

**PAVITT FAMILY TRUST**  
**PERFORMANCE REPORT 2019/20**  
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**PAVITT FAMILY TRUST  
ENTITY INFORMATION  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

<b>Legal name</b>	Pavitt Family Trust (“the Trust”)
<b>Type of entity</b>	The Trust was created on 3 December 2017 by the Settlor, Judith D Honeywell, in her capacity as the sole trustee of the Colin John Fernyhough Estate. The Trust will vest on 23 October 2082 or such earlier date as may be determined by the Trustees.
<b>Purpose</b>	The primary purpose is the preservation of John Pavitt’s historical homestead situated at 5 Sawmill Road, Robinsons Bay, Akaroa.
<b>Governance</b>	The Trust is governed by a Board of Trustees, consisting of a chairperson, secretary and a treasurer and at least two other trustees.
<b>Trustees</b>	Nancy M Tichborne (Chair) Andrew M Bax Carolyn L Browne Richard F Fernyhough (Treasurer) Jacqueline H George Stephen W Parker Dougal J Pavitt Bryan R Tichborne (Secretary)
<b>Secretary</b>	Bryan Tichborne
<b>IRD number</b>	124 995 372
<b>Sources of cash &amp; resources</b>	The Trust’s activities are primarily funded by donations, and accommodation contributions from Pavitt descendants for the use of the cottage, and rental income through Bachcare Limited.
<b>Directory</b>	Postal address: c/o Nancy & Bryan Tichborne, 16 Rue Balguerrie, Akaroa 7520  Website: <a href="http://www.pavitt.co.nz">www.pavitt.co.nz</a>

**PAVITT FAMILY TRUST  
STATEMENT OF SERVICE PERFORMANCE  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**OUTCOMES**

The principal outcomes sought by the Trust are to:

- Preserve the restored Robinsons Bay cottage as an example of colonial architecture from the mid-19<sup>th</sup> century and to acknowledge its historical significance.
- Encourage, promote, foster and support Pavitt family descendants to take an interest in their history and heritage.
- Provide Pavitt descendants the opportunity to use and enjoy the cottage for recreational and family purposes.

**OUTPUTS**

The outputs achieved during 2019/20 included:

- maintaining the cottage, garden shed and surrounding land,
- managing the cottage to enable family members to use it,
- publishing regular newsletters,
- making submissions to the Christchurch City Council on proposed changes to Akaroa's water reticulation,
- engaging archaeologists, Justin Maxwell and Jennifer Huebert to produce "An Archaeological Assessment of Lot 1, DP 82749, Robinson Bay, Canterbury" and
- organising weekend maintenance working bees (suspended in 2019/20 because of COVID-19).

**PAVITT FAMILY TRUST  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Notes	2020	2019
<b><u>Income</u></b>			
Accommodation income -			
Family		2,050	1,970
Non-family		6,338	290
Donations	6	4,636	6,349
Interest		3	10
		<u>13,027</u>	<u>8,619</u>
<b><u>Expenditure</u></b>			
Archaeological assessment	x	3,566	-
Cleaning & supplies		1,212	1,058
Depreciation	3	895	895
Gas and electricity		664	354
Ground maintenance		1,386	989
Health & safety & related expenses		-	178
Insurance		1,756	1,448
Letting fees and expenses		1,655	524
Promotion & publicity		263	86
Rates		1,871	1,676
Repairs & maintenance		1,401	323
Stamps, stationery & sundry expenses		136	178
		<u>14,805</u>	<u>7,709</u>
<b>Net operating (deficit) income before tax</b>		(1,778)	910
Provision for income tax	5	-	-
<b>Net (deficit)/income after tax</b>		<u>(1,778)</u>	<u>910</u>
<b><u>Non-operating income</u></b>			
Write back of deferred maintenance provision	4	2,739	-
<b>Net comprehensive income for the year</b>		<u><u>961</u></u>	<u><u>910</u></u>

The notes and statement of accounting policies form part of and should be read in conjunction with this Statement

