

FINAL ANNUAL REPORT

1 July 2019–30 June 2020

Kia whakahaumanutia te whenua,
ngā tāngata me te tāone

*Let the land, the people
and the city be rejuvenated*

Regenerate Christchurch was established under the Greater Christchurch Regeneration Act in April 2016 as an independent time-bound organisation funded by the Crown and the Christchurch City Council. Regenerate Christchurch's focus has been on catalysing and accelerating activities, investment, interventions and outcomes to achieve additional benefits that would not otherwise have occurred, or which would have taken longer to deliver. On 30 June 2020 Regenerate Christchurch was statutorily disestablished and, as such, this is Regenerate Christchurch's final Annual Report.

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INTRODUCTION



Ocean to Alps, Christchurch

Regenerate Christchurch, jointly funded by the Crown and Christchurch City Council, was established as a transitional organisation under the Greater Christchurch Regeneration Act 2016 (the Act) to lead regeneration, engage and advocate effectively with communities and stakeholders, work collaboratively with others and provide independent advice to decision makers.

The scope of Regenerate Christchurch's work has been broad, from extended, geographically-focused areas to the provision of key strategic advice on achieving regeneration outcomes.

Over time, Regenerate Christchurch's focus adapted to reflect Christchurch's evolving needs. It identified opportunities to maximise the benefits of the significant private and public investment that has been made in

Christchurch. While the Act under which the organisation operated had specific powers, Regenerate Christchurch could not work in isolation and collaborated closely with others to encourage visible, cohesive leadership across an aligned public sector.

In 2019 the Christchurch City Council and the Crown agreed it was time for Regenerate Christchurch to transfer its leadership role to the locally-based agencies that will have long-term responsibility for regeneration. Christchurch City Council was confirmed as the inheriting agency and ChristchurchNZ Limited was confirmed as the host agency to complete the residual disestablishment activities, including preparation of this final Annual Report for Regenerate Christchurch. On 30 June 2020 Regenerate Christchurch was formally disestablished.

MESSAGE FROM THE BOARD OF CHRISTCHURCHNZ



Dr Thérèse Arseneau
Board Chair ChristchurchNZ

The Board of ChristchurchNZ is pleased to present this final Annual Report of Regenerate Christchurch as directed by the Christchurch City Council and the Crown and in accordance with the Minister of Finance's direction under the Public Finance Act 1989.

Speaking as the former Chair of Regenerate Christchurch, I along with the former Board members are privileged to have served Christchurch and are proud of what Regenerate Christchurch has achieved over the past four years. Particular mention must be made of the Ōtākaro Avon River Corridor Regeneration Plan, which is an example of outstanding collaborative planning, and which will provide guidance for the development of this important area for many years to come.

The former Regenerate Christchurch Board members and the Board of ChristchurchNZ acknowledge the professionalism and commitment of the many people who contributed to Regenerate Christchurch's

work since its establishment, including its talented and hard-working staff, their equally talented colleagues in community groups, iwi organisations and partner agencies, and the many passionate and dedicated community members who shared their aspirations for the city and commented on draft regeneration proposals. We also acknowledge all former Regenerate Christchurch Board members, who provided vital direction to the organisation as it exercised its leadership role and performed its regeneration functions.

Whilst preparing for transition was a key focus for Regenerate Christchurch in 2019/20, the disestablishment of the organisation does not, of course, signal the end of regeneration. Regeneration is a long-term and ongoing process and it is critical that the city responds quickly and purposefully to address the socio-economic impacts of COVID-19 in order to build on and accelerate the progress that has already been made.

HIGHLIGHTS

2019

Regenerate Christchurch sought the views of strategic partners and the Department of the Prime Minister and Cabinet on its draft section 71 proposal to amend the Christchurch District Plan in order to provide for the operation and use of Hagley Oval, as required under section 66(1) of the Greater Christchurch Regeneration Act 2016.

JUL 2019

Regenerate Christchurch finalised and submitted its section 71 proposal to the Associate Minister for Greater Christchurch Regeneration to enable Hagley Oval to be capable of hosting domestic and international cricket matches, as intended by the Christchurch Central Recovery Plan.

The Global Settlement Agreement between the Crown and Christchurch City was finalised. This included arrangements for the transition back to local leadership with an intention for the majority of Regenerate Christchurch's leadership and strategic functions to have been either concluded, transferred or delegated by 30 June 2020.

Regenerate Christchurch provided advice to the Associate Minister for Greater Christchurch Regeneration on the Christchurch City Council's finalised section 71 proposal in relation to car parking in Lyttelton.

SEP 2019

The Associate Minister for Greater Christchurch Regeneration approved the proposal by the Christchurch City Council to exercise the power in section 71 of the Greater Christchurch Regeneration Act 2016 to amend the Christchurch District Plan to remove the on-site parking requirements for the Lyttelton Commercial Zone.

Regenerate Christchurch provided advice to the Associate Minister for Greater Christchurch Regeneration and the Mayor on behalf of the Christchurch City Council in relation to Residential Red Zone (RRZ) areas of the Port Hills, Southshore and South New Brighton, and Brooklands.

The Associate Minister for Greater Christchurch Regeneration approved the proposal by Regenerate Christchurch to exercise the power in section 71 of the Greater Christchurch Regeneration Act 2016 to amend the Christchurch District Plan to enable the operation and use of Hagley Oval.

DEC 2019

AUG 2019

The Minister for Greater Christchurch Regeneration approved the Ōtākaro Avon River Corridor Regeneration Plan developed by Regenerate Christchurch.

Regenerate Christchurch provided its views to Christchurch City Council on the Council's draft section 71 proposal to remove the minimum number of on-site (off-street) car parking spaces required for new developments in the Lyttelton Commercial Zone from the Christchurch District Plan.

OCT 2019

Regenerate Christchurch transition planning formally commenced.

The Associate Minister for Greater Christchurch Regeneration publicly notified the proposal by Regenerate Christchurch to use section 71 of the Greater Christchurch Regeneration Act 2016 to amend the Christchurch District Plan to provide for the operation and use of Hagley Oval and invited written comments on the proposal.

2020

Regenerate Christchurch and Christchurch City Council met with Brooklands residents to understand their concerns and aspirations for the area.

FEB 2020

Regenerate Christchurch sought the views of strategic partners and the Department of the Prime Minister and Cabinet on its draft section 71 proposal to amend both the Canterbury Regional Policy Statement and Christchurch District Plan in order to provide for the development and operation of a commercial film or video production facility, as required under section 66(1) of the Greater Christchurch Regenerate Act 2016.

MAY 2020

APR 2020

Council resolved that ChristchurchNZ will be the 'host agency' and agreed that Christchurch City Council will hold the official records for Regenerate Christchurch post disestablishment.

