



Mercury Bay Art Escape Trust

Registration # CC46075

PO Box 53
Whitianga 3542
New Zealand

MERCURY BAY ART ESCAPE TRUST

PERFORMANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2022

MERCURY BAY ART ESCAPE TRUST

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MERCURY BAY ART ESCAPE TRUST

DIRECTORY

FOR THE YEAR ENDED 30 JUNE 2022

The Mercury Bay Art Escape Trust is a registered charity (CC46075) incorporated in December 2010 and commenced operations on 1 July 2011.

Trustees	Stuart Christie (Chair) (appointed 1 February 2022) Ian Preece (Chair) (resigned 2 March 2022) Peter Hogg (Treasurer) Anne Innes (resigned 18 November 2021) Lyn-Marie Dallison (resigned 18 November 2020) Natasha Louise Courtney (resigned 25 April 2022) Sally Jean Todter (resigned 11 February 2022) Lynne Kingsbury (appointed 25 February 2022) Jane Vivian Parson (appointed 25 February 2022) Marion Manson (appointed 18 March 2022) Hermanus Stephanus Bosman (appointed 25 April 2022)
Banker	Bank of New Zealand
Financial Reviewer	Geoff Dalzell ACIS
Website Hosts	Freeparking
Postal Address	PO Box 53 Whitianga 3542
Website	www.mercurybayartescape.com

MERCURY BAY ART ESCAPE TRUST

ENTITY INFORMATION

FOR THE YEAR ENDED 30 JUNE 2022

OBJECTS OF THE TRUST

The objects and purpose for which the Trust is established are:

- a) For the benefit of the citizens of Mercury Bay in particular and of New Zealand in general to promote the advancement and development of arts and culture in the Mercury Bay area and in particular but not by way of limitation;
 - i. To establish, organise, promote and maintain at such intervals as the Trustees may determine an open studio tour on the Coromandel Peninsula
 - ii. To develop awareness of the value of art and artists in the Community
 - iii. To foster and support activities and facilities on the Coromandel Peninsula that will develop community involvement in the arts
 - iv. To provide events and locations for the promotion of Coromandel artists and their works
 - v. To encourage and complement the activities of all Coromandel resources working to assist Coromandel artists
- b) To carry out any one or more of such objects independently of any other such objects

MISSION

To promote and develop the growth of the visual arts in the Mercury Bay area in particular and the wider Coromandel Peninsula in general.

ADMINISTRATION

The Trust is governed through a Board of Trustees who meet from time to time to pursue its objects and purpose. A quorum representing a simple majority of trustees is required to conduct a meeting. The Trustees act in a purely voluntary manner and receive no remuneration for services performed.

The Trustees may appoint or replace Trustees provided there are no fewer than five nor more than nine trustees.

All Trustees act in a voluntary capacity but may employ administrative staff from time to time.

FUNDING

The main sources of funding come from Artist members, various grants and Sponsorships

MERCURY BAY ART ESCAPE TRUST
STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2022

OUTCOMES

- To establish, organise, promote and maintain at such intervals as the Trustees may determine an open studio tour on the Coromandel Peninsula
- To develop awareness of the value of art and artists in the Community
- To foster and support activities and facilities on the Coromandel Peninsula that will develop community involvement in the arts
- To provide events and locations for the promotion of Coromandel artists and their works
- To encourage and complement the activities of all Coromandel resources working to assist Coromandel artists
- Complete financial reporting and other statutory requirements within the required timeframes

OUTPUTS

	Actual This Year	Budget This Year	Actual Last Year
Artist Open Studio			
Visitors - Estimate *	-	7,500	8,241
Artists open studios *	-	40	41
Cost	\$ 4,839	\$ 7,750	\$ 8,080
Studio Sales	\$ -	\$ 100,000	\$ 201,308
Guide			
Number distributed	6,000	8,000	8,000
Cost	\$ 4,034	\$ 7,000	\$ 5,427
Scholarships			
Number awarded	2	1	1

MERCURY BAY ART ESCAPE TRUST
STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2022

OUTPUTS cont'd

	Actual This Year	Budget This Year	Actual This Year
Gala Exhibition			
Opening Night Attendance *	-	150	163
Artwork sold *	-	10	17

- * Because of the restrictions and risks associated with COVID at the scheduled time of the Open Studios in March 2022 the event was cancelled

MERCURY BAY ART ESCAPE TRUST

CHAIRMAN'S REPORT

YEAR ENDED 30 JUNE 2022

CHAIR'S ANNUAL REPORT - MBAE 2021-2022

Despite continued disruption from the national covid response, planning and preparation for the 2022 Art Escape Open Studios major event including the Showcase Exhibition and Gala Opening proceeded well through the second half of 2021 and was effectively complete in January. Targets for funding from major sponsors were achieved and received and approximately 50% of budgeted event expenditure was committed.

