



# ANNUAL REPORT

2017-2018



Kia whakahaumanutia  
te whenua, ngā tāngata  
me te tāone.

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

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# WHAT REGENERATE CHRISTCHURCH DOES



REGENERATE CHRISTCHURCH IS A JOINT CROWN AND COUNCIL ENTITY ESTABLISHED IN APRIL 2016 UNDER THE GREATER CHRISTCHURCH REGENERATION ACT 2016 TO LEAD REGENERATION IN CHRISTCHURCH.

Regeneration is about strengthening communities. We do this by developing Regeneration Plans and strategies; we advocate by supporting the regeneration initiatives of others; and we provide independent advice to the Crown and the Christchurch City Council on regeneration activities.

We also propose exercise of powers under section 71 of the Greater Christchurch Regeneration Act 2016 to implement changes to the Christchurch District Plan and other regional or district planning documents to achieve regeneration outcomes.

As a publicly-funded organisation, Regenerate Christchurch seeks broad reach and support for its work from those with an interest in the future of Christchurch. Regenerate Christchurch focusses 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.



Above: Christchurch Lantern Festival performance, Cathedral Square.

Above, right: Minister for Greater Christchurch Regeneration, Hon Dr Megan Woods, Regenerate Christchurch Chair Sue Sheldon CNZM and Christchurch Mayor Hon Lianne Dalziel at the Red Zone Futures exhibition.

# CHAIR AND CHIEF EXECUTIVE'S REPORT

AT ITS HEART, REGENERATION IS ABOUT STRENGTHENING COMMUNITIES. IN CHRISTCHURCH, THE SIGNIFICANCE OF THIS IS MAGNIFIED BY THE OPPORTUNITIES FOR THE CITY (RESIDENTS AND VISITORS) TO GROW AND PROSPER.

Since Regenerate Christchurch was established in April 2016, it has been critical to us that people have been at the centre of everything we have done. We have engaged extensively and sought the communities' views. Our work has also been informed by extensive and robust technical analysis.

Since our last Annual Report, the organisation has had a change of leadership at Board level after former Board Chair André Lovatt departed in early 2018 to take up a new position at Auckland Airport. We acknowledge André's significant contribution to Regenerate Christchurch, and his leadership of the regeneration of the Arts Centre. We would also like to take this opportunity to thank our staff, Leadership Team, Board and stakeholders for their commitment to Regenerate Christchurch's mission.

Being jointly owned by the Crown and the Christchurch City Council, we are committed to delivering value for taxpayers and ratepayers. Our commitment to maximising our resources has meant we have been able to carry over some of our funding to the 2018/2019 year in anticipation of delivery of our work programme.

We are also committed to meeting expectations that we will provide opportunities for genuine community input, undertake meaningful engagement and be open to feedback. This approach can contribute to changes in scope, timeframes and costs, but enhances the quality of our work.

Our first year of operation (2016/17) focused on the establishment of the organisation and initiation of projects, this year (2017/18) attention has been on our work programme.

Since the beginning of the 2018/2019 financial year on 1 July, we have delivered our advice on central city momentum to the Crown and Council - which has led to the development of a central city revitalisation action plan (led by Council) - and our priority focus has been to accelerate delivery of the Regeneration Plan for the Ōtākaro Avon River Corridor, which, at 602 hectares, is one of the largest geographical features in Christchurch.

Another key output will be delivery of a regeneration strategy for Southshore and South New Brighton in partnership with the Christchurch City Council, Environment Canterbury and Ngāi Tahu. This will focus on short, medium and long-term options to manage the effects of climate change - including sea level rise - and the future of Southshore and South New Brighton's residential red zones. We will also continue to identify other opportunities to lead, deliver and facilitate regeneration.

That this is only Regenerate Christchurch's second annual report reflects our organisation's short history and provides context for its progress and achievements within two years.

The highlights section on pages 4 and 5 show the milestones that have been reached during 2017/2018. These are testament to the commitment of our small team to delivering plans and strategies that are both visionary and practical; as well as advocating for our City and monitoring the progress that is being made.



**Sue Sheldon CNZM** CHAIR  
27 September 2018



**Ivan Iafeta** CHIEF EXECUTIVE  
27 September 2018



# HIGHLIGHTS FROM 2017-2018

## July 2017

**Draft concept** for Cathedral Square published.

## August 2017

**Christchurch City Council's Regeneration Plan** to realise Cranford's potential for managing storm water, connect open space and provide a variety of housing types and densities approved by the former Acting Minister supporting Greater Christchurch Regeneration, following Regenerate Christchurch's recommendation to approve.

## October 2017

**10 combinations** of land uses in the Ōtākaro Avon River Corridor Regeneration Area published. A public feedback period followed.

**Regenerate Christchurch begins work** on a proposal to exercise powers under the Greater Christchurch Regeneration Act 2016 to enable Redcliffs School to return to its community.

### Community engagement

Engaging with stakeholders and communities is vital for leading, delivering and facilitating regeneration. Between 1 July 2017 and 30 June 2018 Regenerate Christchurch met with 270 groups, including stakeholders, education providers and schools, community groups and interest groups.

During the engagement period for Cathedral Square, 10 combinations of land uses, and Red Zone Futures, we received 4,481 comments from individuals and groups. The five-week engagement period for Red Zone Futures was one of the most significant in Christchurch since the earthquakes.

We've engaged at meetings, briefings, community events, festivals and markets. We've also used innovative approaches to engage, including livestreaming a Speaker Series in partnership with Christchurch City Council, hosting a youth focused "Design Jam" workshop, and actively involving youth and children.

## December 2017

**Feedback from 1,882 people and groups** on 10 combinations of land uses in the Ōtākaro Avon River Corridor published.

## January 2018

**Redcliffs section 71 Proposal** for Redcliffs School submitted to the Minister.

## February 2018

**Sue Sheldon** appointed as new Board Chair.

Below: An artist's impression portraying mahinga kai and activities in the Ōtākaro Avon River Corridor.

## March 2018

**Minister invites public feedback** on changes to the Christchurch District Plan to enable the relocation of Redcliffs School.

**The 'How Team' for Southshore and South New Brighton** deliver the Engagement Plan to support the development of the regeneration strategy.

## April 2018

**Refined shortlist** of land uses for Ōtākaro Avon River Corridor announced.

## May 2018

**Minister for Greater Christchurch Regeneration approves** Regenerate Christchurch's proposal under section 71 of the Greater Christchurch Regeneration Act 2016 to implement changes to the Christchurch District Plan to enable Redcliffs School to be re-located to Redcliffs Park.

**Red Zone Futures exhibition** opens in Cashel Mall and runs for five weeks with more than 15,000 people engaging with the static, mobile and online presentation.

## June 2018

**Vision for Cathedral Square** published.

**Advice to increase momentum and support** regeneration of the central city delivered to the Crown and Council.





# OBJECTIVES AND STRATEGY

Regenerate Christchurch's purpose and objectives are 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.

These statutory requirements are supported by Regenerate Christchurch's strategy which guides how those objectives are met.

## Strategy

Our commitment is a better Christchurch above all other interests.

As the Crown and Council's regeneration agency, we will lead a city-wide approach by working with our community, stakeholders and partners to develop a shared understanding of regeneration and a vision for Christchurch's development beyond 2021.