JUN 2020

Regenerate Christchurch finalised and submitted its section 71 proposal to the Associate Minister for Greater Christchurch Regeneration to provide for the development and operation of a commercial film or video production facility for her decision.

Regenerate Christchurch provided its views on the Christchurch City Council's draft Outline for Amendments to the Christchurch Central Recovery Plan in respect of the Multi-Use Arena.

Transition planning and preparation progressed as intended to enable an orderly and well managed transition and statutory disestablishment of Regenerate Christchurch to occur on 30 June 2020.



Hagley Oval (photo: CCC/Newsline)



Ōtākaro Avon River Corridor

PURPOSE, OBJECTIVES AND FUNCTIONS

Regenerate Christchurch’s purpose, objectives and functions as set out in the Greater Christchurch Regeneration Act 2016.

Purpose

- To support a vibrant, thriving Christchurch that has economic, social and lifestyle opportunities for residents, businesses, visitors and developers.

Objectives

- To lead regeneration in the area of Christchurch district that falls within greater Christchurch.
- To engage and advocate effectively with communities, stakeholders, and decision makers to achieve its purpose.
- To collaboratively work with others in achieving regeneration.

Functions

- To develop visions, strategies, and Regeneration Plans to assist in achieving regeneration.
- To make recommendations and to provide advice to the Minister on the development, revocation, and amendment of Plans under sections 28 to 39 and 49 to 59 and the exercise of powers under section 71.
- To facilitate increased investment.
- To provide advice to Ōtākaro Limited, Development Christchurch Limited (DCL), and others on the regeneration outcomes being sought.
- To comment on regeneration outcomes and interventions, and the contribution of Ōtākaro Limited and Development Christchurch Limited.
- To provide independent advice on regeneration activities to Christchurch City Council and to the Minister.

PRIORITIES FOR 2019–2020

Regeneration Advice

Provide advice on opportunities to support successful regeneration that could be enabled through the powers under the Act, and provide advice to the Minister and Council on any unique functions that only Regenerate Christchurch must undertake under the Act.

- Undertake the necessary data gathering, research and analysis to enable “type appropriate” regeneration project delivery and advice.
- Provision of specific advice to the Minister and Council on interventions to unlock regeneration opportunities and when directed to do so, seek to overcome barriers to regeneration by optimising the use of the Act.
- Respond to any requests for regeneration planning advice from other agencies or entities, including the development of section 71 proposals and regeneration planning advice as requested by other agencies or entities.

Collaboration and Engagement

Collaborate and engage our community, stakeholders and partners towards a better Christchurch above all other interests.

- Establish appropriate engagement mechanisms for engaging with our community, stakeholders and partners specifically to support delivery of the work programme.
- Engage with other agencies, both at a management and governance level, to ensure meaningful collaboration.
- The Board will actively seek to meet regularly with the Minister and Council to enable Regenerate Christchurch to make informed decisions in carrying out its work programme priorities.

Preparing for Transition

Plan, prepare for, and commence implementation of, an orderly and well managed transition.

- Build a genuinely agile operating model and prepare the organisation for transition within agreed limitations.
- Commence organisational transition planning in 2019–20, undertaking necessary preparation and knowledge building for the local agencies that are identified as responsible for ongoing regeneration leadership.
- Actively transition project lessons, knowledge and expertise, as well as assets and responsibilities to local entities (as confirmed), to build capability and capacity as a result of those lessons.



Ōtākaro Avon River

REGENERATE CHRISTCHURCH FINANCIAL SUMMARY

FOR THE PERIOD ENDED 30 JUNE 2020

OUTPUT CLASS	YTD 2019/20 ACTUAL (\$)	YTD 2019/20 BUDGET (\$)	VARIANCE (\$)
1. Regeneration Advice			
Revenue			
Crown	1,391,569	2,447,027	1,055,458
Council	347,892	611,757	263,864
Total Revenue	1,739,462	3,058,783	1,319,322
Expenditure			
Advice on regeneration opportunities	77,234	890,000	812,766
Response Function	395,534	875,000	479,466
Staff Costs (Direct and Indirect)	745,243	532,443	(212,800)
Corporate & non cash expenditure	521,451	761,341	239,890
Total Expenditure	1,739,462	3,058,783	1,319,322
Net Surplus/(deficit)	-	-	-
2. Collaboration & Engagement			
Revenue			
Crown	586,677	557,513	(29,164)
Council	146,669	139,378	(7,291)
Total Revenue	733,347	696,892	(36,455)
Expenditure			
Collaboration & Engagement	100,000	50,000	(50,000)
Staff Costs (Direct and Indirect)	372,621	266,221	(106,400)
Corporate & non cash expenditure	260,725	380,670	119,945
Total Expenditure	733,347	696,892	(36,455)
Net Surplus/(deficit)	-	-	-
3. Transition			
Revenue			
Crown	1,481,651	2,251,027	769,375
Council	370,413	562,757	192,344
Total Revenue	1,852,064	2,813,783	961,719
Expenditure			
Transition preparation	568,401	695,000	126,599
Operational expenditure	16,970	825,000	808,030
Staff Costs (Direct and Indirect)	745,243	532,443	(212,800)
Corporate & non cash expenditure	521,451	761,341	239,890
Total Expenditure	1,852,064	2,813,783	961,719
Net Surplus/(deficit)	-	-	-
Total Expenditure	4,324,873	6,569,459	2,244,586

* Staff costs (Direct and Indirect), Corporate & non cash expenditure have been apportioned between output classes because by nature they do not have a specific relationship with an output class. The apportionment reflects the majority of the activity in the year ended 30 June 2020 being in relation to the Regeneration Advice & Transition output classes while being supported by the Collaboration & Engagement output class.

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ORGANISATIONAL HEALTH AND CAPABILITY

Values and Behaviours

Regenerate Christchurch's culture was focused on supporting the delivery of its work. Staff were expected to be bold, brave, and creative, to support each other, to be agile and flexible, and to do things efficiently.

The organisation established:

- regular one-on-one check-ins for all staff
- a flat organisational structure allowing for effective and efficient decision making and enhanced collaboration
- comprehensive role descriptions resulting in greater role clarity and accountability for team members
- a commitment to continuous improvement
- an organisational structure and approach to its work that allowed staff to contribute to multidisciplinary teams and develop their skills.

Health and Safety

Regenerate Christchurch placed the health, safety and wellbeing of its people as one of its highest priorities and remained committed to ensuring zero harm to staff, contractors and visitors. It aimed to be a wellbeing leader and to have a health and safety framework in place that met the requirements of the Health and Safety at Work Act 2015. It took a best-practice approach to wellbeing, health and safety and not one that was simply compliance focused.

