

Annual Report

Dunedin Prison Charitable Trust

For the year ended 31 March 2013

Dunedin Prison Charitable Trust

Annual Report for period to 31 March 2013

I have pleasure in presenting the Annual Report and Financial Accounts for the year to 31 March 2013, which has been a challenging period for our fledgling organisation.

Background

In 2011, based on the vision of the original founders of the trust, a feasibility study was prepared by David Booth (OCTA Associates) and Stewart Harvey. This was funded by Lotteries to the amount of \$10,000 and OCTA kindly agreed to fund the balance required to enable it to be completed adequately. This feasibility study gave the trustees enough confidence to endorse its vision and trustees gave authority to move to purchase the prison.

Negotiations with the Department of Corrections to purchase the old Dunedin Prison began in 2011 and were successfully concluded in June 2012, and \$29,500 was paid to Ngai Tahu Properties.

Funding for the purchase, and holding costs for 12 months, was obtained from:

- Southern Trust
- DCC Heritage Fund
- Stuart McKinlay
- NZHPT
- Otago Community Trust

Income

Our first priority was to establish an income stream to cover future expenses and fund a Conservation Plan. By October 31, 2012 all 23 car parking spaces had been let at market rentals.

Donations – by allowing access to two film companies for documentaries they were producing, we raised \$750. We sold the surplus stand-by generator for \$7250 incl GST in November 2012, although it has not yet been uplifted by the buyer.

Tours – began on 13 October 2012 for the month of October and then resumed in March 2013 and ran for March and April. We also ran tours for four groups over this period. To 31 March 2013 takings amounted to \$4,155, and to 30 April 2013 a further \$1,450, a total of \$5,605. With the only direct expenses of \$347, the net result, \$5,258, made a very useful contribution to our cash flow. Thanks must be expressed to our tour guides Ken Burt, John Thomson and Peter Caswell.

Building

The ownership of a large vacant prison building then began to raise all sorts of issues which needed addressing. I have been ably assisted by Peter Caswell who was appointed Facilities Manager early on, and has done an excellent job in taking the weight off my shoulders.

Key control – with some 120 rooms, and restriction of access having been such a priority in the past, we had a big job getting all doors opened for inspection.

Power supply – a new contract was entered into with Contact Energy to provide power at a reasonable usage cost and low fixed charges.

Electrical – when we took over it, while all wall plugs were checked and found to be working, it was a nightmare trying to find which lights were operated by which switches. This was complicated by there being some fittings which did not work.

Water tightness – we were pleased to verify that the roof and gutters had been maintained in a satisfactory condition and provided a watertight building. Some cleaning of gutters and downpipes was carried out by the volunteers.

Plumbing – very little lower level water and drainage fixing was needed.

Fire safety – while we realised that there was very little chance of a fire we decided to reactivate the existing alarm systems, consisting of fire detectors and water pressure detectors. This was a mistake as the old systems needed some repairs work to obtain reliability. In the meantime while we wrestled with these problems the Fire Service were called out automatically and we copped a bill each time for \$1,000 plus GST. At balance date there is still 'outstanding' \$5,750 plus GST. There is provision for the NZFS to waive these charges if they are assured that we are addressing the false alarm issues, and we are working down that track with them and our fire engineers.

Cleaning was an early priority as the place was very dirty in a number of areas. Besides normal dust and detritus there had been pigeons nesting inside the building in a number of places and removal of their dirt was a major task, carried out by volunteers.

General Maintenance of the property has not been a problem, the only costs being to establish the car park, moss-kill various outdoor areas, and have additional keys cut as needed.

Insurance

It was elected to insure the building through Marsh against Material Damage loss for \$1m, total premium being \$8371 excl GST. Insurances are due for renewal in May and Marsh are working on that.

Rates

On application the Dunedin City Council granted rates relief for three years of 50% in the amount of \$5,150.80 excl GST, based on the amount of the general rate of \$11, 844.58 (the full rates bill being \$17,092.39 excl GST). The rates assessment is based on QV's assessment of the value of our property and in November 2012 we had Barlow Justice lodge a request for a lower value assessment, but we are yet to hear the outcome.

However the Otago Regional Council refused a similar application for rates relief.

Archives

ODT Photography – early on Stephen Jaquier, ODT Illustrations Editor, agreed to capture and archive a full suite of images both inside the prison and its exterior. This was completed in April 2013.

Thanks

Thanks to our benefactors, my fellow trustees for their wise counsel, and the following businesses who have provided pro bono work or goods:

- Gallaway Cook Allan for legal advice.
- OCTA Associates' David Booth for professional advice.
- Laurie Forbes of Zeal Steel for repair work.
- Chubb for advice and help on locks and key control.
- Bunnings' Staff for cleaning work.
- Stephen McKnight for engineering services.
- Steve Flanders for Quantity Surveying services.
- Otago Cleaning Supplies for donation of a commercial vacuum cleaner.
- Wet & Forget for moss killer.
- Allied Press and Stephen Jaquiere for photography services.

Volunteers & Friends

Volunteers - we have been extremely well-served by Peter Caswell and his band of volunteers, most of whom come from the Probus Club of Andersons Bay. They have done all the 'dirty' stuff.

Friends Group – our website calls for expressions of interest in becoming a volunteer for the trust and these details have now been captured on a database, which will give us ease of access for newsletters etc.

Website

Website – a simple website was set up by Sarah Girvan's office and has been a great shop front for our activities and vision. Prison Tours are booked and confirmed seamlessly through this site.