**PAVITT FAMILY TRUST  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2020**

	Notes	2020	2019 \$
<b>Assets</b>			
<b>Current Assets</b>			
Bank of New Zealand – current account		3,718	5,103
Bank of New Zealand – savings account		341	279
Accounts receivable		-	40
Income tax paid in advance	5	4	3
		<u>4,063</u>	<u>5,425</u>
<b>Fixed Assets</b>			
Land & buildings	2	200,000	200,000
Furniture & fittings	3	30,055	30,089
Water storage tank	3	2,463	2,792
“Long drop” toilet	3	10,930	11,462
<b>Total Fixed Assets</b>		<u>243,448</u>	<u>244,343</u>
<b>Total Assets</b>		<u><b>247,511</b></u>	<u><b>249,768</b></u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and accruals		750	1,229
RF & SJ Fernyhough loan (at call and interest free)		3,292	3,292
Provision for deferred maintenance	4	-	2,739
<b>Total Current Liabilities</b>		<u>4,042</u>	<u>7,260</u>
<b>Net Assets</b>		<u><b>243,469</b></u>	<u><b>242,508</b></u>
<b>Accumulated Funds</b>			
Opening balance		242,508	241,597
Net comprehensive income for the year		961	910
<b>Total Accumulated Funds</b>		<u><b>243,469</b></u>	<u><b>242,508</b></u>

*N.M. Tichborne*

..... Nancy M Tichborne (Chair)

*R.F. Fernyhough*

..... Richard F Fernyhough (Treasurer)

Dated 30 April 2021

The notes and statement of accounting policies form part of and should be read in conjunction with this Statement

**PAVITT FAMILY TRUST  
STATEMENT OF ACCOUNTING POLICIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**Basis of preparation**

The Trust has applied PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting– Accrual (“the Accrual Standard”) 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 the Trust will continue to operate in the foreseeable future, but subject to Note 7.

**Goods and Services tax (GST)**

The Trust is not registered for GST. These financial statements have been prepared on a GST inclusive basis.

**Fixed assets**

Land and buildings are recorded at rating valuations, as at 1 July 2003, \$65,000 and \$135,000 respectively, and are not depreciated. The current rating valuation for the land and buildings is \$552,000.

Furniture and appliances acquired since the Trust’s establishment (23 October 2003) are recorded at cost, less depreciation. Depreciation is provided on a straight-line basis over 5 years.

Other assets, such as furnishings and appliances, which were in existence at the time of the Trust’s establishment are included at a notional value of \$30,000. Depreciation has not been provided for in these accounts.

A water storage tank, installed in early 2013, is being depreciated on a straight-line basis over 15 years.

An outside toilet was installed in 2017 and is being depreciated on a straight-line basis over 25 years.

**Income Tax**

The Trust has been a not-for-profit entity and its tax liability was, until September 2018, limited to interest received. In May 2019, the Trust entered into an agreement with Bachcare Limited to promote the use of the cottage to non-family members on dates when it is not being used by families. As from the date of the agreement, income from this source is taxable (see Note 5).

**Interest received**

Interest earned is accounted for when received.

**Donations**

Donations are recognised as revenue when received.

**Change in accounting policy**

In previous years, the Trust (and the Pavitt Cottage Trust), allocated 10% of gross accommodation income to a provision for deferred maintenance. This policy has been discontinued in the current year, primarily because of the Trust’s inability, to put aside a corresponding amount into a cash fund to meet future major maintenance requirements.

**PAVITT FAMILY TRUST  
NOTES TO THE PERFORMANCE REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**NOTE 1 HISTORY OF THE PAVITT COTTAGE TRUST (“THE PCT) AND THE PAVITT FAMILY TRUST**

The PCT Trust was established by its settlor, the late John Fernyhough, on 23 September 2002 and had settled on it the restored Robinsons Bay cottage. The cottage was designed by Samuel Farr (husband of Mary Ann Pavitt) and owned and lived in by members of the extended Pavitt family who had arrived in Akaroa aboard the “Monarch” in April 1850. The settlor’s intention was to create a charitable trust for the purpose of:

- Preserving the restored Robinsons Bay restored cottage as an example of colonial architecture from the mid -19<sup>th</sup> century and to acknowledge its historical significance.
- Encourage, promote, foster and support Pavitt family descendants to take an interest in their history and heritage.
- Provide Pavitt descendants the opportunity to use and enjoy the cottage for recreational and family purposes.

Some years after settlor’s death (February 2003), trustees of the PCT were advised the PCT could not, for legal reasons, be a charitable trust and was in fact a “resulting trust”. The beneficial owner of a “resulting trust” is the settlor or, if deceased, the residual beneficiaries of the settlor’s estate. The residual beneficiary of the John Fernyhough Estate is the John Fernyhough Family Trust. After consultation with members of the Fernyhough family and their legal adviser, it was proposed that the assets and liabilities of the PCT be settled on the John Fernyhough Family Trust, which in turn would settle those same assets and liabilities onto a new trust, the Pavitt Family Trust. All of that occurred on 3 December 2017.