The organisation achieved this by:

- deliberate and effective leadership through the Board and management modelling the behaviours expected from staff and contractors
- continual implementation of a robust health and safety framework, monitoring adherence to the framework, taking corrective actions if required
- allocating necessary resources to ensure compliance with regulatory obligations while demonstrating good health and safety practices
- reviewing policies to ensure leadership remained accountable for monitoring all staff, especially during periods of high work intensity.

Organisational Capability

Organisational capability was continually reviewed throughout the financial year to ensure that the organisation remained right-sized and fit for purpose as it planned and prepared for an orderly and well managed transition. A broad mix of skills, experience and perspectives was required to ensure that the organisation could continue to deliver an active work programme while preparing for transition.

Risk and Fraud Management

Risk management monitoring and controls were increased in the context of both transition and COVID 19. The organisation remained committed to proactively and consistently managing risk, and recognised that the risk profile of the organisation continually evolved throughout the transition process. The former Board of Regenerate Christchurch actively and regularly reviewed the organisation's risk profile and worked closely with management to identify, assess and mitigate risks and issues.

Good Employer

Regenerate Christchurch was committed to being a good employer and providing a safe, fair and respectful working environment.

Consistent with clause 37 of Schedule 5 of the Greater Christchurch Regeneration Act 2016, Regenerate Christchurch:

- carried out reviews of operational personnel policies in place to ensure it was meeting the Human Rights Commission's seven key elements of being a good employer
- embedded those principles in its overall People and Capability strategy
- established an employment and remuneration committee to carry out annual reviews of Regenerate Christchurch's Good Employer policy
- made its personnel policy available (including the recruitment and selection policy which detailed its commitment to the principles of equal employment) to all staff and included it in the "Welcome Induction Handbook" distributed to all new starters
- offered an attractive place to work by ensuring the Board and management support an inclusive workplace.

GOVERNANCE

Board structure

The Greater Christchurch Regeneration Act 2016 required that Regenerate Christchurch be overseen by an independent board.

The Board was comprised of five members: three appointed by the Christchurch City Council (Council) and two appointed by the Minister for Greater Christchurch Regeneration (Minister), one of which was nominated by Te Rūnanga o Ngāi Tahu. The Board was appointed on 1 July 2019 and remained in place through to the transition date 30 June 2020. The Board consisted of Dr Thérèse Arseneau (Chair), Jen Crawford and Bill Dwyer appointed by the Council, and Hilary Walton and Manaia Cunningham (Te Rūnanga o Ngāi Tahu) appointed by the Minister.

Funding

Regenerate Christchurch was funded by Christchurch City Council (Council) and the Crown, who contributed a total of \$5million for the 2019-2020 financial year (being \$4million from the Crown and \$1million from the Council for the 2019-2020 financial year).

Roles and responsibilities

The Board of Regenerate Christchurch was responsible for the exercise of the functions and powers of Regenerate Christchurch under the Greater Christchurch Regeneration Act 2016 and the organisation's overall strategic direction. This was achieved by:

- agreeing to regeneration priorities, monitoring progress against strategic outcomes and approving the Statement of Intent
- overseeing financial processes and systems of control, reviewing any significant forecast expenditure and approving the Statement of Performance Expectations
- evaluating the principal risks the organisation faced and ensuring adequate risk mitigations.

Indemnities and insurance

Regenerate Christchurch held the following liability insurances during the 2019–2020 financial year: public, employer, statutory, defence cost, association, professional indemnity, directors' and officers' liability, employment disputes, criminal defence costs, internet liability, and crime and cyber cover.

Insurance was not provided for dishonest, fraudulent, malicious or willful acts or omissions. No allegations or claims have been made against Regenerate Christchurch during the financial year for the liability or costs of any member or office holder. No indemnity has been provided by Regenerate Christchurch during the financial year to any member, office holder, or employee.

Board Committees

The following committees support the Board:

Risk, Audit and Finance Committee

Provided assurance and assistance to the Board on the governance of finance, the internal control environment, external accountability and risk management. This committee also monitored the liquidity and cashflow requirements of Regenerate Christchurch to meet any operational budget requirements.

Employment and Remuneration Committee

Provided advice and assistance to the Board on the appointment, performance and remuneration of the Chief Executive, organisational human resource matters, oversaw the induction and professional development of Board members, and coordinated Board performance review processes.

THE BOARD

As at 30 June 2020

Dr Thérèse Arseneau was the Chair of Regenerate Christchurch. She has extensive governance experience and currently chairs the boards of ChristchurchNZ, Ara Institute of Canterbury and the Christchurch Symphony Orchestra; and is a Director of J Ballantyne and Company Ltd and The Open Polytechnic of New Zealand. Past governance roles include as a Director and Chair of Enterprise North Canterbury, Deputy Chair of the Family Help Trust and Director of the Social Sciences and Humanities Research Council of Canada.

Bill Dwyer is the Chair of Development Christchurch Limited (DCL), the Council's development and investment agency. He is a commercial and corporate lawyer educated at the University of Canterbury and is an alumni patron of the UC Foundation. He is a former director of Christchurch City Holdings Limited (CCHL).

Jen Crawford ChMinstD is a professional director and has a background in law, with over 20 years of national and international experience in project consenting and planning. She is the Independent Chair of Ashton Wheelans Chartered Accountants and sits on the Christchurch City Council LTP External Advisory Group. Past governance roles include Ngāi Tahu Seafood Limited, the Arts Centre of Christchurch Trust (Board Chair) and the University of Canterbury Foundation.

Hilary Walton is the Chief Information Security Office of the Kordia Group Limited, responsible for the overall security position of Kordia in both Australia and New Zealand. She is an Information and Technology and digital business transformation leader, and hosts a diverse background in organisational psychology and risk management. She also has significant experience from offshore roles, having worked for Mi5 in London, and the London 2012 Olympics and Paralympic Games leading the Information Security programme.

Manaia Cunningham (Ngāti Mutunga, Ngāti Irakehu, Ngāi Tahu) is employed by the Chatham Islands Council as the Operations Manager. Manaia has a range of leadership skills and valuable experiences gained in previous community roles and has a long-standing involvement with Te Rūnanga o Ngāi Tahu. He was previously employed as the Ngāi Tahu strategic advisor for the Canterbury Regional Council.

BOARD MEMBERS (L-R): DR THÉRÈSE ARSENEAU, BILL DWYER, JEN CRAWFORD, HILARY WALTON AND MANAIA CUNNINGHAM



DISCLOSURES OF INTERESTS BY BOARD MEMBERS

The Board maintained and regularly updated an interests register to ensure conflicts of interest (both real and perceived) were recorded and managed as required by Schedule 5 of the Act.