New Zealand Historic Places Trust

We acknowledge the assistance of the NZHPT from the earliest days of our involvement in the negotiation and purchasing of the prison. The Heritage Covenant they placed on the property before our purchase has given us confidence that we will be able to work closely with them to achieve our vision.

The on-going support and expertise of the Otago Office has been valuable both to ourselves and to our Conservation Plan consultants. Having this good relationship is a quality assurance factor for all we undertake.

Future

Conservation Plan – In October 2012 we called tenders for the preparation of a Conservation Plan to inform the way forward in the prison's redevelopment. The tender of Musecape Pty of Sydney was accepted, and Chris and Margaret Betteridge began work in Dunedin on 16 November 2012. Their investigation has proved difficult in the area of archive research as there is dearth of records in Dunedin and much delay has been experienced working long-distance with Archives NZ in Wellington.

We now await the completion of the Conservation Plan, and then the trustees and our advisers will have some hard decisions to make to convert our 'vision' into reality, decide on the way forward, prepare specifications, call for tenders, raise the finance required, let a contract (probably in stages) and control all of this as we proceed.

Stewart Harvey
Chairman
14 May 2013

**Dunedin Prison Charitable Trust
Statement of Financial Performance
For the Year Ended 31 March 2013**

		Period to 31 March 2013 (excl GST) \$
Income		
Subscriptions		0
Grants	Southern Trust Purchase	-10,000
	DCC Heritage Fund Purchase	-10,000
	DCC Heritage Fund Conservation Plan	-10,000
	Stuart McKinlay Purchase	-5,000
	New Zealand Historic Places Trust Purchase	-15,000
	Otago Community Trust Purchase	-10,000
	Fund Managers Otago Ltd General	-1,000
Interest Received		-484
Donations		-795
	Film Crew	-4,155
Tours		-34,491
Car Park Rentals		<u>-100,924</u>
Expenses		
Rates		10,134
Postage		79
Water		761
Power		947
Property Expenses		2,795
Insurance		8,847
Conservation Plan		15,109
Cleanup		961
Printing		598
Security		1,954
Other Expenses		902
		<u>43,087</u>
Surplus/Deficit	Surplus	<u>-57,837</u>

Dunedin Prison Charitable Trust
Statement of Financial Position
as at 31-Mar-13

		Period to 31 March 2013 (excl GST) \$
Trust's Equity		
Opening Balance		0
Surplus/Deficit for period		-57,837
Closing Balance	surplus	<u>-57,837</u>
Members' Equity		<u>-57,837</u>
Represented by:		
Fixed Assets		
Property 2 Castle Street, Dunedin	at cost	<u>30,136</u>
Current Assets		
National Bank of New Zealand Current Account 0911-0162801-00		6,241
National Bank of New Zealand Term Deposit 0911-0162801-02		<u>22,416</u>
		<u>28,657</u>
Current Liabilities		
GST Control	Debit	-1,158
GST Paid/Received	Credit	<u>202</u>
		<u>-956</u>
Net Assets		<u>57,837</u>

Dunedin Prison Charitable Trust
Notes To The Accounts
as at 31-Mar-13

1 New Zealand Lottery Grants Board funded OCTA Associates in the amount of \$10,000 toward the cost of a Feasibility Study, the balance of the cost being absorbed by OCTA Associates as a gesture of faith in the project.

2 Funding for the purchase of the prison property was made possible by the following donors:

	\$
Southern Trust	10,000
DCC Heritage Fund	10,000
Stuart McKinlay	5,000
New Zealand Historic Places Trust	15,000
Otago Community Trust	10,000
	<u>50,000</u>

3 The cost of the property is made up as follows:

Purchase Price paid to Ngai Tahu	20,000
Expenses paid to Ngai Tahu	9,500
Our legal fees	636
	<u>30,136</u>

4 Contingent Liability

New Zealand Fire Service have charged us \$5,750 (GST incl) being penalty charges for false alarm call-outs which happened January, February and March of 2013. These were caused by us trying to utilise old technology of existing systems which had lain unused for some 6 years. Negotiations are continuing with NZFS to have these charges waived.

DUNEDIN PRISON CHARITABLE TRUST

15 May 2013

B.L. McCombe
McCombe & Co
P O Box 273
DUNEDIN

This representation letter is provided in connection with your audit of the financial statements of the Trust for the year ended 31 March 2013 for the purpose of expressing an opinion as to whether, in accordance with the Rules of the Trust, the financial statements give a true and fair view of the financial position of the Trust as at 31 March 2013 and of the results of its operations for the year then ended in accordance with the Differential Reporting Framework exemptions in financial reporting standards.

We confirm, to the best of our knowledge and belief, the following representations:

1. We acknowledge our responsibility for the preparation of the financial statements, including the appropriate disclosure of all information required by financial reporting standards and the rules of the Trust. The considered view of the Committee is that, after making due enquiries, the Committee has a reasonable expectation that the Trust has adequate resources to continue operations for the foreseeable future. For this reason the Committee continues to adopt the going concern assumption in preparing the financial statements for the accounting year ended 31 March 2013.
2. There have been no irregularities involving management or employees that could have a material effect on the financial statements.
3. We have made available to you all books of account and supporting documentation and all minutes of meetings of members and committees.
4. We confirm the completeness of information provided regarding the identification of related parties.
5. The financial report is free of material errors and omissions.
6. We have no plans or intentions that may materially affect the value or classification of assets and liabilities reflected in the financial statements.

7. We have recorded or disclosed all liabilities, both actual and contingent, and advise that no guarantees have been given to third parties.
8. No events have occurred and no facts have been discovered since 31 March 2013 that would make the financial statements materially inaccurate or misleading.



Secretary