MBAE continued to have good community support and high regional artist participation and enthusiasm for the future events after the community disruption from covid.

Sadly, event restrictions and an assessment of risks associated with community gatherings and travel led to a decision in early February to cancel the March 2022 Art Escape Open Studios and associated events and subsequently attempt to postpone until later in 2022. A poll of participating artists later supported cancellation for 2022, but support of smaller scale local exhibitions through 2022 around holiday weekends where circumstances permitted. Plans were confirmed for the major events in the 2023 programme.

2022 Replacement Local Events

Local events involving artists' studios and group exhibitions were organised by member artists around holiday weekends and were resourced where possible with Art Escape promotional literature, social media marketing, driveway flags and signage to supplement artists' personal investment. Events in Tairua, Hahei, Whenuakite, Hot Water Beach and Whitianga artists elsewhere prompted a very good public response and significant sales.

Artists' Meeting May 1 2022

A meeting of member artists was held in May to reset current goals and check opinions and support for a revised programme for the balance of 2021-2022 and the 2022-2023 year. About 40% of membership attended and it was a worthwhile gathering to confirm plans and introduce a few new players.

Trustee and Management Changes

Four Trustees including the chairman retired in early 2022 reflecting some impact from covid and disruption to volunteer organisations and four replacements included two previous appointees and a earlier Art Escape curator providing good continuity. A further appointment was made later in 2022 to bring the total to six including two member artists.

A subset of the Trustees and other participating members comprise the Steering Group who manage planning, execution and monitoring of events and membership.

Other Highlights

- The Student Scholarship project with Mercury Bay Area School continued through 2021-2022 and is committed to one scholar per year who joins a senior artist in the community and hands on tuition to supplement their year 13 school year.
- A full programme of social media interaction with the public and within the membership was maintained and refocussed using part time specialist support.
- A Design Brief for a new interactive website to greatly improve artists' window to the public has been approved and contracted for completion before the 2023 event season starts in December 2022. An application for public funding support was made.
- A partnership with new owners of Hot Waves Café in Hot Water Beach will see restoration of a venue for the MBAE 2023 Showcase Exhibition and Gala Opening which is a popular Mercury Bay event.

Lastly, I would like to thank our sponsors and supporters and our member artists, particularly through a very challenging period and recognise the significant contribution from retiring trustees and artist volunteers and acknowledge donors, advertisers, artists elsewhere and our visitor support.



Stuart Christie
Chair
Mercury Bay art Escape Trust

Mercury Bay Art Escape Trust

Statement of Financial Performance

For the Year ended 30 June 2022

	Note	Actual This Year \$	Budget This Year \$	Actual Last Year \$
Revenue				
Donations, fundraising and other similar revenue	1.	20,850	15,000	7,560
Fees, subscriptions and other revenue from members	1.	9,050	14,000	13,200
Revenue from providing goods or services	1.	-	7,820	19,754
Interest, dividends and other investment revenue	1.	39	12	16
Other revenue	1.	-	-	-
Total Revenue		<u>29,939</u>	<u>36,832</u>	<u>40,530</u>
Expenses				
Expenses related to public fundraising	2.	-	-	-
Volunteer and employee related costs	2.	-	-	-
Costs related to providing goods or services	2.	17,632	39,564	33,397
Grants and donations made	2.	-	-	100
Other expenses	2.	-	-	-
Total Expenses		<u>17,632</u>	<u>39,564</u>	<u>33,497</u>
Surplus/(Deficit) for the year		<u>12,307</u>	<u>(2,732)</u>	<u>7,032</u>