We will:

- › Continue our regeneration work programme
- › Target interventions to remove barriers to regeneration
- › Support advancement of the city's future urban development
- › Monitor progress and celebrate success

# OUR PRIORITIES

## Leading the Regeneration of Christchurch

Regenerate Christchurch will provide independent and reliable advice to the Crown and Council on priorities and mechanisms to increase momentum and achieve regeneration outcomes. This includes:

- › **Central City:** Determining next steps based on the advice that Regenerate Christchurch has provided to the Crown and Council on what is required to increase regeneration momentum in the central city.
- › **Cathedral Square:** Developing a regeneration strategy for the long term vision.
- › **Prioritisation and regeneration objectives and benefits framework:** Completing an enhanced framework for identifying and assessing proposals.

## Delivering Regeneration in Christchurch

Regenerate Christchurch will deliver realistic, achievable and outcomes focussed visions, strategies and Regeneration Plans. This includes:

- › **Ōtākaro Avon River Corridor:** Developing a Regeneration Plan for the Ōtākaro Avon River Corridor, including publicly notifying the draft Regeneration Plan and providing a finalised draft Regeneration Plan to the Minister for Greater Christchurch Regeneration for consideration.
- › **Southshore and South New Brighton:** Developing a regeneration strategy that sets out the short, medium and long-term approach to adaptation to sea level rise, climate change and the social, environmental, cultural and economic effects, together with a draft implementation plan.

## Facilitating the Regeneration of Christchurch

Regenerate Christchurch will facilitate the use of the tools in the Greater Christchurch Regeneration Act 2016 by others to achieve regeneration outcomes. This includes:

- › **Yaldhurst Recreation and Sports Facility:** Providing Regenerate Christchurch's views to the Minister on the Councils' finalised proposal for the Yaldhurst Recreation and Sports Facility.
- › **Timely responses to any new regeneration initiatives:** Regenerate Christchurch will respond in a timely manner to any new regeneration proposals and requests for regeneration advice from other parties under the Greater Christchurch Regeneration Act 2016.



Left: An artist's impression of Cathedral Gardens in Cathedral Square.



# WHAT WE ARE WORKING ON

## Our work

STRENGTHENING COMMUNITIES THROUGH REGENERATION TAKES MANY FORMS. THIS IS REFLECTED IN THE SCOPE OF REGENERATE CHRISTCHURCH'S WORK PROGRAMME.

### DELIVERING REGENERATION

#### Residential Red Zone

##### ŌTĀKARO AVON RIVER CORRIDOR REGENERATION AREA

Our highest profile project during 2017/2018 has been our work on a Regeneration Plan for the Ōtākaro Avon River Corridor. In October 2017, we published 10 combinations of land uses for the area after considering more than 5,000 ideas submitted by the community, as well as surveys, technical reports and studies.

In May 2018, we launched a five-week exhibition of shortlisted land uses as part of a broader public engagement programme, feedback from which will inform the development of the regeneration plan for the 602-hectare area. This project is ongoing and will continue to be a significant component of our work programme for the remainder of 2018.

The public will have an opportunity to provide formal feedback on the draft Regeneration Plan before it is finalised and provided to the Minister for Greater Christchurch Regeneration for consideration.

##### SOUTHSHORE AND SOUTH NEW BRIGHTON

The Southshore and South New Brighton area is highly valued by residents and visitors for its sea views and easy access to the beach and recreational activities.

The communities of Southshore and South New Brighton have been significantly impacted by the Canterbury earthquakes. Post-earthquake consultation on issues has been challenging for the communities and, in 2018, Regenerate Christchurch partnered with Christchurch City Council, Environment Canterbury and Ngāi Tahu to establish a community-led engagement process to inform the development of a regeneration strategy for the area.

The engagement plan was developed by what was known as the How Team, a locally-led initiative to help connect communities to decision-makers to stimulate more innovative and genuine engagement. Regenerate Christchurch contracted Renew Brighton to use the How Team model to design the engagement plan for the regeneration strategy for Southshore and South New Brighton. The team comprised nine community members, including the convenor, and three agency staff.

We are now implementing the engagement plan, with the intention of delivering a regeneration strategy.

Right: Looking towards Sumner beach from Southshore Spit.





## LEADING REGENERATION

### CENTRAL CITY

The Christchurch Central Recovery Plan 2012 created a vision and a key strategic framework not only to help the city recover, but to create an aspirational future.

Over the past six years the public and private sectors have been working purposefully towards this vision. The progress that has been made in the city's recovery has been significant.

Achieving this progress has been challenging – requiring tenacity, hard work and a strong commitment to the future of Christchurch.

Regenerate Christchurch is providing advice to the Crown and Christchurch City Council on increasing this momentum. This work will continue into 2018/2019.

### CATHEDRAL SQUARE

Our work on regenerating this smaller but more central area of land reached a significant milestone during 2017/2018, with the release of our long-term vision for Cathedral Square after 18 months of planning and engagement with Cathedral Square property owners, business groups, heritage groups, Ngāi Tūāhuriri, the public and other key stakeholders.

Targeted consultation and design development saw a bold, place-specific design emerge with a strong pattern and pavilion designed to increase activity in the Square until the surrounding developments are complete.

This vision was published in June 2018. The next step is development of a regeneration strategy with the purpose of designing and implementing initiatives to attract people into Cathedral Square delivered in stages in parallel with the reinstatement of the Christ Church Cathedral, and as funding and other developments allow.

## FACILITATING REGENERATION

### CRANFORD REGENERATION PLAN

Cranford was recommended by Christchurch City Council as an area needing a Regeneration Plan to unlock its potential for managing stormwater and providing a variety of housing types. Christchurch City Council's Regeneration Plan for the area was approved by the former Acting Minister supporting Greater Christchurch Recovery in August 2017.

### REDCLIFFS SCHOOL

One of our roles is to identify opportunities to regenerate particular areas, assess those opportunities, and put forward proposals and advice for the Crown and Christchurch City Council to consider.

A localised example during 2017/2018 was our recommendation that the powers under the Greater Christchurch Regeneration Act 2016 be used to implement changes to the Christchurch District Plan to allow Redcliffs School to return to its community after rock fall caused by the 2011 earthquake forced it to move to a location three kilometres from its original site.

Our proposal under section 71 of the Act was approved by the Minister for Greater Christchurch Regeneration and, as a result, the school will be relocated to Redcliffs Park and the original site converted to a park.

We will consider other opportunities to support regeneration initiatives in this way within the commercial and non-commercial sectors.

### NEW BRIGHTON

Regenerate Christchurch's involvement with the New Brighton Implementation Plan is limited at present to occasional urban design advice and support to Development Christchurch Limited, who is leading projects to revitalise this area.

Top right: Red Zone Futures exhibition at 99 Cashel St.

Right: Oxford Terrace laneway.

Far right: An artist's impression of the Ōtākaro Avon River Corridor, Red Zone Futures exhibition.

