2015

Charities Act 2005

**Date of royal assent**

Arts Centre of Christchurch Act 2015 - 5 June 2015

**Trustees**

Murray Dickinson (Chairperson)

Clive Antony

Dr Rod Carr (retired 13 February 2023)

Grant Edmundson (appointed 20 March 2023)

Kathryn Ruge (appointed 13 February 2023)

Mark Russell (retired 13 February 2023)

Maria Ryan-Young

Edward Sparrow

Corban Te Aika

Stella Ward (Deputy Chair)

**Bankers**

Bank of New Zealand

Christchurch

**Solicitors**

Anderson Lloyd

Christchurch

**Independent auditor**

Grant Thornton New Zealand Audit Limited

Christchurch

**Accountants**

Ernst & Young Limited

Christchurch

**Director**

Philip Aldridge

**Registered office**

Clock Tower Building

2 Worcester Boulevard

Christchurch 8013

**Charities Commission registration number**

CC21247



# Independent Auditor's Report

---

**Grant Thornton New Zealand Audit Limited**  
L3, Grant Thornton House  
134 Oxford Terrace  
PO Box 2099  
Christchurch 8140  
T +64 3 379 9580  
www.grantthornton.co.nz

To the Trustees of The Arts Centre of Christchurch Trust Board

## Report on the Audit of the Financial statements

### Opinion

We have audited the financial statements of The Arts Centre of Christchurch Trust Board (the "Trust") which comprise:

- a. the financial statements set out on pages 5 to 19, which comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive revenue and expenses, statement of movements in trust capital, and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies; and
- b. the statement of service performance on page 4

In our opinion, the accompanying financial statements present fairly, in all material respects:

- a. the financial position of the Trust as at 31 December 2023 and its financial performance and cash flows for the year then ended; and
- b. the service performance for the year ended 31 December 2023 in accordance with the Trust's service performance criteria

in accordance with the Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (Revised) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial statements* section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interest in, the Trust.

### Other Information than the Financial Statements and Auditor's Report Thereon

The Trustees are responsible for the other information. The other information comprises the Trust Directory and Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to use after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Trustees for the financial statements

Trustees are responsible on behalf of the Trust for:

- (a) the preparation and fair presentation of the financial statements and statement of service performance in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board;

- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime; and
- (c) such internal control as the Trustees determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees on behalf of the Trust are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the service performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the Trust's internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements and the service performance information, including the disclosures, and whether the financial statements and the service performance information represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Restriction on use of our report**

This report is made solely to the Trust's Trustees, as a body. Our audit work has been undertaken so that we might state to the Trustees, as a body, those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and its Trustees, as a body, for our audit work, for this report or for the opinion we have formed.

#### **Grant Thornton New Zealand Audit Limited**



**N Breckell**

**Partner**

**Christchurch**

**18 July 2024**

# TE MATATIKI TOI ORA THE ARTS CENTRE

Statement of Service  
Performance

**VISION** | To be a centre of the arts - engaging and stimulating our diverse communities and creating memories.  
**PURPOSE** | To foster, promote, facilitate and encourage interest in arts, culture, education and creativity.



**HE TĀNGATA** | *The people*  
Engaging and connecting  
the people. Inclusive and  
connected.



**WHĀNGAI** | *Nourish and foster*  
Facilitating involvement in  
art, culture, education, and  
creativity.



**KAITIAKITANGA** | *Guardianship: restoring,  
and conserving the future*  
The Arts Centre is a unique and outstanding  
cultural centre. Promoting, conserving and  
maintaining the built heritage