Interests for Board members as at 30 June 2020 are set out below.

As at 1 July 2019

Dr Thérèse Arseneau

Chair
ChristchurchNZ

Chair
ChristchurchNZ Holdings

Director
J Ballantyne Ltd

Chair
Christchurch Symphony Orchestra

Chair
Ara Institute of Canterbury

Director
Open Polytechnic of New Zealand

Jen Crawford

Consultant
Anderson Lloyd
(through Jen Crawford Limited)

Independent Chair
Ashton Wheelans Ltd

Member LTP External
Advisory Group
Christchurch City Council

East Lake Trust
A partner of Anderson Lloyd, David
Goodman is a Trustee. Anderson Lloyd
has provided advice to the trust on
a pro bono basis*

Hilary Walton

Employee
Kordia Group

Owner/Director
Behaviour Centric Group

Manaia Cunningham

Member
Te Rūnanga o Kōkourārata

Bill Dwyer

Chair
Development Christchurch Ltd

Director
Lyttelton Port Company Ltd

Trustee
Ohinetahi Charitable Trust

* In accordance with clause 27 of Schedule 5 of the Act, Jen Crawford sought and was granted permission to act on all Board matters relating to the East Lake Trust.

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PERFORMANCE & FINANCIALS

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STATEMENT OF RESPONSIBILITY

FOR THE PERIOD ENDED 30 JUNE 2020

Following the disestablishment of Regenerate Christchurch at 30 June 2020 the responsibility for the approval of the annual financial statements has been transferred to the Board of ChristchurchNZ Limited.

We are responsible for the preparation of these financial statements and statement of performance, and for the judgements made in them.

We are responsible for any end-of-year performance information provided by Regenerate Christchurch under Part 2 of Schedule 5 of the Greater Christchurch Regeneration Act 2016.

We have the responsibility for internal controls to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of Regenerate Christchurch for the period ended 30 June 2020.

Approved

For and on behalf of the Board
of ChristchurchNZ



Dr. Thérèse Arseneau

Chair

Date 25 September 2020



Roland van Bommel

Board Member

Date 25 September 2020

South Island
Lantern Festival





STATEMENT OF SERVICE PERFORMANCE

We are required to measure Regenerate Christchurch's performance against the targets listed in the 2019–21 Statement of Intent and the 2019–20 Statement of Performance Expectations.

2019/20 PERFORMANCE TARGETS

MEASURE	TARGET	ACHIEVED?	RESULT
Regeneration Advice			
Provision of Advice: To support regeneration opportunities that may be enabled by the powers under the Act. Reported through Quarterly Performance Reporting.	Ongoing (as required)	Met	<p>Regenerate Christchurch provided feedback to Christchurch City Council on the draft Outline for Amendments to the Christchurch Central Recovery Plan in relation to the Multi-Use Arena.</p> <p>Earlier in the year Regenerate Christchurch provided feedback on the Council-led section 71 proposal for removal of the on-site (off-street) parking requirement for the Lyttelton commercial zone. On 19 September 2019 Regenerate Christchurch provided its views to the Associate Minister on the Council's finalised section 71 proposal in accordance with s66(4)(b) of the GCR Act. The Proposal was subsequently approved by the Associate Minister for Greater Christchurch Regenerate in December 2019.</p>
Port Hills: Advice on regeneration mechanisms for the Port Hills provided to the Minister and Council by end of Q2.	End of Q2	Met	<p>Advice on the use of powers under the GCR Act for Red Zones Areas was provided to the Associate Minister and Christchurch City Council (Council) on 3 December 2019. This advice concluded that use of the powers under the Greater Christchurch Regeneration Act were not required or appropriate at that point in time for the Port Hills and Southshore / South New Brighton residential red zone areas but may be appropriate for Brooklands.</p>
Brooklands: Advice on regeneration mechanisms for Brooklands provided to the Minister and Council by end of Q2.	End of Q2	Met	<p>Advice was provided to the Associate Minister and Council on 3 December 2019 (as noted above). This advice recommended a partnered approach to community engagement with Brooklands residents.</p>
Legislation and Policy Advice (in the context of regeneration) provided to the receiving entity as part of Transition.	Jun–20	Met	<p>Delivery of legislation and policy advice in the context of regeneration was provided to Christchurch City Council as part of transition. Further advice was developed and provided to the Chief Executive of the Christchurch City Council regarding the potential to use the powers in the GCR Act to create a more enabling regulatory environment which better aligns with and supports the long-term aspirations for Christchurch, which if progressed, would provide a mechanism for ensuring that planning documents are aligned with, and support, achievement of the Greater Christchurch Partnership 2050 vision.</p>

2019/20 PERFORMANCE TARGETS

MEASURE	TARGET	ACHIEVED?	RESULT
Response Function: Respond to regeneration planning requests from other agencies or entities (as required or when approached). Reported through Quarterly Performance Reporting.	Ongoing (as required)	Met	<p>The Hagley Oval section 71 proposal was finalised and submitted to the Associate Minister for Greater Christchurch Regeneration on 27 September 2019. This followed statutory consultation with strategic partners and the Chief Executive of DPMC in accordance with s66(1) of the GCR Act which occurred from 24 July 2019 to 4 September 2019. On 11 November 2019 Regenerate Christchurch published supporting technical information referred to in the Hagley Oval section 71 Proposal to the Regenerate Christchurch website. The Associate Minister approved the Proposal in December 2019.</p> <p>Prior to disestablishing, Regenerate Christchurch finalised and submitted its section 71 proposal to the Associate Minister for Greater Christchurch Regeneration to provide for the development and operation of a commercial film or video production facility for her decision.</p>

Collaboration and Engagement

Timeliness & Quality of Advice: The Minister and Council are satisfied with the overall timeliness and quality of advice on regeneration activities provided by Regenerate Christchurch, including advice on the progress of regeneration and additional interventions.	Survey end of Q2 2019–2020	Met	Regenerate Christchurch received a “satisfied” result from both the Associate Minister and the Mayor (on behalf of Christchurch City Council).
Advice to the Minister: The Minister is satisfied with the advice and recommendations provided by Regenerate Christchurch on the development, revocation, and amendments of Plans (as that term is defined in the Act) and the exercise of powers under section 71.	Survey end of Q2 2019–2020	Met	The Minister was “very satisfied” and the Associate Minister “satisfied” with the performance of Regenerate Christchurch during Q1 and Q2.