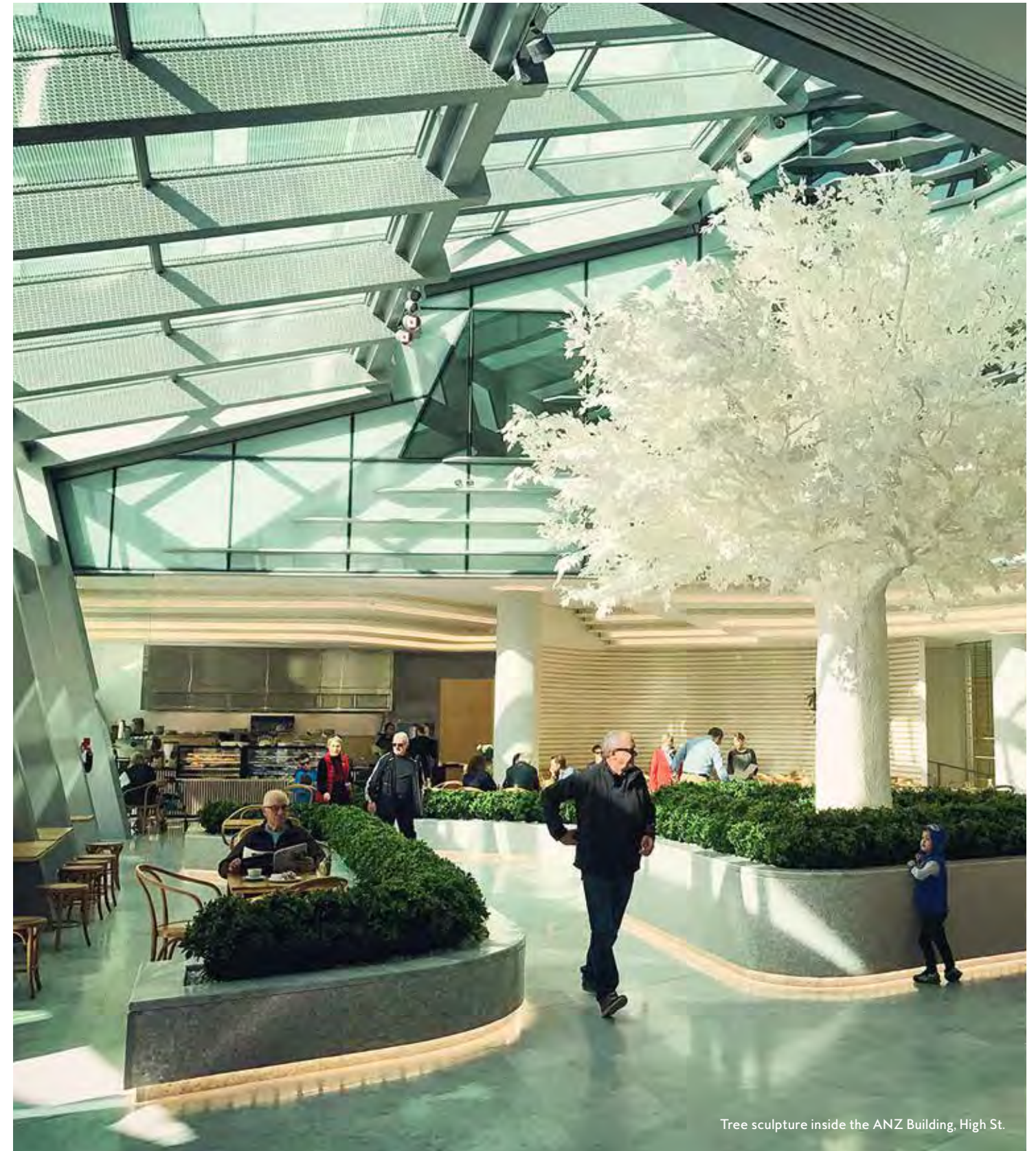




## REGENERATE CHRISTCHURCH - FINANCIAL SUMMARY

	2017/18 Actual	2017/18 Budget*	Variance
	(\$)	(\$)	(\$)
<b>I. Residential Red Zone</b>			
<b>Revenue</b>			
Crown	3,023,817	3,580,916	(557,099)
Council	3,023,817	3,580,916	(557,099)
Other	130,000	0	130,000
<b>Total Revenue</b>	<b>6,177,634</b>	<b>7,161,831</b>	<b>(984,197)</b>
<b>Expenditure</b>			
Ōtākaro Avon River Corridor	2,107,761	1,951,000	156,761
Southshore and South New Brighton	180,015	360,000	(179,985)
Staff Costs (Direct and Indirect)	2,464,103	2,597,859	(133,756)
Corporate Costs	1,425,755	2,252,972	(827,217)
<b>Total Expenditure</b>	<b>6,177,634</b>	<b>7,161,831</b>	<b>(984,197)</b>
<b>2. Regeneration Planning</b>			
<b>Revenue</b>			
Crown	1,820,828	1,729,105	91,723
Council	1,820,828	1,729,105	91,723
Other	0	0	0
<b>Total Revenue</b>	<b>3,641,656</b>	<b>3,458,210</b>	<b>183,446</b>
<b>Expenditure</b>			
Cathedral Square	811,849	484,000	778,442
Central City Momentum	450,593		
New Brighton and Other Regeneration Opportunities	86,180	764,000	(677,820)
Staff Costs (Direct and Indirect)	1,452,565	1,183,676	268,889
Corporate Costs	840,469	1,026,534	(186,065)
<b>Total Expenditure</b>	<b>3,641,656</b>	<b>3,458,210</b>	<b>183,446</b>
<b>Total Net Expenditure</b>	<b>9,819,290</b>	<b>10,620,041</b>	<b>(800,751)</b>

\* The 2017/18 Budget column differs from the 2017/18 Statement of Performance Expectations as the budget amounts have been updated to allocate budgeted depreciation to ensure consistency with the 2017/18 Actual column.



Tree sculpture inside the ANZ Building, High St.



# ORGANISATIONAL HEALTH AND CAPABILITY

## Values and Behaviours

We have a culture that supports the delivery of our work. We expect our staff to be bold, brave, and creative, to support each other, to be agile and flexible, and to do things efficiently.

We have established:

- › regular one-on-one check-ins for all staff
- › a commitment to continuous improvement
- › an organisational structure and approach to our work that allows staff to contribute to multidisciplinary teams and develop their skills
- › a People and Capability Strategy to support a high-performance culture



Above: Respondents providing feedback at the Red Zone Futures exhibition.  
Right: Old treehouse, Ōtākaro Avon River Corridor Regeneration Area.

## Health and Safety

Regenerate Christchurch places the health, safety and wellbeing of its people as one of its highest priorities and is committed to ensuring zero harm to staff, contractors and visitors. We are a wellbeing leader and have a health and safety framework in place that meets the requirements of the Health and Safety at Work Act 2015. We take a best-practice approach to wellbeing, health and safety and not one that is simply compliance focused.

We will achieve this by:

- › deliberate and effective leadership by having both the Board and management model the behaviours expected from staff and contractors
- › continual implementation of a robust health and safety framework and monitoring adherence to the framework and taking corrective actions if required
- › allocating necessary resources to ensure compliance with regulatory obligations while demonstrating good health and safety practices
- › implementing a wellbeing programme
- › reviewing policies to ensure management is accountable for monitoring all staff, especially during periods of high work intensity, to ensure adequate rest periods are taken and teams and individuals can perform at their best.

## Organisational Capability

We completed most of our planned recruitment in the 2016/2017 financial year. As an organisation that will continue to evolve and adapt, we need to ensure staff have a broad mix of skills, experiences and perspectives. We regularly review the capability of our people so necessary skill sets are aligned with our work programme.

## Risk and Fraud Management

We are committed to proactively and consistently managing risk, and recognise that risk management is critical to the success of Regenerate Christchurch.

We have a risk policy that provides clear mitigations to minimise the impact of a risk event occurring and the effect this might have on Regenerate Christchurch.

## Good Employer

Regenerate Christchurch is 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:

- › carries out quarterly reviews of the operational personnel policy to ensure we are meeting the Human Rights Commission's seven key elements of being a good employer
- › has embedded these principles in our overall People and Capability strategy to ensure they are "lived and breathed" by our organisation
- › has 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 details our commitment to the principles of equal employment) to all staff via both the intranet and the "Welcome Induction Handbook" distributed to all new employees
- › offers an attractive place to work by ensuring the Board and management support a diverse workplace, inclusive culture and equal opportunities.