2023 Key Initiatives	Measures	Outcomes
<b>Programming</b> Embed programme partnerships and joint ventures.	Diverse audiences seek out and patronise self-produced partnerships and joint venture programmes and events in growing numbers	Inaugural Off Centre Festival with 40 events (2022: 0) and 4,556 patrons (2022: 0). Matariki Festival with 19 events (2022: 17) and 2,574 patrons (2022: 3,108). Fourth annual Sculpture Festival with 42 artists (2022: 40), 5 artist talks/demonstrations/workshops (2022: 22), 339 works for sale (2022: 300) and 6,474 visitors to the festival (2022: 2,793). School Holidays programme with seven ticketed events (2022: 0) with 738 patrons (2022: 0). Also provided six free events (2022: 0). Great Hall Lunchtime Concert Series with 22 performances (2022: 24) with 1,424 tickets presold in house (2022: 1,434). Rising Stars Lunchtime Concert Series with 17 performances (2022: 0) with 189 tickets presold in house (2022: 0). Arts on Tour with three performances (2022: 2) with 405 patrons (2022: 196).
<b>Programming</b> Programmes provide a platform for artists to dream and develop ideas.	Creatives report valuable opportunities to develop, produce and/or present creative work	Three Artists in residence (2022: 3). Three Artists delivered two public programmes (2022: 7). Two of three Artists surveyed, rated the Creative Residency programme 100%.
<b>Revenue - Fundraising</b> Execute a robust corporate and private fundraising programme	Achieve fundraising that supports operations	Operational fundraising income that is recognised in the current year was 16% worse than budgeted (2022 : 92% better)
<b>Revenue - Health Technology Centre</b>	50% occupancy by the end 2023	Health Technology Centre co-working space at 53% capacity of total desk days per year.
<b>Restoration - B Block</b> Open BA Engineering Extensions and BB Electrical Engineering buildings.	Stage 2 EQ strengthening complete. East/west site open to the public by mid March 2023	East/west site open to the public in time for Off Centre Festival 3 March 2023. BA/BB bridge opened between buildings mid May 2023.
<b>Health &amp; Safety</b> Provide a healthy and safe environment compliant with the Health & Safety at Work Act 2015.	Achieve zero life changing events Conduct H&S audit in accordance with ISO 45001	No life changing health & safety incidents occurred (2022: 0). H&S audit conducted in November 2023 - achieved highest gold ranking with 8/10 assessment areas, achieved silver ranking in 1/10 assessment areas, achieved bronze ranking in 1/10 assessment areas.

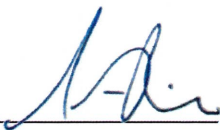
## Statement of financial position

As at 31 December 2023

	Notes	2023 \$	2022 \$
<b>Current assets</b>			
Cash and cash equivalents		1,037,981	378,083
Accrued interest from exchange transactions		97,452	184,192
Accounts receivable from exchange transactions		61,946	92,909
GST refund due		122,727	497,844
Prepayments		1,107,062	56,291
Inventories		102,772	104,519
Short term deposits		6,613,591	10,500,000
		<u>9,143,531</u>	<u>11,813,838</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	500,535,253	478,849,193
		<u>500,535,253</u>	<u>478,849,193</u>
<b>Total assets</b>		<u>509,678,784</u>	<u>490,663,031</u>
<b>Current liabilities</b>			
Accounts payable		1,524,115	1,594,778
Income received in advance		109,015	146,345
Employee entitlements		95,736	86,018
Grants unspent	4	547,984	719,789
		<u>2,276,850</u>	<u>2,546,930</u>
<b>Total liabilities</b>		<u>2,276,850</u>	<u>2,546,930</u>
<b>Trust capital and reserves</b>			
Accumulated comprehensive revenue and expenses		218,615,019	218,561,886
Land revaluation reserve		34,209,725	33,459,725
Heritage buildings revaluation reserve		254,577,190	236,094,490
		<u>507,401,934</u>	<u>488,116,101</u>
<b>Total trust capital and liabilities</b>		<u>509,678,784</u>	<u>490,663,031</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

For and on behalf of the Trustees who authorise the financial statements for issue on:



Trustee  
18 July 2024



Trustee  
18 July 2024

## Statement of comprehensive revenue and expenses

For the year ended 31 December 2023

	Note	2023 \$	2022 \$
<b>Revenue from exchange transactions</b>			
<b>Property income</b>			
General fees and other income		299,905	190,877
Rentals and parking		2,379,299	1,798,226
Tenancy operating recoveries received		697,177	544,017
Tenancy operating costs		(1,502,515)	(1,177,378)
<b>Total property income</b>		1,873,866	1,355,742
Gain on disposal of property, plant and equipment		1,032	57
Interest received		375,001	391,323
<b>Total revenue from exchange transactions</b>		2,249,899	1,747,122
<b>Revenue from non-exchange transactions</b>			
Grants, sponsorship and donations		426,867	382,068
<b>Total revenue from non-exchange transactions</b>		426,867	382,068
<b>Total revenues</b>		2,676,766	2,129,190
<b>Expenses</b>			
Administration		(246,222)	(243,004)
Audit fees		(31,025)	(21,525)
Depreciation		(978,293)	(670,004)
Property costs		(522,346)	(398,886)
Public relations		(161,752)	(75,154)
Staff costs		(1,764,039)	(1,349,908)
Other operating expenses		(480,288)	(245,239)
<b>Total expenses</b>		4,183,965	3,003,720
<b>Operational deficit before capital funding</b>		(1,507,199)	(874,530)
Grants and donations received utilised for capital projects - non exchange transactions		1,560,332	5,558,857
<b>Total surplus for the year attributable to the Trust Board</b>		53,133	4,684,327
<b>Other comprehensive revenue and expenses</b>			
Revaluation of land to fair value	6	750,000	(2,175,000)
Revaluation of heritage buildings to depreciated replacement cost	6	18,482,700	42,176,039
<b>Total comprehensive revenue and expenses for the year attributable to the Trust Board</b>		19,285,833	44,685,366

The above statement of comprehensive revenue and expenses should be read in conjunction with the accompanying notes.

## Statement of movements in trust capital

For the year ended 31 December 2023

	Accumulated comprehensive revenue and expenses \$	Land revaluation reserve \$	Heritage buildings revaluation reserve \$	Total \$
Balance at 1 January 2023	218,561,886	33,459,725	236,094,490	488,116,101
Net surplus for the year	53,133	-	-	53,133
Other comprehensive revenue and expenses	-	750,000	18,482,700	19,232,700
<b>Total comprehensive revenue and expenses</b>	<b>53,133</b>	<b>750,000</b>	<b>18,482,700</b>	<b>19,285,833</b>
<b>Balance at 31 December 2023</b>	<b>218,615,019</b>	<b>34,209,725</b>	<b>254,577,190</b>	<b>507,401,934</b>
Balance at 1 January 2022	213,877,559	35,634,725	193,918,451	443,430,735
Net surplus for the year	4,684,327	-	-	4,684,327
Other comprehensive revenue and expenses	-	(2,175,000)	42,176,039	40,001,039
<b>Total comprehensive revenue and expenses</b>	<b>4,684,327</b>	<b>(2,175,000)</b>	<b>42,176,039</b>	<b>44,685,366</b>
<b>Balance at 31 December 2022</b>	<b>218,561,886</b>	<b>33,459,725</b>	<b>236,094,490</b>	<b>488,116,101</b>

The above statement of movements in trust capital should be read in conjunction with the accompanying notes.

## Statement of cash flows

For the year ended 31 December 2023

	2023	2022
	\$	\$
<b>Operating activities</b>		
Receipts from customers	1,863,461	1,349,635
Payments to suppliers and employees	(4,306,425)	(2,542,878)
Grants and donations received	1,815,394	3,140,156
GST received/(paid)	369,939	(238,588)
Interest received	461,741	300,324
<b>Net cash flows from operating activities</b>	<b>204,110</b>	<b>2,008,649</b>
<b>Investing activities</b>		
Proceeds from the disposal of property, plant and equipment	17,068	17,640
Purchase of property, plant and equipment	(3,447,689)	(16,902,173)
Proceeds from short-term deposits	3,886,409	14,543,700
<b>Net cash flows from/(used in) investing activities</b>	<b>455,788</b>	<b>(2,340,833)</b>
Financing activities		
<b>Net cash flows from/(used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>659,898</b>	<b>(332,184)</b>
Cash and cash equivalents at 1 January	378,083	710,267
<b>Cash and cash equivalents at 31 December</b>	<b>1,037,981</b>	<b>378,083</b>

The above statement of cash flows should be read in conjunction with the accompanying notes.

# Notes to the financial statements

For the year ended 31 December 2023

## 1. Corporate information

The Arts Centre of Christchurch Trust Board (the "Trust") is a registered charity under the Charities Act 2005 established under a Trust Deed in accordance with the Charitable Trusts Act 1957 and governed by the Arts Centre of Christchurch Trust Act 2015.

These financial statements have been approved and were authorised for issue by the Board of Trustees on 18 July 2024.