2019/20 PERFORMANCE TARGETS

MEASURE	TARGET	ACHIEVED?	RESULT
Engagement and Collaboration: Actively seek to engage with the Crown (Minister and DPMC Officials) and Council (Mayor, Councillors and CCC Officials) to ensure meaningful collaboration.	Ongoing	Met	Regenerate Christchurch Board members met with the Minister and Mayor (on behalf of Christchurch City Council) regularly throughout the year. The Board Chair and Chief Executive also met with the Minister and Mayor and the Council's Finance Performance Committee during September (prior to the Local Body Election cycle). Regenerate Christchurch Board members met with the Associate Minister, Mayor and Deputy Mayor on 6 December 2019 to discuss the approach to developing the Regenerate Christchurch Transition Plan. They met again on 6 March 2020 in relation to the ongoing work programme and transition activity.
Strategic Partner Cooperative: Develop a proactive approach to capability sharing.	Ongoing	Met	Regenerate Christchurch has shared capability and capacity and collaborated with strategic partners on a range of projects throughout the year including the Civic District Strategy, Greater Christchurch 2050 Strategic Framework, the Innovation Advisory Group, ChristchurchNZ on various projects and Development Christchurch Limited (DCL) on potential opportunities to attract investment.
Performance Monitoring: Provide a Quarterly Performance Monitoring report to the Minister and Council outlining transition activity and progress.	< 6 weeks from end of each quarter	Met	Quarterly performance reporting was developed and consistently submitted within the 6-week target period from the end of each quarter for Q1—Q3 reports. It was determined that, in hindsight, the Q4 report could not actually be delivered and therefore it has not been produced. This is due to the fact that there is no Board in place to approve the report and because there are no staff with delegation to prepare the report. Instead it was determined that the Final Annual Report would be sufficient.

Transition

Eco-System: As part of transition provide advice on the “eco-system” required for successful future regeneration in Christchurch. Provided to the Minister and Council as early as possible but no later than the end of Q3.	Mar–20	Met	Regenerate Christchurch continued to support and contribute to the work of the Greater Christchurch 2050 Strategic Framework through provision of funding and in-kind support (including staff) which was otherwise intended to be applied to this deliverable and, in doing so, fulfilled the ‘Eco-system Advice’ deliverable.
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2019/20 PERFORMANCE TARGETS

MEASURE	TARGET	ACHIEVED?	RESULT
Agile Operating Model: Realign the organisation to adapt to transition requirements within 3 months of SPE and SOI being tabled at the House of Representatives.	Jan–20	Met	Shared service arrangements were explored and implemented during Q2, enabling the organisation to successfully execute transition responsibilities.
Transition Plan: By taking a collaborative approach, provide the Minister and Council with an organisational level transition plan for presentation by the Minister to the House of Representatives.	Subject to confirmation of inheriting agency and transition timeframes	Met	Transition programme planning formally commenced during Q2. Regenerate Christchurch collaborated with DPMC and Council officials during the initiation of the programme and regularly throughout delivery to ensure expectations were aligned and key dependencies understood, e.g. timing for repeal of the GCR Act. The Transition Plan was approved by the Regenerate Christchurch Board on 28 May 2020 and formally issued to the Chief Executives of Christchurch City Council and DPMC on 8 June 2020. As this was an operational document it was not required to be tabled in the House of Representatives.
Knowledge Management: Approach for knowledge management and transfer to be developed and delivered as part of the Transition Plan.	Subject to confirmation of inheriting agency and transition timeframes	Met	A staff member from Christchurch City Council supported the Knowledge Management workstream. This workstream involved consultation with inheriting agency officials to develop the approach and timing of the knowledge content and records transfer.
Lessons Framework: Develop a collaboratively agreed framework for the scope, classification and collation of lessons to be provided to inheriting agency/s.	Delivered as part of Transition	Met	Key insights on regeneration leadership have been included in the Transition Plan. These insights are relevant to the ongoing regeneration of Christchurch and also have broader application to other significant regeneration efforts in other regions or areas. They have particular relevance to the recovery efforts of cities and regions in the wake of the COVID-19 crisis.

INDEPENDENT AUDITOR'S REPORT

To the readers of Regenerate Christchurch's financial statements
and performance information for the year ended 30 June 2020

The Auditor-General is the auditor of Regenerate Christchurch. The Auditor-General has appointed me, Andy Burns, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information, of Regenerate Christchurch on his behalf.

Opinion

We have audited:

- the financial statements of Regenerate Christchurch on pages 32 to 48, that comprise the statement of financial position as at 30 June 2020, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information of Regenerate Christchurch on page 13 and pages 26 to 29.

In our opinion:

- the financial statements of Regenerate Christchurch on pages 32 to 48, which have been prepared on a disestablishment basis:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2020; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.
- the performance information on page 13 and pages 26 to 29, which has been prepared on a disestablishment basis:
 - presents fairly, in all material respects, Regenerate Christchurch's performance for the year ended 30 June 2020, including:
 - for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year.
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 25 September 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw your attention to other matters. In addition, we outline the responsibilities of the Board of ChristchurchNZ Limited and

our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Emphasis of matters

Without modifying our opinion, we draw attention to the following disclosures.

The financial statements are appropriately prepared on a disestablishment basis

The basis of preparation section of the statement of accounting policies on page 37 and note 15 on page 48, about the financial statements being prepared on a disestablishment basis because the enactment of the Greater Christchurch Regeneration Amendment Act 2020 disestablished Regenerate Christchurch at 30 June 2020. We consider the disestablishment basis of preparation of the financial statements, and the related disclosures, to be appropriate to Regenerate Christchurch's circumstances..

Impact of Covid-19

Note 2 on page 38, which describes the impact of COVID-19 on Regenerate Christchurch.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board of ChristchurchNZ Limited for the financial statements and the performance information

The preparation of the final financial statements and performance information for Regenerate Christchurch is the responsibility of the Board of ChristchurchNZ Limited.

The Board of ChristchurchNZ Limited is responsible on behalf of Regenerate Christchurch for preparing financial statements and performance information on a disestablishment basis that are fairly presented and comply with generally accepted accounting practice in New Zealand.

Up until 30 June 2020, the Board of Regenerate Christchurch was responsible for such internal control as it determined is necessary to enable the preparation of financial statements

and performance information that are free from material misstatement, whether due to fraud or error. From 1 July 2020, the Board of ChristchurchNZ Limited took over these responsibilities to enable the completion of the financial statements and the performance information.

The Board of ChristchurchNZ Limited's responsibilities arise from the Greater Christchurch Regeneration Act 2016 and the Public Finance Act 1989.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to Regenerate Christchurch's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the 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 internal control.
- We 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 Regenerate Christchurch's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of ChristchurchNZ Limited.
- We evaluate the appropriateness of the reported performance information within the entity's framework for reporting its performance.