# GOVERNANCE

## Board structure

Regenerate Christchurch is governed by legislation through the Greater Christchurch Regeneration Act 2016. It is overseen by a seven-member Board. Three members are appointed by the Christchurch City Council, four appointed by the Minister for Greater Christchurch Regeneration, one of whom is nominated by Te Rūnanga o Ngāi Tahu. In addition the Board had an intern Board member during 2017/18.

## Funding

Regenerate Christchurch is funded by Christchurch City Council and the Crown, who each contribute \$4 million per annum (GST exclusive).

## Roles and responsibilities

The Board is 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 is 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 and ensuring adequate risk mitigations.

The Board has a Charter setting out how the Board governs Regenerate Christchurch within the framework of the Greater Christchurch Regeneration Act 2016.

The Board has delegated to the Chief Executive the day-to-day management, operation and administration of Regenerate Christchurch.

## Board Committees

The following committees support the Board.

**RISK, AUDIT AND FINANCE COMMITTEE** – to provide assurance and assistance to the Board on the governance of finance, the internal control environment, external accountability and risk management. This committee also monitors the liquidity and cashflow requirements of Regenerate Christchurch to meet any operational budget requirements.

**EMPLOYMENT AND REMUNERATION COMMITTEE** – providing advice and assistance to the Board on the appointment, performance and remuneration of the Chief Executive, organisational human resource matters, overseeing the induction and professional development of Board members, and coordinating Board performance review processes.

## Indemnities and insurance

Regenerate Christchurch has the following liability insurances in place: public, employer, statutory, defence cost, association, crime and cyber.

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

Right: Street art and construction in the South Frame laneways.





# THE BOARD



**Sue Sheldon CNZM** is Chair of Regenerate Christchurch. She currently serves as Chair of Freightways as well as a Director within Contact Energy and Real Journeys. She is the independent Chair of the Audit and Risk Management Committees of both Christchurch City Council and Auckland Council. Sue has previously served as Chair of Chorus and Paymark and deputy Chair of the Reserve Bank of New Zealand. She was made a Companion of the New Zealand Order of Merit for services to business in 2007.



**André Lovatt** was chair of Regenerate Christchurch during the period 1 July 2017 to 13 February 2018. He was also the Chief Executive of the Arts Centre of Christchurch, overseeing the restoration of New Zealand's largest collection of heritage buildings. After graduating from the University of Canterbury with a Masters degree in Engineering in 1998, André worked at Powell Fenwick Consultants in Christchurch before joining Arup,

a global engineering consultancy specialising in major construction projects. Andre gained an MBA degree from the National University of Singapore before returning to Christchurch in 2012 to manage the \$290 million, seven-year long restoration of the Arts Centre. His efforts at the Arts Centre earned him a Sir Peter Blake Leadership Award.



**Ross Butler** is Chair of Ōtākaro Limited, the Crown company responsible for the delivery of Crown-led anchor projects and precincts in Christchurch, and Chair of Government-owned insurer Southern Response. Ross was the first Chair of the Code Committee (Financial Advisers Act) in the wake of finance company failures and is also Chair of Mercer New Zealand and Mercer Investments Australia Pty Ltd, the Australian arm of New York listed global services group Marsh & McLennan.



**Bill Dwyer** is Chair of Development Christchurch Limited, the Council's urban development company. Bill is a commercial and corporate lawyer educated at the University of Canterbury and an alumni patron of the UC Foundation. He has been a director of Christchurch City Holdings Limited (CCHL), which is Christchurch City Council's commercial arm, since 2005. Bill is also serving as Director for the CCHL-owned Lyttelton Port Company board. He was formerly employed as a partner at Lane Neave and previously served as general counsel for Solid Energy.



**Humphry Rolleston** has served as a director of a number of private, public and state-owned enterprises operating throughout New Zealand. He is currently a director of various companies, including Property for Industry and Infratil Limited. He is also director and founder of Asset Management Limited, which invests in small local businesses operating in the tourism, manufacturing, security and

technology sectors. Humphry is a Fellow of the New Zealand Institute of Directors and the New Zealand Institute of Management.



**Richard Holden** has a financial services background and has served on the Board of the Lotteries Commission and as Chair of Milestone Joint Venture Partnership. He is a Certified Financial Planner (CFP) and Chartered Life Underwriter (CLU). He brings to the board considerable experience in senior governance processes. Locally, Richard has been extensively involved in sports administration in rugby union and masters rowing.



**Jen Crawford** has over 20 years' national and international legal experience in project consenting and planning, along with several years of post-earthquake governance experience locally. Jen is a Director at Ngāi Tahu Seafood and a member of the

governance group involved in the Ministry of Education's joint rebuild of two schools in north west Christchurch. She is the former Chair of the Arts Centre of Christchurch and a past trustee of the University of Canterbury Foundation. Jen has been recognised for her post earthquake governance work with a Local Hero Medal in the 2017 New Zealander of the Year Awards.



**Manaia Cunningham** (Ngāti Irakehu, Ngāi Tahu, Ngāti Mutunga) is a qualified teacher previously employed by Te Rūnanga o Koukourārata, at Port Levy on Banks Peninsula and is now employed by Environment Canterbury. Manaia has a range of leadership skills and valuable experience gained in previous community roles, and has a long-standing involvement with Te Rūnanga o Ngāi Tahu. Manaia currently sits on the Banks Peninsula Zone Committee and the Biological Husbandry Unit Organics Trust.



**Hilary Walton** served on the board as part of the Christchurch City Holdings Limited intern directorship programme. She is Manager Enterprise Business Systems at Airways, New Zealand. She leads the strategy for IT operations and digital business transformation. She is a risk management and security culture specialist and a business psychologist. Hilary has worked in the United Kingdom for the Olympic Delivery Authority (ODA), responsible for the information security, risk management and assurance, and security culture and awareness Programmes.



# DISCLOSURE OF INTERESTS BY BOARD MEMBERS



The Board maintains and regularly updates an interests’ register to ensure conflicts of interest (both real and perceived) are recorded and managed as required by Schedule 5 of the Greater Christchurch Regeneration Act 2016. The table below sets out interests as at 30 June 2018.