## 2. Significant accounting policies

### a. Statement of compliance

The financial statements have been prepared in accordance with generally accepted accounting practices in New Zealand ("NZ GAAP") and the requirements of the Charities Act 2005. The Trust is a public benefit entity for the purpose of complying with NZ GAAP. The Trust is a Tier 2 not-for-profit entity and has elected to report in accordance with Tier 2 not-for-profit public benefit entity accounting standards. The Trust is eligible to report in accordance with Tier 2 on the basis that it had between \$2 million and \$30 million operating expenditure for the past two reporting periods.

These financial statements comply with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR").

### b. Measurement base

The financial statements have been prepared on a historical cost basis, except for certain property assets that have been measured at fair value. The financial statements are presented in New Zealand dollars which is also the functional currency and all values are rounded to the nearest dollar (\$).

### c. Going concern

The Trustees are of the opinion that the Trust is a going concern.

They have resolved that they will not commit to conservation and reconstruction activity unless they have secured adequate certainty of funds to pay for such work.

The Trust's activities are structured to responsibly manage operating costs and the Trust has adequate resources to fund these costs.

The Trustees confirm that they have considered the use of available funds when preparing the financial statements and applying the going concern concept.

### d. Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined on a first-in first-out basis. Net realisable value is the estimated selling price less estimated costs necessary to make the sale.

### e. Financial instruments

Financial instruments are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

All financial instruments are initially recognised at the fair value of the consideration received/transferred less, in the case of financial assets and liabilities not recorded at fair value through profit or loss, directly attributable transaction costs. Subsequently the Trust applies the following accounting policies for financial instruments:

#### *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, deposits held on call at financial institutions, and other short-term highly liquid investments with original maturities of three months or less which are subject to an insignificant risk of changes in value.



## Notes to the financial statements

For the year ended 31 December 2023

### 2. Significant accounting policies (continued)

#### e. Financial instruments (continued)

##### *Financial assets at amortised cost*

Financial assets at amortised cost consist of accounts receivables from exchange transactions, accounts receivables from non-exchange transactions, and short term deposits with original maturities of three months or greater investments. Financial assets are recognised at amortised cost where the asset gives rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding, and the asset is held in a business model with the objective to hold the asset to collect contractual cash flows. Accounts receivables represent the Trust's right to an amount of unconditional consideration (i.e. only the passage of time is required before payment of the consideration is due). Contract assets are the right to consideration in exchange for goods or services transferred to the customer. If the Trust performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned conditional consideration.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method, and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired, as well as through the amortisation process. These are included within current assets, except for those with maturities greater than 12 months after balance date, which are classified as non-current.

##### *Impairment of financial assets*

An allowance for ECLs is recognised for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows expected to be received, discounted at an approximation of the original EIR. The expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For accounts receivables and contract assets, a simplified approach is adopted in calculating ECLs. Therefore changes in credit risk are not tracked, but instead a loss allowance is recognised based on lifetime ECLs at each balance date. The allowance is based upon observed historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

##### *Financial liabilities at amortised cost*

Financial liabilities at amortised cost consist of accounts payable. Payables are recognised when the company becomes obliged to make future payments resulting from the purchase of goods and services. The amounts are unsecured and are not discounted given their short term nature.

Financial liabilities at amortised cost are measured at amortised cost using the EIR method. Gains or losses are recognised in profit or loss when the liability is derecognised as well as through the EIR amortisation process. Financial liabilities are classified as current liabilities unless the Trust has an unconditional right to defer settlement of the liabilities for at least 12 months after balance date.

#### f. Property, plant and equipment

Property, plant and equipment is measured initially at cost. Initial cost includes purchase consideration and those costs attributable to bringing the asset to the location and condition necessary for its intended use. Where artwork or other assets have been donated they are initially recorded at fair value at the date of donation.

##### *Land*

Land is subsequently revalued, and carried at fair value at the date of revaluation. Revaluations are performed with sufficient frequency to ensure that the book value of the asset does not differ materially from its fair value. Land is considered to have an indefinite useful life, and thus is not depreciated.

##### *Heritage buildings*

Heritage buildings are subsequently revalued to estimated depreciated replacement cost, and carried at the estimated depreciated replacement cost at the date of revaluation less accumulated depreciation and accumulated impairment. Accumulated depreciation and impairment represent the estimated cost of remedial works on heritage assets. Revaluations are performed with sufficient frequency to ensure that the book value of the asset does not differ materially from its fair value.