**NOTE 2 LAND, BUILDINGS AND OTHER ASSETS ACQUIRED FROM THE SETTLOR**

The Robinsons Bay property was purchased by the settlor for \$135,000 on 14 July 2000. Subsequent to that date, he engaged contractors to restore the cottage and outbuilding to as near as possible to their original conditions. This work was completed in late September 2002. The amount expended by the settlor on restoration and refurbishment is not known, but the costs are estimated to be significantly in excess of the purchase price of \$135,000 for the land and buildings. The property was transferred from the PCT to the Pavitt Family Trust on 3 December 2017.

Land and buildings are shown for valuation purposes at their ratable values, as at 1 July 2003, and furniture and fittings are shown at estimated values as at that same date.

<u>Opening values</u>	<b>Valn Sept 2002</b>	<b>Ratable Sept 2020</b>	<b>Insured for Sept 2020</b>
Land	65,000	147,000	n/a
Buildings	135,000	278,000	317,873
Furniture, fittings & appliances	30,000	n/a	31,718
	<b>\$230,000</b>	<b>\$425,000</b>	<b>\$349,591</b>

**NOTE 3 OTHER ASSETS**

Description	Historic			Current Depn		Summary		
	Cost	Depn	BV Sep 19	Depn	BV Sep 20	Cost	Depn to date	BV Sep 20
Original fittings	30,000	-	30,000	-	30,000	30,000	-	30,000
Furniture acquired	645	556	89	34	55	645	556	55
Water tank	4,930	2,138	2,792	328	2,464	4,930	2,138	2,464
Outside toilet	13,305	1,844	11,461	532	10,929	13,305	1,843	10,929
	<b>48,880</b>	<b>4,538</b>	<b>44,342</b>	<b>894</b>	<b>43,448</b>	<b>48,880</b>	<b>4,537</b>	<b>43,448</b>

(Cost, is defined as the estimated values of assets introduced into the PCT in 2002, plus additions at actual cost.)

**PAVITT FAMILY TRUST  
NOTES TO THE PERFORMANCE REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**NOTE 4 PROVISION FOR DEFERRED MAINTENANCE**

A deferred maintenance provision was established by the PCT to provide for anticipated future maintenance costs e.g., painting of buildings. 10% of accommodation contributions were credited to the provision each year with the intention a like amount be put aside into a cash fund to meet future significant maintenance costs. The Trust has, until now, continued with this policy but, because of the Trust's inability to generate a cash reserve equal to the deferred maintenance provision the Trustees have resolved to discontinue the practice and to write back the existing provision through the Statement of Financial Performance.

Movements in the reserve during the year:

	<b>2020</b>	<b>2019</b>
Balance 30 September 2019	2,739	2,513
Current year's transfer (10% of accommodation contributions)	-	226
	<u>2,739</u>	<u>2,739</u>
Write-back of the provision through the Statement of Financial Performance	(2,739)	-
<b>Balance 30 September 2020</b>	<u>-</u>	<u>2,739</u>

**NOTE 5 TAXATION**

Net Income from accommodation receipts from non-family members is taxable, as is interest on the Trust's investments.

As at 30 September 2020, the Trust had accumulated tax expenses of \$4,102 (2019: \$1,341) which can be offset against future taxable income.

**NOTE 6 DONATIONS**

	<b>2020</b>	<b>2019</b>
Sundry donations, including Friends of Pavitt Cottage	1,070	6,349
Donations received to fund the Archaeological Assessment	3,566	-
	<u>4,636</u>	<u>6,349</u>

**NOTE 7 ARCHAEOLOGICAL ASSESSMENT**

The Trust commissioned an archaeological assessment of its property at 5 Sawmill Road, Robinsons Bay, Banks Peninsula for the purpose of future planning and management of the property, and to provide context for the cottage within the larger cultural and archaeological area of which it forms an important component.

The assessment was sought in response to a Christchurch City Council proposal that Akaroa's wastewater be pumped into two settling ponds to be built immediately adjacent to the Trust's property in Robinsons Bay. The Council has since approved and adopted the proposal and is proceeding accordingly.

The Trust will continue to oppose the Council as it goes through the resource and environmental consent applications necessary for the plan to proceed and the archaeological assessment will form part of its submissions.

**NOTE 8 GOING CONCERN**

The Trust's ongoing viability is dependent on contributions from Pavitt descendants for the use of the Trust property, income generated by BachCare Limited and from donations.

**NOTE 9 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

There were no contingent liabilities or capital commitments at balance date.

**NOTE 10 EVENTS AFTER BALANCE DATE**

There have been no events after balance date that would have had a material impact on the Performance Report.