**Sue Sheldon CNZM**

Chair - Freightways Limited  
 Director - Contact Energy Limited  
 Director - Real Journeys Limited  
 Director and shareholder - Fibretech Holdings Limited  
 Independent Chair of Audit and Risk Management Committee - Christchurch City Council  
 Independent Chair of Audit and Risk Committee - Auckland Council  
 Director - Sue Sheldon Advisory Limited

**Bill Dwyer**

Chair - Development Christchurch Ltd  
 Director - Lyttelton Port Company Ltd

**Richard Holden**

Director - Milestone Financial Services Ltd  
 Managing Director - Milestone Financial Services (Canterbury) Ltd  
 Managing Director - Milestone Financial Planning (Canterbury) Ltd  
 Director - Nedloh Trustee Ltd  
 Director/Shareholder - Waekura Ltd

**Jen Crawford**

Consultant - Anderson Lloyd.\*  
 Director - Ngāi Tahu Seafood Limited  
 Director - Ngāi Tahu Seafood Products Limited  
 Director - Ngāi Tahu Seafood Resources Limited  
 Director - Ngāi Tahu Aquaculture Services Limited  
 Co-opted trustee, Chair - Burnside Primary School  
 Director - Jen Crawford Limited

**Manaia Cunningham**

Secretary - Te Rūnanga o Koukourārata  
 Member - Banks Peninsula Zone Committee  
 Member - Biological Husbandry Unit Organics Trust  
 Programme Leader Tuia - Environment Canterbury  
 Member - Maahanui Kurataiao

**Humphry Rolleston**

Chair - ANZCRO Pty Ltd  
 Chair/owner - Spaceships Ltd  
 Chair/shareholder - Children’s Bay Holdings Ltd  
 Trustee - I80 Degrees Trust  
 Director/shareholder - Infratil Ltd  
 Director/shareholder - Property for Industry  
 Chair - Save a Watt Ltd  
 Chair - Stray Ltd  
 Chair - Matrix Security  
 Chair - McRaes Global Ltd  
 Director - Free Phone Fiji Ltd  
 Trustee - The Christchurch Cathedral Music and Education Trust  
 Chair - The Christchurch Foundation

**Ross Butler**

Chair - Ōtākaro Limited  
 Chair - Southern Response  
 Chair - Mercer New Zealand  
 Chair - Mercer Investments Australia  
 Member - Code Committee, Financial Markets  
 Director - Hockey New Zealand Major Events Limited  
 Director - Merlot Limited

\* 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. A partner of Anderson Lloyd, David Goodman, chairs the East Lake Trust and Anderson Lloyd has provided advice to the Trust on a pro bono basis.

Left: Exploring the Ōtākaro Avon River on a virtual kayak tour during the Red Zone Futures exhibition.



# STATEMENT OF RESPONSIBILITY FOR THE PERIOD ENDED 30 JUNE 2018

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

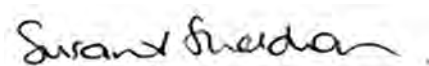
We are responsible for any end-of-year performance information provided by Regenerate Christchurch under Part 2 of Schedule 5 of the Greater Christchurch Regeneration Act 2016.

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 2018.

## Approved

For and on behalf of the Board of  
Regenerate Christchurch



Board member

**27 September 2018**

Date



Board member

**27 September 2018**

Date

Right: Oxford Terrace and the Ōtākaro Avon River.





# STATEMENT OF SERVICE PERFORMANCE



We are required to measure our performance against the targets listed in the 2017-21 Statement of Intent and the 2017-18 Statement of Performance Expectations.

Actual performance results for the 2017-21 Statement of Intent performance measures are noted on the next page.

Actual performance results for the 2017/18 Statement of Performance Expectations are provided within the 'How did we measure up?' sections on the following pages.

Comparative performance is presented for measures that are included in both the 2016/17 and 2017/18 Statements of Performance Expectations, and in both the 2016-20 and 2017-21 Statements of Intent.

For reporting against measures that were only included in the 2016/17 Statement of Performance Expectations, and/or the 2016-20 Statement of Intent, please refer to our 2016/17 Annual Report.

Left: An artist's impression of the Three Reaches within the Ōtākaro Avon River Corridor. Red Zone Futures exhibition.

## 2017-21 STATEMENT OF INTENT - PERFORMANCE MEASURES

			Actual 2017 - 2018	
Progressing Regeneration	Measure	Target 2017 - 2018	Result	Commentary
Ōtākaro Avon River Corridor Regeneration Area	Preparation of Programme Business Case (including assessing the feasibility of flat water facilities)	Completed on time and within budget	Partially met	The flatwater feasibility assessment is complete. The Programme Business Case is largely complete and will be completed by the end of Quarter 1 in 2018/19 alongside the draft Regeneration Plan. The project was re-baselined to account for additional timeframes for consideration of land use options.
	Regeneration strategy developed	Completed on time and within budget	Partially met	The Regeneration Strategy is underway and will be completed by the end of Quarter 3 in 2018/19.
Central City	Regeneration Strategy for Cathedral Square and Surrounds	Completed on time and within budget	Partially met	The Cathedral Square and Surrounds Regeneration Strategy is being developed in parts. The Design Vision was published on 13 June 2018 and our advice on the Strategy for Cathedral Square will be finalised in Quarter 1 2018/19.
	Evaluation of progress and provision of advice on what is required to increase momentum and support regeneration	Advice and Recommendations	Met	Regenerate Christchurch completed an evaluation of progress in the central city. The evaluation was then used as an evidence base to advise on what is required to increase momentum and support regeneration. The advice was delivered to the Minister and Council on 2 July 2018.
New Brighton	Evaluation of progress and provision of advice on what is required to support the regeneration of New Brighton.	Advice and Recommendations	Met	Regenerate Christchurch's involvement with the New Brighton Implementation Plan is limited, at present, to occasional urban design advice and support only.

(continued on next page)



## 2017-21 STATEMENT OF INTENT - PERFORMANCE MEASURES continued

			Actual 2017 – 2018	
Progressing Regeneration	Measure	Target 2017 – 2018	Result	Commentary
<b>Other Regeneration opportunities</b>	Identification and prioritisation of opportunities to utilise the planning tools under the Act	Advice	Met	Regenerate Christchurch is engaging with the private sector and others assessing whether the legislation can assist with regeneration.
	Provision of views, recommendations and advice on planning instruments developed under the Act	Advice and Recommendations	Met	Regenerate Christchurch delivers against this target as required.
<b>Effective Engagement and Collaboration</b>	Engagement tactics demonstrate reach and activation across communities of place, identity, affiliation and practice	Establish Baseline (annual survey)	Met	Average of 1,218 comments and submissions received through the Engage website for every engagement from July 2017 to June 2018.
	Greater Christchurch residents are actively engaged with Regenerate Christchurch and the regeneration process:			
	<ul style="list-style-type: none"> <li>› Level of interaction with Regenerate Christchurch digital engagement platform</li> <li>› Level of engagement with Regenerate Christchurch social media presence</li> </ul>	Establish Baseline (number of website hits)  Establish Baseline	Met  Met	3,500 site visits per month (based on the period February 2017 to June 2018).  4,936 engagements per month on Facebook (June 2018), 667 interactions per month on Instagram (June 2018).

(continued on next page)

			Actual 2017 – 2018	
Progressing Regeneration	Measure	Target 2017 – 2018	Result	Commentary
<b>Effective Engagement and Collaboration</b>	Greater Christchurch residents are actively engaged with Regenerate Christchurch and the regeneration process (continued):			
	<ul style="list-style-type: none"> <li>› Percentage of subscribers who open the Regenerate Christchurch newsletter</li> <li>› Awareness of Regenerate Christchurch increases</li> </ul>	Establish Baseline  Establish Baseline (annual survey)	Met  Met	52.8% (July 2017 to June 2018).  76% of respondents are aware of Regenerate Christchurch.
	Regeneration partners are satisfied with the quality of engagement with Regenerate Christchurch in contributing towards regeneration activities	Satisfied or Very Satisfied (based on annual survey of regeneration partners)	Partially met	Four Regeneration partners were satisfied or very satisfied with one Regeneration partner not satisfied. The comparative result for 2016/17 was: Met.
<b>Quality of advice provided to the Minister and Council</b>	Minister and the 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	Satisfied or Very satisfied (based on annual survey)	Council – Met Minister – Not met	Minister – There has been some progress in the last couple of months and the development of more shared understandings of timelines. The comparative result for 2016/17 was: Met.
	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	Satisfied or Very satisfied (based on annual survey)	Not met	Minister – There has been some progress in the last couple of months and the development of more shared understandings of timelines. The comparative result for 2016/17 was: Met.