## Notes to the financial statements

For the year ended 31 December 2023

### 2. Significant accounting policies (continued)

#### f. Property, plant and equipment (continued)

The method of valuation of heritage buildings recognises the obligations of the Trust to preserve the original stone buildings of the site in perpetuity and to further recognise the maintenance and conservation practices that the Board adopted under The Arts Centre Asset Management Plan 2008.

The heritage buildings were extensively damaged by the series of earthquakes during 2010 and 2011. An impairment allowance is recognised for the estimated remaining costs at balance date for repairs of the damage caused by the 2010 and 2011 earthquakes.

Depreciation is calculated to write off the net cost of each asset over its expected useful life to its estimated residual value. The following depreciation rates have been applied to the elements of heritage buildings.

Building structure	indefinite life
Heating and ventilation	4.5% to 10.0%, straight line
Fire services	2.3%, straight line
Building fitout	5.0%, straight line

#### *Revaluation of land and heritage buildings*

Any increase in carrying amount as a result of a revaluation is recognised in other comprehensive revenue or expenses and credited to a revaluation reserve (land or heritage buildings), except to the extent it reverses a revaluation decrease of the same class of assets previously recognised in surplus or deficit, in which case the increase is also recognised in surplus or deficit.

Any decrease in carrying amount as a result of a revaluation is recognised in surplus or deficit, except to the extent it reverses a revaluation surplus in respect of that class of assets, in which case the decrease is recognised in other comprehensive revenue and expense.

Any accumulated depreciation at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts.

#### *Other property, plant and equipment*

Property, plant and equipment other than land and heritage buildings is held at cost, less accumulated depreciation and impairment.

Subsequent expenditure relating to an item of property, plant and equipment is added to its gross carrying amount when such expenditure either increases the future economic benefits, or is necessarily incurred to enable future economic benefits to be obtained. The carrying amount of any replaced part is derecognised. All other repair and maintenance costs are recognised in surplus or deficit as incurred.

Depreciation is calculated to write off the net cost of each asset over its expected useful life to its estimated residual value. The following depreciation rates have been applied:

Motor vehicles	8.0% to 30.0%, diminishing value
Plant and equipment	8.0% to 67.0%, diminishing value
Computers	13.0% to 67.0%, diminishing value
Furniture and fittings	1.0% to 60.0%, diminishing value
Leasehold improvements	2.0% to 11.4%, diminishing value
Artworks	indefinite life
Non-heritage buildings	0.0% to 13.5%, straight line

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each balance date and adjusted prospectively, if appropriate.

## Notes to the financial statements

For the year ended 31 December 2023

### 2. Significant accounting policies (continued)

#### f. Property, plant and equipment (continued)

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in surplus or deficit when the asset is derecognised.

##### ***Impairment of property, plant and equipment***

For the purpose of assessing impairment indicators and impairment testing, the Trust classifies all property, plant and equipment as cash generating assets.

At each balance date, the Trust reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For cash generating assets, value in use is determined using the fair value method.

Assets that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

#### g. Equity

Equity is measured as the difference between total assets and total liabilities. It is made up of the following components:

##### ***Accumulated comprehensive revenue and expenses***

Accumulated comprehensive revenue and expenses is the accumulated surplus or deficit since the formation of the Trust, adjusted for transfers to and from specific reserves.

##### ***Land revaluation reserve***

This reserve is for the accumulated surplus from revaluation of land to fair value.

##### ***Heritage buildings revaluation reserve***

This reserve is for the accumulated surplus from the revaluation of heritage buildings to estimated depreciated replacement cost (see note 2.f).

#### h. Taxation

##### ***Income tax***

The Trust is exempt from income tax due to its charitable status.

##### ***Goods and services tax (GST)***

The financial statements are prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

#### i. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Trust and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

## Notes to the financial statements

For the year ended 31 December 2023

### 2. Significant accounting policies (continued)

#### i. Revenue (continued)

The specific recognition criteria described below must also be met before revenue is recognised.