Mercury Bay Art Escape Trust
Statement of Financial Position
As at 30 June 2022

	Note	Actual This Year \$	Budget This Year \$	Actual Last Year \$
Assets				
Current Assets				
Bank accounts and cash	3.	53,863	30,478	33,653
Debtors and prepayments	3.	-	-	-
Other current assets	3.	-	-	-
Total Current Assets		<u>53,863</u>	<u>30,478</u>	<u>33,653</u>
Total Assets		<u>53,863</u>	<u>30,478</u>	<u>33,653</u>
Liabilities				
Current Liabilities				
Creditors and accrued expenses	3.	7,827	-	443
Income in advance	3.	520	-	-
Total Current Liabilities		<u>8,347</u>	<u>-</u>	<u>443</u>
Total Liabilities		<u>8,347</u>	<u>-</u>	<u>443</u>
Total Assets less Total Liabilities (Net Assets)		<u>45,516</u>	<u>30,478</u>	<u>33,210</u>
Accumulated Funds				
Accumulated Surpluses	4.	35,241	19,837	23,839
Reserves	4.	10,276	10,641	9,371
Total Accumulated Funds		<u>45,516</u>	<u>30,478</u>	<u>33,210</u>

Signed

 Chairperson

 Treasurer

Mercury Bay Art Escape Trust

Statement of Cash Flows

For the year ended 30 June 2022

	Actual This Year	Budget This Year	Actual Last Year
	\$	\$	\$
Cashflow from operating activities			
Donations, fundraising and other similar receipts	21,370	15,000	19,650
Fees and subscriptions from members	15,800	14,000	10,600
Receipts from providing goods or services	-	7,820	9,565
Interest, dividends and other investment receipts	39	12	15
Cash was applied to			
Fundraising expenses	-	-	-
Payments for goods and services	(17,000)	(39,220)	(23,056)
Donations or grants paid	-	-	-
Net Cash Flows from Operating Activities	<u>20,209</u>	<u>(2,388)</u>	<u>16,774</u>
Net Increase / (Decrease) in Cash	20,209	(2,388)	16,774
Opening Cash	<u>33,653</u>	<u>33,653</u>	<u>16,880</u>
Closing Cash	<u>53,863</u>	<u>31,265</u>	<u>33,653</u>

**MERCURY BAY ART ESCAPE TRUST
STATEMENT OF ACCOUNTING POLICIES**

1. Basis of Preparation

Mercury Bay Art Escape Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

2. Goods and Services Tax (GST)

The Trust is not registered for GST. Therefore the amounts reported in the Performance Report are inclusive of GST.

3. Income Tax

The trust is wholly exempt from New Zealand income tax having fully complied with all statutory obligations for these exemptions.

4. Bank Accounts and Cash

Bank accounts in the Statement of Cash Flows comprise cash balances (including short term deposits) with original maturity dates of 90 days or less.

5. Specific Accounting Policies Measurement Basis

a) Measurement Basis

The measurement and reporting of results and financial position using the historical cost method has been adopted in the preparation of this performance report.

b) Liabilities

Liabilities are stated at the estimated amounts payable and include liabilities which can be reliably estimated.

c) Accrual Basis

The accrual basis has been applied so as to match income with expenditure in the same accounting period.

6. Changes in Accounting Policy

There have been no changes in accounting policies during the financial year.

Mercury Bay Art Escape Trust

Notes to the Performance Report

For the Year ended 30 June 2022

Note 1 Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
Fundraising revenue	Film Evening	-	-
Fundraising revenue		-	-
Donations, fundraising and other similar revenue	Donations	-	3,400
	Community Board TCDC Grant	-	-
	NZ Lotto Grant	-	-
	Sponsorships	20,850	16,250
		20,850	19,650
Fees and subscriptions	From members	9,050	14,900
Revenue from goods and services	Advertising	-	50
	Art and Craft Fair	-	-
	Commissions - Art sales	-	5,195
	Guide sales	-	-
	Himalaya and India Exhibition	-	-
	Opening night tour	-	4,320
		-	9,565
Interest	Bank of New Zealand	39	15

Mercury Bay Art Escape Trust

Notes to the Performance Report

For the Year ended 30 June 2022

Note

2

Analysis of Expenses

Expense Item	Analysis	This Year	Last Year
		\$	\$
Fundraising Expenses		-	-
Expenses for goods and services	Art and Craft Fair	-	-
	Bank and credit card fees	-	152
	General advertising	197	186
	Guide production costs	4,034	5,427
	Marketing and Communications	6,570	4,500
	Miscellaneous expenses	218	-
	New Flags	-	410
	Office expenses	1,121	201
	Open Studio costs	4,839	8,080
	Opening night costs	-	3,330
	Postage	95	126
	Street Art	-	-
	Web site support and development	557	747
		17,632	23,159
Grants and donations made	Scholarships	-	100