## How did we measure up?

### 2017/18 STATEMENT OF PERFORMANCE EXPECTATIONS – PERFORMANCE TARGETS

#### Ōtākaro Avon River Corridor

2017/18	Achieved?	Timeframe	Result
<b>Vision and objectives established</b>	Met	1 July to 30 September 2017	Regenerate Christchurch undertook extensive public engagement between March and April 2017 to inform the development of a draft Vision and Objectives for the Ōtākaro Avon River Corridor. The draft Vision and Objectives were publicly released for feedback between 12 May and 2 June 2017. The final vision and objectives were then published on 16 June 2017.
<b>Identification of land use options completed</b>	Met	1 July to 30 September 2017	Regenerate Christchurch finalised the significant planning and analysis of land use options for the Ōtākaro Avon River Corridor. The refined shortlist of land uses was considered and approved by the Board on 3 April 2018.
<b>Land Use Feasibility/ Assessments completed</b>	Met	1 July to 30 September 2017	On 28 September 2017, Regenerate Christchurch's Board approved public release of the draft Land Use Feasibility/Assessments. Public feedback was sought between 6 October 2017 and 6 November 2017 with over 1,800 responses received.
<b>Preliminary Draft Regeneration Plan completed</b>	Not met	Met	The programme was amended to remove the step to develop a preliminary Draft Plan as it was determined that it was not required.
<b>Draft Programme Business Case</b>	Partially met	1 October to 31 December 2017	The flatwater feasibility assessment is complete. The Programme Business Case is largely complete and will be completed by the end of Quarter 1 in 2018/19 alongside the draft Regeneration Plan. The project was re-baselined to account for additional timeframes for consideration of land use options.
<b>Draft Regeneration Plan released for comment</b>	Partially met	1 April to 30 June 2018	The views of parties identified under section 29 of the Greater Christchurch Regeneration Act will be sought in September 2018.
<b>Finalised Business Case</b>	Partially met	1 April to 30 June 2018	The Programme Business Case is largely complete and will be completed by the end of Quarter 1 in 2018/19 alongside the draft Regeneration Plan. The project was re-baselined to account for additional timeframes for consideration of land use options.
<b>Monitor and Report</b>	Met	1 July to 30 September 2017	Regenerate Christchurch monitors and reports on its overall progress via its Monthly Status Reports to the Minister and Council.

#### Southshore and South New Brighton

2017/18	Achieved?	Timeframe	Result
<b>Commence regeneration strategy</b>	Met	1 July to 30 September 2017	Regenerate Christchurch commenced the regeneration strategy for Southshore and South New Brighton in November 2017 (Q2) following detailed project planning.
<b>Complete regeneration strategy</b>	Partially met	1 January to 31 March 2018	The regeneration strategy is underway and will be completed by the end of Quarter 3 in 2018/19.

#### Central City

2017/18	Achieved?	Timeframe	Result
<b>Regeneration Strategy for Cathedral Square and surrounds released</b>	Partially met	1 October to 31 December 2017	The Cathedral Square and Surrounds Regeneration Strategy is being developed in parts. The Design Vision was published on 13 June 2018 and our advice on the Strategy for Cathedral Square will be finalised in Quarter 1 2018/19. The comparative result for 2016/17 was: Not met – Regeneration strategy now due for completion October 2017.
<b>Oversee implementation of Cathedral Square and Surrounds Regeneration Strategy</b>	Not met	1 July 2017 to 30 June 2018	Overseeing implementation of the Regeneration Strategy cannot commence until it is delivered and next steps with implementation agencies are agreed.
<b>Evaluation of progress and provision of advice on what is required to momentum and support regeneration</b>	Met	1 July 2017 to 30 June 2018	Regenerate Christchurch completed an evaluation of progress in the central city. The evaluation was then used as an evidence base to advise on what is required to increase momentum and support regeneration. The advice was reviewed by the Board of Regenerate Christchurch at its meeting on 21 June 2018, and final comments reflected under delegated authority of the Board Chair.
<b>Monitor and Report</b>	Met	1 July 2017 to 30 June 2018	Regenerate Christchurch monitors and reports on its overall progress via its Monthly Status Reports to the Minister and Council.



2017/18 STATEMENT OF PERFORMANCE EXPECTATIONS – PERFORMANCE TARGETS continued

New Brighton

2017/18	Achieved?	Timeframe	Result
<b>Advice provided to Development Christchurch Limited on its Implementation Plan</b>	Met	1 July to 30 September 2017	Regenerate Christchurch’s involvement with the New Brighton Implementation Plan is limited, at present, to occasional urban design advice and support only.
<b>Advice provided on regeneration outcomes and interventions and the contributions of Development Christchurch Limited</b>	Met	1 July 2017 to 30 June 2018	Regenerate Christchurch attends Development Christchurch Limited meetings and provides advice directly to Development Christchurch Limited on a regular basis.
<b>Monitor and Report</b>	Met	1 July 2017 to 30 June 2018	Regenerate Christchurch monitors and reports on its overall progress via its Monthly Status Reports to the Minister and Council.

Below: Christchurch Lantern Festival, Ōtākaro Avon River.



Other Regeneration Opportunities

2017/18	Achieved?	Timeframe	Result
<b>Provision advice and recommendations on the draft Cranford Regeneration Plan</b>	Met	1 July to 30 September 2017	<p>The section 37 report for the Cranford Regeneration Plan was presented to the Minister by the Board in August 2017 and the Regeneration Plan approved by the former acting Minister supporting Greater Christchurch Regeneration, on 17 August 2017 under section 38 of the Greater Christchurch Regeneration Act 2016.</p> <p>The comparative result for 2016/17 was: Not met – This is due for completion in August 2017. The process has taken longer than anticipated due to the decision by the proponent to facilitate an additional public consultation phase.</p>
<b>Development of Regeneration Prioritisation Framework</b>	Met	1 July to 30 September 2017	The Framework has been developed to assess potential regeneration opportunities across Christchurch.
<b>Initiate area one Draft Regeneration Plan</b>	Met	1 January to 31 March 2018	In August 2017, Regenerate Christchurch acted as the proponent for facilitating a zone change to facilitate the recovery of a local school to service the Redcliffs community. The decision to approve the proposal under section 71 of the Greater Christchurch Regeneration Act 2016 was made by the Minister for Greater Christchurch Regeneration on 8 May 2018.
<b>Provision of ongoing advice on identification and prioritisation of opportunities to utilise the planning tools under GCR Act</b>	Met	1 July 2017 to 30 June 2018	Regenerate Christchurch is engaging with the private sector and others assessing whether the legislation can assist with regeneration.
<b>Provision of views, advice and recommendations on planning instruments developed under the GCR Act</b>	Met	1 July 2017 to 30 June 2018	Regenerate Christchurch delivers against this target as required.
<b>Input into the Council Department of Prime Minister and Cabinet’s annual reporting and monitoring process</b>	Met	1 July 2017 to 30 June 2018	<p>Input provided into the Christchurch City Council and the Department of the Prime Minister and Cabinet’s annual reporting and monitoring processes.</p> <p>The comparative result for 2016/17 was: Met – Input into the Council and Department of the Prime Minister and Cabinet’s annual reporting and monitoring processes.</p>



# AUDITORS' REPORT



## Independent Auditors' Report

### To the readers of Regenerate Christchurch's financial statements and performance information for the year ended 30 June 2018

The Auditor-General is the auditor of Regenerate Christchurch (the entity). 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, including the performance information of the entity on his behalf.