##### **Revenue from non-exchange transactions**

###### *Donations, grants and sponsorships*

Revenue from non-exchange transactions is recognised when the Trust obtains control of the transferred asset (cash, goods, services, or property) and the transfer is free from conditions that require the asset to be refunded or returned if the conditions are not fulfilled. If there are conditions attached that give rise to a requirement to repay the grant or return the asset, deferred revenue is recognised. In this situation, revenue is recognised once the Trust has satisfied the conditions.

##### **Revenue from exchange transactions**

###### *Interest received*

Interest revenue is recognised as it accrues and is recorded using the EIR method.

###### *Property income*

Rental revenue is recognised on a straight line basis over the lease term. Outgoings and power recovered are recognised on an accrual basis. At balance date, there were 30 (2022: 25) active leases in place with a minimum term of 1 year and a maximum term of 19 years, and 27 (2022: 14) active month by month licenses.

#### j. Leases

Operating lease rentals are expensed on a straight line basis over the term of the lease.

#### k. Employee entitlements

Liabilities for wages and salaries, including non monetary benefits and annual leave expected to be settled are recognised in respect of employees' services up to balance date. They are measured at the amounts expected to be paid when the liabilities are settled.

##### **Post-employment benefits**

Contributions made on behalf of employees to defined contribution funds are recognised in the period they are incurred. The defined contribution funds receive fixed contributions from the Trust, whose legal or constructive obligation is limited to those contributions only.

### 3. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods.

Revaluation and impairment of property, plant and equipment are based on judgements provided by Rhodes & Associates, an independent external quantity surveying company and reviewed by an independent external valuer, CVAS (Chc) Limited (trading as Colliers) (refer note 6).

Quadrangle Holdings Limited is currently non-trading, therefore there is a nil result and the Trustees have decided not to consolidate the company.

## Notes to the financial statements

For the year ended 31 December 2023

### 4. Grants unspent

	2023	2022
	\$	\$
Arts Foundation of New Zealand	10,000	10,000
CCC - Intangible Heritage Grant	45,000	45,000
CCC - Discretionary Response Fund	30,000	-
CCC - Strengthening Communities	110,000	-
Chch Casino Charitable Community Trust	-	5,000
Creative New Zealand	65,000	-
Friends of The Arts Centre	4,215	-
Mainland Foundation	-	16,581
Ministry for Culture & Heritage	47,916	-
Ministry of Business, Innovation & Employment	-	198,208
NZ Community Trust	-	10,000
NZ Lotteries Grant Board - Canterbury/Kaikoura Community Fund	-	95,000
Off Centre Festival Funding	25,000	10,000
Rata Foundation	163,653	300,000
The Stout Trust	30,000	30,000
Walk Chch - Chch Personal Guiding	15,000	-
Malcolm Douglass Memorial	2,200	-
	547,984	719,789

Grants are taken to revenue and recorded in the year in which they are recovered unless there is an explicit return obligation. If there is an explicit return obligation, the grants are recorded as a current liability, and recognised as revenue when spent.

### 5. Insurance and rates

The total insurance cost incurred by the Trust (included in tenancy operating costs and expenses) for the year ended 31 December 2023 was \$829,683 (2022: \$672,804).

The total local council rates expense incurred by the Trust (included in tenancy operating costs and expenses) for the year ended 31 December 2023 was \$177,403 (2022: \$144,141).