- We conclude on the appropriateness of the use of the disestablishment basis by the Board of ChristchurchNZ Limited.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of ChristchurchNZ Limited 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.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of ChristchurchNZ Limited is responsible for the other information. The other information comprises the information included on pages 2 to 12 and 16 to 21, but does not include the financial statements and the performance information, and our auditor's report thereon.

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

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of Regenerate Christchurch in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of 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.

Other than in our capacity as auditor, we have no relationship with, or interests, in Regenerate Christchurch.



Andy Burns
Audit New Zealand
On behalf of the Auditor General
Christchurch, New Zealand

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

FOR THE PERIOD ENDED 30 JUNE 2020

	NOTE	2020 ACTUAL	2020 BUDGET	2019 ACTUAL
Income				
Funding – Crown		4,000,000	4,000,000	5,072,000
Funding – Council		1,000,000	1,000,000	4,000,000
Interest received		21,287	23,570	23,570
Gain on sale of assets		11,607	–	–
		5,032,894	5,023,570	9,095,570
Expenses				
Operating expenses		(1,295,692)	(4,470,000)	(3,874,402)
Employee expenditure	3	(1,863,107)	(1,331,107)	(3,222,030)
Board remuneration	3	(190,000)	(190,000)	(220,142)
Accommodation expenditure		(468,816)	(194,855)	(245,040)
Other expenses		(479,125)	(297,787)	(280,203)
Reimbursement of funding		–	–	(130,000)
Depreciation and amortisation		(28,133)	(85,710)	(108,103)
		(4,324,873)	(6,569,459)	(8,079,920)
Total comprehensive revenue and expense		708,021	(1,545,889)	1,015,650

This statement is to be read in conjunction with the notes to the financial statements on pages 37–48.

Explanations of major variances against budget are provided in note 7.

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	NOTE	2020 ACTUAL	2020 BUDGET	2019 ACTUAL
Equity				
		\$–	\$490,877	\$2,036,766
Represented by:				
Current assets				
Cash at bank		–	966,518	2,322,164
GST refund due		–	196,610	105,275
Accounts receivable		–	–	1,048
		–	1,163,128	2,428,487
Non-current assets				
Property, plant and equipment	4	–	135,694	221,404
		–	135,694	221,404
Total assets		\$–	\$1,298,822	\$2,649,891
Current liabilities				
Accounts payable	5	–	807,945	467,772
Employee entitlements	6	–	–	145,353
		–	807,945	613,125
Total liabilities		\$–	\$807,945	\$613,125
Net assets		–	\$490,877	2,036,766

This statement is to be read in conjunction with the notes to the financial statements on pages 37–48.

Explanations of major variances against budget are provided in note 7.

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2020

	NOTE	SHARE CAPITAL	RETAINED EARNINGS	TOTAL EQUITY
2020				
Balance at 1 July 2019		–	2,036,766	2,036,766
Total comprehensive revenue and expense for the period		–	708,021	708,021
Transfer of residual net assets	15	–	(2,744,787)	(2,744,787)
Balance at 30 June 2020		–	\$–	\$–
2019				
Balance at 1 July 2018		–	1,021,116	1,021,116
Total comprehensive revenue and expense for the period		–	1,015,650	1,015,650
Balance at 30 June 2019		–	\$2,036,766	\$2,036,766

This statement is to be read in conjunction with the notes to the financial statements on pages 37–48.

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2020

	2020 ACTUAL	2020 BUDGET	2019 ACTUAL
Operating activities			
Cash was provided from:			
Funding received from controlling entities	5,000,000	5,000,000	9,072,000
Other revenue	21,287	23,570	23,570
Net movement in GST	–	–	83,642
	5,021,287	5,023,570	9,179,212
Cash was applied to:			
Payments to suppliers	2,468,178	4,872,079	5,082,663
Payments to employees	2,198,461	1,466,461	3,351,354
Net movement in GST	106,472	40,676	–
	4,773,111	6,379,216	8,434,017
Net cash inflow (outflow) from operating activities	248,176	(1,355,646)	745,195
Investing activities			
Cash was provided from:			
Assets sold	16,121	–	–
	16,121	–	–
Cash was applied to:			
Assets purchased	–	–	2,158
	–	–	2,158
Net cash inflow (outflow) from investing activities	16,121	–	(2,158)

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2020

	2020 ACTUAL	2020 BUDGET	2019 ACTUAL
Financing activities			
Cash was applied to:			
Cash Payment to Council and Crown	2,586,461	–	–
	2,586,461	–	–
Net cash inflow (outflow) from financing activities	(2,586,461)	–	–
Net increase (decrease) in cash held	(2,322,164)	(1,355,646)	743,037
Add opening cash brought forward	2,322,164	2,322,163	1,579,126
Ending cash carried forward	\$–	\$966,518	\$2,322,164
Cash balances in the statement of financial position			
Cash and cash equivalents	–	966,518	2,322,164
Ending cash carried forward	\$–	\$966,518	\$2,322,164

This statement is to be read in conjunction with the notes to the financial statements on pages 37–48.

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2020

1 REPORTING ENTITY

Regenerate Christchurch was a body corporate established under the Greater Christchurch Regeneration Act 2016 on 8 April 2016 to lead regeneration, engage and advocate effectively with communities and stakeholders, and provide independent advice to decisionmakers. Regenerate Christchurch's obligations under the Act were due to expire in June 2021, however, on 29 June 2020 through the enactment of the Greater Christchurch Regeneration Amendment Act Regenerate Christchurch was disestablished at 30 June 2020.

Regenerate Christchurch's purpose was to support a vibrant, thriving Christchurch that has economic, social and cultural wellbeing and resilience for communities, through urban renewal and development, restoration and enhancement.

Regenerate Christchurch was jointly funded by the Christchurch City Council (Council) and the New Zealand Government (Crown).

Sections 19 to 24 of the Crown Entities Act 2004 applied to Regenerate Christchurch (as if Regenerate Christchurch were a Crown entity) subject to certain modifications as detailed in Greater Christchurch Regeneration Act 2016.

Section 49 of the Public Finance Act 1989 applied to Regenerate Christchurch as if Regenerate Christchurch were a Crown entity.

2 STATEMENT OF ACCOUNTING POLICIES

Basis of preparation

The financial statements have not been prepared on a going-concern basis because Regenerate Christchurch was disestablished at 30 June 2020 (note 15). All other accounting policies have been applied consistently throughout the year.

Statement of compliance

These financial statements of Regenerate Christchurch have been prepared in accordance with the requirements of the Greater Christchurch Regeneration Act 2016, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

For the purposes of complying with NZ GAAP, Regenerate Christchurch was a public benefit entity (PBE). Regenerate Christchurch elected to report in accordance with Tier 2 PBE Standards on the basis that it meets the defined criteria.