#### Opinion

We have audited:

- the financial statements of the entity on pages 37 to 49, that comprise the statement of financial position as at 30 June 2018, the statement of comprehensive revenue and expenses, 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 the entity on pages 8 to 12 and 24 to 31.

In our opinion:

- the financial statements of the entity on pages 37 to 49:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2018; 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; and
- the performance information on pages 8 to 12 and 24 to 31:
  - presents fairly, in all material respects, the entity's performance for the year ended 30 June 2018, 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; and
  - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 27 September 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

#### 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 for the financial statements and the performance information

The Board is responsible on behalf of the entity for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the entity for assessing the entity's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the entity, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Greater Christchurch Regeneration Act 2016.

#### 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.



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## Auditors' Report continued

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the entity'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 the entity's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- 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 going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 and the performance information 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 entity to cease to continue as a going concern.
- 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 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 is responsible for the other information. The other information comprises the information included on pages 2 to 7 and 13 to 23, 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 the entity in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard I (Revised): Code of Ethics for Assurance Practitioners 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 the entity.



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



# ANNUAL FINANCIAL STATEMENTS

For the period ended 30 June 2018

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Above: An artist's impression of the Ōtākaro Avon River Corridor, Red Zone Futures exhibition.

## Statement of comprehensive revenue and expense

For the period ended 30 June 2018

	Note	2018 Actual 12 months	2018 Budget 12 months	2017 Actual 12 months	2017 Actual 15 months
<b>Income</b>					
Funding – Crown		4,000,000	4,000,000	4,000,000	6,258,952
Funding – Council		4,000,000	4,000,000	4,000,000	4,000,000
Interest received		89,835	59,911	70,101	76,099
Other revenue		130,000	–	–	–
		8,219,835	8,059,911	8,070,101	10,335,051
<b>Expenses</b>					
Operating expenses		(4,944,338)	(5,716,886)	(4,271,899)	(4,980,751)
Employee expenditure	3	(3,916,667)	(3,781,535)	(1,909,829)	(2,052,169)
Board remuneration	3	(237,934)	(230,000)	(230,000)	(282,389)
Accommodation expenditure		(239,426)	(224,808)	(85,492)	(102,092)
Other expenses		(361,426)	(559,523)	(191,622)	(215,295)
Depreciation and amortisation		(119,499)	(107,289)	(78,768)	(81,784)
		(9,819,290)	(10,620,041)	(6,767,610)	(7,714,480)
<b>Total comprehensive revenue and expense</b>		<b>(1,599,455)</b>	<b>(2,560,130)</b>	<b>1,302,491</b>	<b>2,620,571</b>

This statement is to be read in conjunction with the notes to the financial statements on pages 41 to 48. Explanations of major variances against budget are provided in note 7.



Statement of financial position

As at 30 June 2018

	Note	2018 Actual	2018 Budget	2017 Actual
Equity		\$891,116	\$374,799	\$2,620,571
Represented by:				
Current assets				
Cash at bank		1,579,126	810,919	3,205,282
GST refund due		214,468	220,755	22,832
		1,793,594	1,031,674	3,228,114
Non-current assets				
Property, plant and equipment	4	327,350	300,986	403,513
Intangibles		-	20,567	-
		327,350	321,553	403,513
Total assets		\$2,120,944	\$1,353,227	\$3,631,627
Current liabilities				
Payables and deferred revenue	5	825,150	978,428	801,869
Employee entitlements	6	274,678	-	209,187
		1,099,828	978,428	1,011,056
Total liabilities		\$1,099,828	\$978,428	\$1,011,056
Net assets		\$1,021,116	\$374,799	\$2,620,571

This statement is to be read in conjunction with the notes to the financial statements on pages 41 to 48.  
Explanations of major variances against budget are provided in note 7.

Statement of changes in equity

For the period ended 30 June 2018

2018 12 months	
Balance at 1 July 2017	
Total comprehensive revenue and expense for the period	
Balance at 30 June 2018	
2017 12 months	
Balance at 1 July 2016	
Total comprehensive revenue and expense for the period	
Balance at 30 June 2017	
2017 15 months	
Balance at 18 April 2016	
Total comprehensive revenue and expense for the period	
Balance at 30 June 2016	

This statement is to be read in conjunction with the notes to the financial statements on pages 41 to 48.  
Explanations of major variances against budget are provided in note 7.

	Share Capital	Retained Earnings	Total Equity
	-	2,620,571	2,620,571
	-	(1,599,455)	(1,599,454)
	-	\$1,021,116	\$1,021,116
	-	1,318,080	1,318,080
	-	1,302,491	1,302,491
	-	\$2,620,571	\$2,620,571
	-	-	-
	-	2,620,571	2,620,571
	-	\$2,620,571	\$2,620,571



## Statement of cash flows

For the period ended 30 June 2018

	2018 Actual 12 months	2018 Budget 12 months	2017 Actual 12 months	2017 Actual 15 months
<b>Operating activities</b>				
<b>Cash was provided from:</b>				
Funding received from controlling entities	8,000,000	8,000,000	8,000,000	10,258,952
Other revenue	219,835	59,911	70,101	76,099
	8,219,835	8,059,911	8,070,101	10,335,051
<b>Cash was applied to:</b>				
Payments to suppliers	5,674,173	6,634,334	4,258,902	4,804,758
Payments to employees	3,916,667	3,781,535	1,897,657	1,923,958
Net movement in GST	211,815	231,112	49,373	(84,244)
	9,802,655	10,646,981	6,205,932	6,644,472
<b>Net cash inflow (outflow) from operating activities</b>	(1,582,820)	(2,587,070)	1,864,169	3,690,579
<b>Investing activities</b>				
<b>Cash was applied to:</b>				
Assets purchased	43,336	-	458,552	485,297
Purchase of intangible assets	-	-	-	-
	43,336	-	458,552	485,297
<b>Net cash inflow (outflow) from investing activities</b>	(43,336)	-	(458,552)	(485,297)
<b>Net increase (decrease) in cash held</b>	(1,626,156)	(2,587,070)	1,405,617	3,205,282
Add opening cash brought forward	3,205,282	3,397,989	1,799,665	-
<b>Ending cash carried forward</b>	\$1,579,126	\$810,919	\$3,205,282	\$3,205,282
<b>Cash balances in balance sheet</b>				
Cash and cash equivalents	1,579,126	810,919	3,205,282	3,205,282
<b>Ending cash carried forward</b>	\$1,579,126	\$810,919	\$3,205,282	\$3,205,282

This statement is to be read in conjunction with the notes to the financial statements on pages 41 to 48.

## Notes to the financial statements

For the period ended 30 June 2018

### 1 Reporting entity

Regenerate Christchurch is a body corporate established under the Greater Christchurch Regeneration Act 2016 on 8 April 2016.

It is jointly owned by the Christchurch City Council (Council) and the New Zealand Government (Crown). The establishment and structure of Regenerate Christchurch signals a shift towards locally-led regeneration. It builds on and continues the work that the Council and the Crown have already undertaken since the Canterbury earthquakes.

Regenerate Christchurch is at the heart of leading the city from recovery to regeneration. Regenerate Christchurch wants Christchurch to be a vibrant city that has opportunities for people to grow, connect and thrive. Our contribution will be thorough regeneration plans and leadership that will transform Christchurch.

Sections 19 to 24 of the Crown Entities Act 2004 apply 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 applies to Regenerate Christchurch as if Regenerate Christchurch were a Crown entity.