## Notes to the financial statements

For the year ended 31 December 2023

### 6. Property, plant and equipment

	Land	Motor vehicles	Plant and equipment	Computers	Furniture and fittings	Leasehold improvements	Artworks	Heritage buildings	Non-heritage buildings	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost</b>										
At 1 January 2023	34,550,000	251,505	1,684,210	792,426	954,661	94,269	43,376	463,865,371	63,008	502,298,826
Additions	-	-	111,319	39,674	36,755	-	15,697	3,244,244	-	3,447,689
Disposals	-	-	(23,490)	-	(3,478)	-	-	-	-	(26,968)
Revaluation	750,000	-	-	-	-	-	-	18,627,789	-	19,377,789
<b>At 31 December 2023</b>	<b>35,300,000</b>	<b>251,505</b>	<b>1,772,039</b>	<b>832,100</b>	<b>987,938</b>	<b>94,269</b>	<b>59,073</b>	<b>485,737,404</b>	<b>63,008</b>	<b>525,097,336</b>
<b>Depreciation and impairment</b>										
At 1 January 2023	-	173,049	1,453,765	749,446	736,462	59,275	-	20,238,000	39,636	23,449,633
Depreciation	-	10,372	46,593	27,830	29,671	1,516	-	860,911	1,400	978,293
Disposals	-	-	(11,520)	156	432	-	-	-	-	(10,932)
Impairment	-	-	-	-	-	-	-	1,006,000	-	1,006,000
Revaluation	-	-	-	-	-	-	-	(860,911)	-	(860,911)
<b>At 31 December 2023</b>	<b>-</b>	<b>183,421</b>	<b>1,488,838</b>	<b>777,432</b>	<b>766,565</b>	<b>60,791</b>	<b>-</b>	<b>21,244,000</b>	<b>41,036</b>	<b>24,562,083</b>
<b>Net book value</b>										
At 31 December 2023	35,300,000	68,084	283,201	54,668	221,373	33,478	59,073	464,493,404	21,972	500,535,253
At 31 December 2022	34,550,000	78,456	230,445	42,980	218,199	34,994	43,376	443,627,371	23,372	478,849,193

## Notes to the financial statements

For the year ended 31 December 2023

### 6. Property, plant and equipment (continued)

#### Estimated cost of replacement - heritage buildings

The estimated cost of remedial works required on heritage buildings are recognised as an impairment against the cost of the building, recorded at depreciated historical cost of \$21,244,000 (2022: \$20,238,000).

#### Valuation

##### *Land*

Land is measured at fair value representing market value relative to the land's highest and best use, adjusted to reflect limitations on development in recognition of the heritage constraints associated with the site. The valuation of the land was prepared as at 31 December 2023 by CVAS (Chc) Limited (trading as Colliers), an independent valuer.

The direct comparison approach (more commonly referred to as the comparable sales approach) was applied to assess the fair value of the Trust's land.

Property-specific assumptions in the valuation were:

- The underlying land is of reasonable condition
- Zoning implications and associated easements have been considered in the valuation, along with an allowance for additional constraints from the historic nature of improvements on the land, the historic classifications and the Trust management structure.

The valuer noted that for the local investment property market, to date there is limited new evidence to clearly establish current values, and that in the absence of a weight of sales evidence their valuation is more subjective than usual and therefore may be subject to an elevated level of uncertainty.

##### *Heritage buildings*

The Trust has engaged the use of expert advice of qualified and experienced engineers, quantity surveyors and valuers in determining the fair value of heritage buildings. The valuation of heritage buildings was prepared by Rhodes and Associates Limited and reviewed by CVAS (Chc) Limited (trading as Colliers), who are both independent valuers. The effective date of the revaluations is 31 December 2023.

The depreciated replacement cost model was applied to assess the fair value of The Arts Centre buildings. While depreciated replacement cost is somewhat limited in its ability to provide an estimate of fair and current value, it is regarded as the most suitable approach as it incorporates the obligations placed on the Trust.

In repairing and conserving these buildings the Trust is obliged, under its commitment to the principles of the ICOMOS Charter, to use (where possible) construction methods, techniques and materials that are the same as those that were used originally in the late nineteenth or early twentieth century. This approach to repair and conservation work can be as much as three or four times more expensive, on a cost per square metre of building basis, than the cost incurred when applying currently available construction methods, techniques and materials.

Key assumptions included in the valuation were:

- Rebuild work would be undertaken in accordance with the ICOMOS Charter and the guidelines produced by Heritage New Zealand (formerly New Zealand Historic Places Trust) for the repair and conservation of heritage buildings of historic significance.
- Future cost inflation rates of 4.6% (2022: 5.5%), as indicated by Statistics New Zealand.

## Notes to the financial statements

For the year ended 31 December 2023

**7. Capital restoration project**

	2023	2022
	\$	\$
<b>BA Engineering Extensions</b>		
Less than one year	-	1,951,901
1-2 years	-	-
	-	1,951,901
<b>BB Electrical Engineering</b>		
Less than one year	-	466,370
1-2 years	-	-
	-	466,370
<b>BC/BD Hydraulics and Mechanical Engineering</b>		
Less than one year	-	47,143
1-2 years	-	-
	-	47,143
<b>FA-FC Observatory, Biology, Physics</b>		
Less than one year	-	944,722
1-2 years	-	-
	-	944,722
<b>Total capital budget remaining</b>	-	3,410,136

This amount represents the remaining budget approved by the Trust Board, \$nil (2022: \$2,277,000) of this was contractually committed to and therefore represents capital commitments at year end.