Mercury Bay Art Escape Trust

Notes to the Performance Report

For the Year ended 30 June 2022

Note

3 Analysis of Assets and Liabilities

Asset Item	Analysis	This Year \$	Last Year \$
Bank Accounts and Cash	BNZ Current Account	39	56
	BNZ On Call Account	53,825	33,598
	Total	53,863	33,653
Debtors and prepayments	Goods and Services	-	-
	Total	-	-
Creditors and Accrued Expenses	Goods and Services	7,827	443
	Total	7,827	443
Income in Advance	Grants	520	-
	Total	520	-

Note

4 Accumulated Funds

Accumulated Surpluses	Opening Balance	23,839	4,458
	Surplus/(Deficit)	12,307	20,871
	Transfer to Reserves	(905)	(1,490)
	Closing Balance	35,241	23,839
Reserves	Opening Balance	9,371	7,881
	Transfer from Accumulated Surpluses	905	1,490
	Closing Balance	10,276	9,371
	Total Accumulated Funds	45,516	33,210

Reserves

The Trustees approved a Long Term Special Project Reserve be created at a meeting held on 10 December 2011 to achieve its objective of providing a permanent art and craft information hub in Whitianga. The reserve is to be established through the transfer of 10% of Artists membership fees.

Mercury Bay Art Escape Trust

Notes to the Performance Report

For the Year ended 30 June 2022

Note 5 Commitments and Contingencies

There are no commitments or contingencies for the reporting period (2021 nil)

	This Year	Last Year
	\$	\$
Note 6 Related Party Transactions		
Trustees Reimbursement of Expenses		
Peter Hogg	502	555
Anne Innes	-	100
Natasha Courtney	-	68
Sally Samins	-	237
Ian Preece	1,521	344
	<u>2,023</u>	<u>1,304</u>
Art Sales		
Sally Samins	-	945
	<u>-</u>	<u>945</u>

Note 7 Events after Balance Date

There were no events that have occurred after balance date that would have a material impact on the Performance Report (Last year Nil)

Note 8 Ability to Continue Operating

The Trust is in a strong cash position which will ensure the viability of the organisation for at least the next 12 months. Strong support from members and the community in general will ensure the long term ability for the Trust to operate.

Note 9 Correction of errors

There are no material errors requiring adjustment arising from prior periods.

FINANCIAL REVIEW REPORT

To the Trustees of the Mercury Bay Art Escape Trust

I have examined the Financial Statements of the Mercury Bay Art Escape Trust which provide information about the financial position of the Mercury Bay Art Escape Trust as at 30th June 2021 and its financial performance for the year ending on that date. This information is stated in accordance with the accounting policies set out in the Notes to the Financial Statements.

Trustees' Responsibilities

The Trustees are responsible for the preparation of Financial Statements which fairly reflect the financial position of the Trust as at 30th June, 2022, and its financial performance for the year ended 30th June, 2022.

Reviewer's Responsibilities

It is my responsibility to express an independent opinion on the Financial Statements presented by the Board and report my opinion to you.

Basis of Opinion

A review includes examining on a test basis evidence relevant to the amounts and disclosures in the Financial Statements. It includes assessing the significant estimates and judgements made by the Trustees in the preparation of the Financial Statements and whether the accounting policies are appropriate to the Trust's circumstances consistently applied and adequately disclosed.

I conducted my review in accordance with generally accepted review standards in New Zealand. I obtained all the information and explanations which I considered necessary in order to provide myself with sufficient evidence to give reasonable assurance that the financial report is free from material misstatements whether caused by fraud or error. In forming my opinion, I also evaluated the overall adequacy of the presentation of the information in the Financial Statements.

Other than in my capacity as the Reviewer of the Financial Statements for 2022, I have no other interest in the Mercury Bay Art Escape Trust.

Opinion

Nothing has come to my attention which would cause me to believe that the Financial Statements do not fairly reflect the financial position of the Trust as at 30th June, 2022 and of its financial performance for the year ended on that date.

My review was completed on 14 September 2022, and my opinion is expressed as at that date.

My instructions from the Trustees did not include an audit and I therefore did not conduct an audit.


Geoff Dalzell ACIS (Retired)