### 2 Statement of accounting policies

#### Basis of preparation

The financial statements have been prepared on a going-concern basis, and the 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 is a public benefit entity (PBE). Regenerate Christchurch has elected to report in accordance with PBE Standards on the basis that it is publicly accountable.

#### 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.

#### Changes in accounting policy

These are the first financial statements prepared by the entity, therefore there have been no changes in accounting policy. Accounting policies have been applied consistently throughout the period.



Summary of significant accounting policies

Budget figures

The budget figures are derived from the statement of performance expectations for the period ended 30 June 2018 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 is 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.

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.

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.



## Notes to the financial statements continued

**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, long service leave and retirement gratuities expected to be settled within 12 months, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

## 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 are reviewed.

Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires 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

	2018 12 months	2017 12 months	2017 15 months
<b>Breakdown of employee expenditure:</b>			
Recruitment and other staff related expenditure	43,429	203,949	346,289
Salaries and wages	3,721,524	1,580,271	1,580,271
Defined contribution plan employer contributions	111,633	43,456	43,456
Increase/(decrease) in employee entitlements	40,081	82,153	82,153
	3,916,667	1,909,829	2,052,169
<b>Employee remuneration exceeding \$100,000:</b>			
\$100,000 - \$109,999	1	-	-
\$110,000 - \$119,999	1	2	2
\$120,000 - \$129,999	4	1	1
\$130,000 - \$139,999	2	1	1
\$140,000 - \$149,999	1	-	-
\$150,000 - \$159,999	-	-	-
\$160,000 - \$169,999	-	-	-
\$170,000 - \$179,999	-	-	-
\$180,000 - \$189,999	-	-	-
\$190,000 - \$199,999	1	-	-
\$200,000 - \$209,999	2	-	-
\$210,000 - \$219,999	1	-	-
\$220,000 - \$229,999	2	-	-
\$230,000- \$300,000	1	1	1
	16	5	5
<b>Total board member remuneration:</b>			
Sue Sheldon	26,833	-	-
Andre Lovatt	31,101	50,000	61,391
Ross Butler	30,000	30,000	36,833
William Dwyer	30,000	30,000	36,833
Jen Crawford	30,000	30,000	36,833
Richard Holden	30,000	30,000	36,833
Manaia Cunningham	30,000	30,000	36,833
Humphry Rolleston	30,000	30,000	36,833
<b>Total board member remuneration</b>	<b>237,934</b>	<b>230,000</b>	<b>282,389</b>



## Notes to the financial statements continued

### 4 Property, plant and equipment

	Building fit-out	Furniture and fittings	Office equipment	Total
<b>Cost</b>				
At 30 June 2017	306,880	79,397	99,020	<b>485,297</b>
Additions	4,547	13,146	25,643	<b>43,336</b>
At 30 June 2018	<b>\$311,427</b>	<b>\$92,543</b>	<b>\$124,663</b>	<b>\$528,633</b>
<b>Depreciation and impairment</b>				
At 30 June 2017	(44,063)	(4,602)	(33,120)	<b>(81,785)</b>
Depreciation	(66,674)	(7,787)	(45,037)	<b>(119,498)</b>
Disposals	-	-	-	-
At 30 June 2018	<b>\$(110,737)</b>	<b>\$(12,389)</b>	<b>\$(78,157)</b>	<b>\$(201,283)</b>
<b>Carrying amount</b>	<b>\$200,690</b>	<b>\$80,154</b>	<b>\$46,506</b>	<b>\$327,350</b>
<b>Cost</b>				
At 18 April 2016	-	-	-	-
At 30 June 2016	-	-	26,745	<b>26,745</b>
Additions	306,880	79,397	72,275	<b>458,552</b>
At 30 June 2017	<b>\$306,880</b>	<b>\$79,397</b>	<b>\$99,020</b>	<b>\$485,297</b>
<b>Depreciation and impairment</b>				
At 18 April 2016	-	-	-	-
At 30 June 2016	-	-	(3,016)	<b>(3,016)</b>
Depreciation	(44,063)	(4,602)	(30,104)	<b>(78,769)</b>
Disposals	-	-	-	-
At 30 June 2017	<b>\$(44,063)</b>	<b>\$(4,602)</b>	<b>\$(33,120)</b>	<b>\$(81,785)</b>
<b>Carrying amount</b>	<b>\$262,817</b>	<b>\$74,795</b>	<b>\$65,900</b>	<b>\$403,512</b>

### 5 Financial Instruments

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

	2018	2017
<b>Loans and receivables</b>		
Cash at bank	1,579,126	3,205,282
<b>Total loans and receivables</b>	<b>1,579,126</b>	<b>3,205,282</b>
<b>Financial liabilities measured at amortised cost</b>		
Accounts payable	825,150	801,869
<b>Total financial liabilities measured at amortised cost</b>	<b>825,150</b>	<b>801,869</b>

### 6 Employee entitlements

	2018	2017
Annual leave	122,234	82,153
Accrued salaries and wages	152,444	127,034
	<b>\$274,678</b>	<b>\$209,187</b>

### 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 2017/18 Statement of Performance Expectations was \$10,620,041 with actual expenditure being \$9,819,290, which reflects a \$800,751 underspend to 30 June 2018. The underspend was a result of changing project timelines, with expenditure being re-phased from the 2017/18 financial year to the 2018/19 financial year. As a result, there was a lower level of expenditure than budgeted on professional service providers and actual expenditure reflects this lower spend that arose over the course of the financial year.

Regenerate Christchurch will carry any surplus forward into the 2018/19 financial year since it is already allocated to projects.

Intangible assets differ from that budgeted in order to align the treatment of branding with PBE IPSAS 31.

### 8 Audit fees

	2018 12 months	2017 12 months	2017 15 months
Fees to Audit New Zealand	<b>25,369</b>	25,000	25,000

The fees paid to Audit New Zealand were for the audit of the annual report for the 12-month period ended 30 June 2018. The audit fee is included within other expenses in the Statement of comprehensive revenue and expense.



Notes to the financial statements continued

9 IT support services

	2018 12 months	2017 12 months	2017 15 months
IT support services	312,096	212,321	256,488

The IT support services are included within other expenses in the Statement of comprehensive revenue and expense.

10 Contingent assets and liabilities

There are no contingent assets or liabilities at year end (30 June 2017: \$Nil).

11 Subsequent events

There were no significant events subsequent to balance date (30 June 2017: \$Nil).

12 Capital Commitments

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:

	2018	2017
Within one year	203,338	203,338
After one year but not more than five years	406,676	610,014
More than five years	-	-
	\$610,014	\$813,352

13 Related Parties

Regenerate Christchurch is a body corporate owned 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 2018, Regenerate Christchurch received the full-time equivalent of 0.20 employees (2017: 0.48 employees) at no charge, at a value of approximately \$24,000 (2017: \$42,000).

Regenerate Christchurch has received \$130,000 from Environment Canterbury for work associated with the Southshore and South New Brighton Regeneration Strategy.

14 Key management personnel remuneration

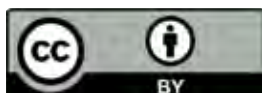
	2018 12 months	2017 12 months	2017 15 months
Board members	237,934	230,000	282,389
Leadership team	1,396,319	847,593	847,593
	\$1,634,253	\$1,077,593	\$1,129,982
Full-time equivalents			
Leadership team	6.00	3.73	3.73

An analysis of Board member remuneration is provided in Note 3.



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