**8. Contractual commitments**

Under provisions of the Observatory Hotel lease, the Trust as landlord has a responsibility for refurbishment of certain items within the hotel. At 31 December 2023, a sinking fund has been calculated for 35 years of \$5,225,293 (2022: \$4,995,500). This amount will be ringfenced for that purpose from the Trust's cash reserves.

**9. Operating lease commitments**

At balance date, the Board of Trustees had entered into the following non-cancellable operating leases:

	2023	2022
	\$	\$
Less than one year	9,911	7,852
1-2 years	19,560	13,089
3-4 years plus	12,497	-
<b>Total operating lease commitments</b>	41,968	20,941



## Notes to the financial statements

For the year ended 31 December 2023

### 10. Related parties

The Arts Centre owns 100% of the 100 shares in the company Quadrangle Holdings Limited. This company is not currently operational and has no assets or liabilities. Murray Dickinson and Edward Sparrow are the current directors.

Murray Dickinson is a Trustee of The Arts Centre of Christchurch Trust Board. He is also the Chief Financial officer at Naylor Love Enterprises Limited. During the year ended 31 December 2022, Naylor Love Enterprises Limited purchased surplus portable buildings from The Arts Centre for \$5,750.

Corban Te Aika is a Trustee of The Arts Centre of Christchurch Trust Board. He provided cultural ceremonies for The Arts Centre during 2023, for which he received a koha. Corban is also a member of the Maori Advisory Committee which advises management. In 2023, he was paid a meeting fee of \$nil (2022: \$600).

Edward Sparrow is a Trustee of The Arts Centre of Christchurch Trust Board. He is also a tenant of The Arts Centre. The tenancy licence commenced 8 August 2022. The outstanding amount at year end from Edward Sparrow is \$nil (2022: \$nil).

### 11. Key management personnel compensation

Key management personnel of the Trust include the Trustees and the Senior Management Group.

As per the Arts Centre of Christchurch Trust Act 2015, Trustees can be remunerated. In 2023, no Trustees elected to be paid (2022: one trustee elected to be paid \$2,609). Trustees are also entitled to receive an expense allowance once a year (see note 12).

The Senior Management Group includes the Director and Managers (excluding Trustees). The total remuneration of key management personnel, on a full-time equivalent (FTE) basis, receiving remuneration from the Trust are:

	2023	2022
	\$	\$
Senior management group (5.5)	774,548	709,250

### 12. Trustee reimbursements

Trustees are partially reimbursed for their personal administration costs associated with their role. These are not attendance fees. Trustee reimbursements during the year total \$4,722 (2022: \$5,165). No amounts were outstanding at balance date.

### 13. Donations/Koha

Donations paid during the year were \$4,300 (2022: \$1,750).

### 14. Events occurring after balance date

On 27 June 2024, Christchurch City Council voted in favour of granting The Arts Centre \$750,000 of funding in their Long-Term Plan for the next two financial years, and \$500,000 funding per year for the following eight financial years.

The decision was confirmed by Christchurch City Council on 2 July 2024.

While this funding is sufficient to support operating activities, it is not enough to fund larger maintenance or capital projects in the future. The Trustees have prepared the financial statements on a going concern basis as those projects are not expected to occur within a 12-month period following the signing of the financial statements.

## Notes to the financial statements

For the year ended 31 December 2023

### 15. Categories of financial assets and liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2023	2022
	\$	\$
<b>Financial assets</b>		
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	1,037,981	378,083
Receivables from exchange transactions	61,946	92,909
Accrued interest from exchange transactions	97,452	184,192
Short term deposits	6,613,591	10,500,000
	<u>7,810,970</u>	<u>11,155,184</u>
<b>Financial liabilities</b>		
<b>Financial liabilities at amortised cost</b>		
Accounts payable	1,524,115	1,594,778
	<u>1,524,115</u>	<u>1,594,778</u>

Te Matatiki Toi Ora The Arts Centre  
2 Worcester Boulevard  
PO Box 845, Christchurch 8140

+64 3 366 0989  
[info@artscentre.org.nz](mailto:info@artscentre.org.nz)