Measurement base

These financial statements have been prepared on a historical cost basis, except where identified in specific accounting policies below.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2020

Changes in accounting policy

There have been no changes in accounting policies. Accounting policies have been applied consistently throughout the period. COVID 19 had no detrimental impact on the organisation:

- The decision to disestablish Regenerate Christchurch had already been taken;
- Its work programme was largely completed prior to lock down, and the one remaining project was completed to timeline prior to disestablishment;
- All remaining staff were comfortably able to work from home with no impact on delivery;
- The arrangements for disestablishment, including residual responsibilities post-disestablishment and for the transfer of remaining assets had already been determined;
- Overall, revenue was not impacted by COVID 19, expenses were already incurred for the projects underway, and remaining assets were transferred on the disestablishment.

Summary of significant accounting policies

Budget figures

The budget figures are derived from the statement of performance expectations for the period ended 30 June 2020 as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Good and services tax (GST)

Items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Income tax

Under s135 of the Greater Christchurch Regeneration Act, income derived by Regenerate Christchurch is exempt income for the purposes of the Income Tax Act 2007. Therefore, no provision for tax has been made in these financial statements.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to Regenerate Christchurch and the revenue can be reliably measured, regardless of when the Payment is being made.

Revenue from non-exchange transactions:

Revenue from non-exchange transactions is measured at the fair value of the assets (cash) transferred over to Regenerate Christchurch at the time of transfer.

Funding from controlling entities:

Regenerate Christchurch was primarily funded by the Crown and Council. The funding is restricted in its use for the purpose of Regenerate Christchurch meeting its objectives as specified in the Statement of Intent. To the extent that there are conditions attached to the funding that would give rise to a liability to repay the funding amount if Regenerate Christchurch's objectives are not met, a deferred revenue liability is recognised. Revenue is then recognised only once Regenerate Christchurch has satisfied these conditions.

Revenue from exchange transactions:

Interest income

Interest income is recognised using the effective interest method.

Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term. Lease incentives received are recognised in surplus or deficit over the lease term as an integral part of the total lease expense.

Cash and cash equivalents

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2020

Trade and other receivables

Short-term debtors and other receivables are recorded at their face value, less any provision for impairment.

Property, plant and equipment

Property, plant and equipment consist of the following asset classes: leasehold improvements, office equipment and computer equipment. All asset classes are measured at cost, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to Regenerate Christchurch and the cost of the item can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit.

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 Regenerate Christchurch and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment, other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Asset Class	Useful life
Building fit-out	1 – 4 years
Furniture & fittings	1 – 10 years
Office Equipment	1.5 – 6 years

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter. The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Payables

Short-term payables are recorded at the amount payable.

Short-term employee entitlements

Employee entitlements that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date expected to be settled within 12 months, and sick leave.

Superannuation schemes

Defined contribution schemes Employer contributions to Kiwi-Saver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Equity

Equity is measured as the difference between total assets and total liabilities.

Commitments

Commitments are future expenses and liabilities to be incurred on contracts that have been entered into at balance date. Information on non-cancellable capital and operating lease commitments are reported in the capital commitments note.

Critical accounting estimates and assumptions

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

Estimating useful lives and residual values of property, plant, and equipment

At each balance date, the useful lives and residual values of property, plant, and equipment were reviewed. Because the entity was disestablished at 30 June 2020 the residual value of property, plant and equipment was nil (note 15).

Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment required a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by Regenerate Christchurch, and expected disposal proceeds from the future sale of the asset.

3 EMPLOYEE REMUNERATION

	2020	2019
Breakdown of employee expenditure		
Recruitment and other staff related expenditure	41,074	123,670
Salaries and wages	1,910,086	3,057,970
Defined contribution plan employer contributions	55,131	91,736
Increase/(decrease) in employee entitlements	(143,184)	(51,346)
	1,863,107	3,222,030

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2020

	2020	2019
Employee remuneration exceeding \$100,000		
\$100,000 – \$109,999	–	1
\$110,000 – \$119,999	1	–
\$120,000 – \$129,999	–	2
\$130,000 – \$139,999	–	2
\$140,000 – \$149,999	1	2
\$150,000 – \$159,999	–	1
\$160,000 – \$169,999	1	–
\$190,000 – \$199,999	1	1
\$220,000 – \$229,999	–	1
\$230,000 – \$239,999	–	1
\$240,000 – \$249,999	1	–
\$300,000 – \$309,999	–	1
\$470,000 – \$480,000	1	–
	6	12

During the year, Regenerate Christchurch made payments totalling \$5,000 in relation to the cessation of employment of one employee (30 June 2019: nil).

	2020	2019
Total board member remuneration		
Thérèse Arseneau	70,000	–
Sue Sheldon	–	69,625
Hilary Walton	30,000	–
Jen Crawford	30,000	30,000
Manaia Cunningham	30,000	30,000
Bill Dwyer	30,000	18,929
Humphry Rolleston	–	27,500
Richard Holden	–	30,000
Ross Butler	–	14,088
Total board member remuneration	190,000	220,142

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2020

4 PROPERTY, PLANT AND EQUIPMENT

	BUILDING FIT-OUT	FURNITURE & FITTINGS	OFFICE EQUIPMENT	TOTAL
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2020

Cost

At 30 June 2019	311,427	92,543	126,821	530,791
Additions	–	–	–	–
Disposals	–	(80,679)	(113,373)	(194,052)
Assets written off	(311,427)	(11,864)	(13,446)	(336,737)
At 30 June 2020	\$–	\$–	\$–	\$–

Depreciation and impairment

At 30 June 2019	(177,411)	(20,176)	(111,800)	(309,387)
Depreciation	(11,112)	(6,461)	(10,560)	(28,133)
Disposals	–	24,811	110,391	135,202
Assets written off	188,523	1,826	11,969	202,318
At 30 June 2020	\$–	\$–	\$–	\$–
Carrying amount	\$–	\$–	\$–	\$–

2019

Cost

At 30 June 2018	311,427	92,543	124,663	528,633
Additions	–	–	2,158	2,158
At 30 June 2019	\$311,427	\$92,543	\$126,821	\$530,791

Depreciation and impairment

At 30 June 2018	(110,737)	(12,389)	(78,157)	(201,283)
Depreciation	(66,674)	(7,787)	(33,643)	(108,103)
Disposals	–	–	–	–
At 30 June 2019	\$(177,411)	\$(20,176)	\$(111,800)	\$(309,387)
Carrying amount	\$134,016	\$72,367	\$15,021	\$221,404

5 FINANCIAL INSTRUMENTS

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	2020	2019
Loans and receivables		
Cash at bank	–	2,322,164
Accounts receivable	–	1,048
Total loans and receivables	–	2,323,212

Financial liabilities measured at amortised cost

Accounts payable	–	467,722
Total financial liabilities measured at amortised cost	–	467,722

6 EMPLOYEE ENTITLEMENTS

	2020	2019
Annual leave	–	70,888
Accrued salaries and wages	–	74,465
	\$–	\$145,353

7 EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Explanations for major variances from Regenerate Christchurch budgeted figures in the statement of performance expectations are as follows:

The full year budget for Regenerate Christchurch per the 2019/20 Statement of Performance Expectations was \$6,569,459 with actual expenditure being \$4,324,873, which reflects a \$2,244,586 underspend to 30 June 2020. The overspend in salaries and employee remuneration is as a result of successful retention of staff throughout the organisation's transition and is directly offset by a significant underspend in the anticipated consultants' fees that were budgeted in anticipation of a higher level of staff attrition. The underspend in output class categories was as stated above, due to the minimisation of disestablishment costs as planned and budgeted.

The resulting surplus has been transferred to Crown and Council upon disestablishment as part of the agreement to transfer residual net assets of the organisation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2020

8 AUDIT FEES

	2020	2019
Fees to Audit New Zealand	27,330	25,740

The fees paid to Audit New Zealand were for the audit of the annual report for the 12-month period ended 30 June 2020. The audit fee is included within other expenses in the Statement of comprehensive revenue and expenses.

9 OTHER EXPENSES

	2020	2019
IT support services	137,749	222,902
Loss on sale of assets	51,876	–
Assets written off	135,919	–

10 CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or liabilities at year end (30 June 2019: \$Nil).

11 SUBSEQUENT EVENTS

The Greater Christchurch Regeneration Amendment Act passed in Parliament on 29 June 2020 disestablishing Regenerate Christchurch on 30 June 2020. The impact of the entity's disestablishment is detailed further in note 15. There were no other significant events subsequent to balance date (30 June 2019: \$Nil).

12 CAPITAL COMMITMENTS

There are no capital commitments at balance date. (30 June 2019: Regenerate Christchurch leases premises in the normal course of its business. The premise lease commenced on 8 November 2016 with a final expiry date of 30 June 2021 being the legislative disestablishment date of Regenerate Christchurch. There are no restrictions placed on Regenerate Christchurch by its leasing arrangement.)

Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2020	2019
Within one year	–	203,338
After one year but not more than five years	–	203,338
More than five years	–	–
	–	\$406,676

13 RELATED PARTIES

Regenerate Christchurch was a body corporate funded by the Crown and Christchurch City Council.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship; and on terms and conditions no more or less favourable than those it is reasonable to expect Regenerate Christchurch would have adopted in dealing with the party at arm's length in the same circumstances.

Further, transactions with other government agencies are not disclosed as related party transactions when they are on normal terms and conditions consistent with the normal operating arrangements between government agencies.

Related party transactions required to be disclosed:

Regenerate Christchurch entered into transactions with other Crown-related entities and local authorities on non-commercial terms to fill a number of employee roles with seconded staff. For the period ended 30 June 2020, Regenerate Christchurch received the full-time equivalent of 1.23 employees for a period of 13 weeks for \$13,378. In the period ended 30 June 2019, Regenerate Christchurch provided the full-time equivalent of 0.6 employees for a period of eight weeks at no charge, at a value of approximately \$12,900.

Crown

The Crown provided funding of \$1,000,000 each quarter to Regenerate Christchurch, resulting in \$4,000,000 of funding over the year. The Crown's part ownership of Regenerate Christchurch entitled it to a share of its residual net assets resulting from the disestablishment of the organisation further details of this are set out in note 15.

Christchurch City Council

The Council provided funding of \$250,000 each quarter, resulting in \$1,000,000 of funding over the year. As an owner of Regenerate Christchurch the Council received a portion of the residual net assets of the organisation as part of its disestablishment, along with further payments to carry out the residual activities. The details of the disestablishment are set out in note 15.

In addition a payment of \$203,000 was made to council in relation to the residual lease at 181 High Street under the agreement disclosed in note 15.

ChristchurchNZ Limited

Christchurch NZ Limited is a wholly owned subsidiary of the Christchurch City Council.

Thérèse Arseneau was the Board Chair of the Regenerate Christchurch in addition to being the Board Chair of the ChristchurchNZ Limited.

The following transactions occurred during the year:

- Regenerate Christchurch provided \$100,000 in funding to the Greater Christchurch Strategic Framework (Phase 1) 2050.
- During the year ended 30 June 2020 Regenerate Christchurch paid \$19,553 in relation to accommodation costs and \$16,993 in relation to office fit-out to Christchurch NZ Limited.
- A payment of \$322,000 was made to ChristchurchNZ to enable them to carry out the residual activities of Regenerate Christchurch as disclosed in note 15.

Development Christchurch Limited (DCL)

The ultimate owner of Development Christchurch Limited is the Christchurch City Council

Bill Dwyer was a member of the Board of Regenerate Christchurch in addition to being the Board Chair of Development Christchurch Limited.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2020

14 KEY MANAGEMENT PERSONNEL REMUNERATION

	2020	2019
Board members	190,000	220,142
Leadership team	837,934	1,399,602
	\$1,027,934	\$1,619,744
Full-time equivalents		
Leadership team	2.08	5.42
	2.08	5.42

15 DISESTABLISHMENT

On 29 June 2020 through the enactment of the Greater Christchurch Regeneration Amendment Act, Regenerate Christchurch was disestablished at 30 June 2020, a year earlier than the repeal date provided in the principle Act. An agreement to transfer the residual assets and liabilities of the organisation was established between Regenerate Christchurch's joint owners, the Crown and Council.

Allocation of share of additional funds

Under this agreement both the Crown and Council received 50% of the residual net assets held by Regenerate Christchurch at the time of disestablishment. The Crown's portion consisted of 50% of the organisation's residual funds plus an amount equivalent to 50% of the final GST refund, while Council was to receive 50% of the residual funds less an amount equivalent to 50% of the final GST refund as Council will be receiving the GST refund separately.

	2020	2019
Crown		
Cash Payment	1,372,662	–
	\$1,372,662	–
Council		
Cash Payment	1,213,799	–
GST Refund	158,326	–
	\$1,372,125	–
Transfer of residual net assets	\$2,744,787	–

Balance of Residual activities

Additionally, from the transfer date, Council will be responsible for carrying out the balance of the residual activities and will ensure they are undertaken in the best interests of the community; in proper, businesslike and commercially reasonable manner; and in a timely and efficient manner.

Council has resolved that ChristchurchNZ Limited will undertake the residual activities on its behalf.

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ChristchurchNZ
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the Greater Christchurch Regeneration Act 2016.



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