Central Plains Water Trust
Statement of Intent

For the year commencing
1 July 2026

CENTRAL PLAINS WATER TRUST STATEMENT OF INTENT FOR THE YEAR COMMENCING 1 JULY 2026

1. INTRODUCTION

Statutory requirement

- This Statement of Intent ("SoI") sets out for Central Plains Water Trust ("CPWT") the objectives, the nature and scope of the activities to be undertaken, and the key areas of focus of the Trust.
- The process of negotiation and determination of an acceptable SoI is an expression of the accountability relationship between CPWT and its settlors, the Christchurch City Council and Selwyn District Council under the Trust Deed.
- The SoI is reviewed annually with the Christchurch City Council and Selwyn District Council.

Contact addresses

- CPWT's registered office is at the offices of Selwyn District Council, 2 Norman Kirk Drive, Rolleston, 7614, New Zealand.

Structure

- CPWT is a trust established for charitable purposes by a deed of declaration of trust (the Trust Deed) dated 9 August 2012, as varied by the Deed of Variation dated 11 December 2023 and is a Council-Controlled Organisation (CCO) established by the Christchurch City Council and Selwyn District Council.

2. TRUST OBJECTIVES

The Trust Deed sets out the following charitable purposes ("the Objects"), namely:

To promote the development of agriculture in the Central Canterbury Plains area of New Zealand for the benefit of all of the inhabitants of the Canterbury Region by:

1. Encouraging supporting and facilitating:
    a) sustainable development of the water resources of the Region
    b) agricultural and horticultural diversity in the Central Canterbury Plains area
    c) an appropriate balance of the benefits of agricultural development with the enhancement of ecological, social and recreational values in the Central Plains area.
2. Providing and facilitating education to the inhabitants of the Region in relation to water issues and sustainable agricultural development.

In pursuance of the objectives, the Trustees will have regard to:

a) appropriate strategic development plans for the water resources of the Regions;

b) whether other sources of funding or support are available, including assistance provided through industry or regional development policies and programmes of local authorities or central government;

c) the objectives, roles and activities of any other organisations engaged in economic development activities in the Regions;

d) inter-generational issues to order to promote long term sustainability of the water resources of the Regions;

e) the vision and principles agreed by the Trust to apply to the Scheme, as set out in the agreement in relation to the Scheme between Te Rūnanga o Ngai Tahu, Te Taumutu Rūnanga Inc, Te Ngai Tuahuriri Inc, Wairewa Rūnanga Inc, Te Rūnanga o Arowhenua Trust, Central Plains Water Trust and Central Plains Water Limited dated 29 May 2012, and any other matters that they believe are relevant;

f) a key role of the Trust to monitor use rights and compliance; and

g) the need to identify specific targets aimed at providing stakeholders with clear progress against the Trust's objectives.

3. NATURE AND SCOPE OF ACTIVITIES

CPWT is unique in that it holds the resource consents of the Central Plains Water Scheme and licences their use to Central Plains Water Limited under a Memorandum of Agreement dated 4 May 2016. Under the Agreement, CPWT's obligations include:

- reporting annually to the people of Canterbury on the Scheme's environmental, social and economic results; and
- administering the Environmental Management Fund (EMF) in the manner set out in the resource consents.

The reasonable costs of administering CPWT are agreed annually with CPWL, and these are paid annually by CPWL to CPWT.

4. GOVERNANCE

Role and responsibilities of the Board

The Trustees are required to manage the affairs of CPWT in accordance with the objectives of CPWT and otherwise in accordance with the terms of the CPWT Trust Deed.

The Trustees must also ensure that CPWT effectively carries out its responsibilities under the MoA.

The Trustees see their prime responsibilities as:

- reporting to the public on the performance of the Scheme in relation to the trust's objects and community expectations over time;
- Encouraging supporting and facilitating an appropriate balance of the benefits of agricultural development with the enhancement of ecological, social and recreational values in the Central Plains area; and
- Providing and facilitating education to the inhabitants of the Region in relation to water issues and sustainable agricultural development.

The Trustees discharge this responsibility through effective leadership and through excellent public communication.

The board of trustees seeks to maintain best practise systems, procedures, policies and guidelines to ensure that:

- plans and budgets reflect short and long term horizons;
- the performance of the Trust is monitored against the Trust's SoI by the board of trustees;
- all relevant matters are brought to its attention through a system of prompt and comprehensive reporting in accordance with the MoA;
- its financial statements are prepared and published in accordance with generally accepted accounting practice that give a true and fair view of the financial position of CPWT as at each balance date and the results of its activities and cash flows for each year;
- the assets of CPWT (the resource consents) are safeguarded by ensuring that internal control procedures are in place in order to provide a reasonable assurance that CPWT will function in a professional and lawful manner and that it follows this SoI to guide its future work in pursuit of CPWT's objectives; and
- all trustees subscribe to the principles of good governance and usually the accepted codes of best practice on corporate governance.

The Trust Board's reporting responsibilities

CPWT is a trust for charitable purposes and as such its beneficiaries are the people of Canterbury generally, however the trustees will ensure that the Councils as settlors are informed of all major developments affecting CPWT's affairs as required by the Trust Deed Information will be communicated to the Councils through both the Annual Report and the Half-yearly Report. CPWT will operate on a "no surprises" basis with regard to all issues which the Trustees consider to be of relevance to settlors.

The Board composition

Currently the board of trustees comprises:

- Pat McEvedy (Chairperson)
- Elle Archer
- Robert Lawrence
- Murray Doak
- Richard McDowell

Process for appointment of Trustees

Trustees may be appointed in three ways:

- The Settlors jointly have the right to appoint Trustees for such term of office (not exceeding three years)
- The Trustees may themselves co-opt from time-to-time persons to serve as additional Trustees.
- Te Rūnanga o Ngai Tahu may appoint up to three trustees.

Board meetings

The board meets at least quarterly and at such other times as business shall require.

Board performance review

The board will conduct an internal annual performance review at its first meeting following the end of CPWT's financial year.

5. HEALTH AND SAFETY

CPWT has no employees and no physical operations, nor does it have any direct or indirect responsibilities for the operations of CPWL, nor any public liability for the Scheme operations.

6. FUNDING

CPWT has no commercial operations and operates exclusively through an annual funding regime in accordance with the MoA. The budget is set year to year in consultation with CPWL.

7. STRATEGIC DIRECTION

Reporting to the public on the performance of the Scheme

CPWT publishes an Annual Sustainability Report for the Scheme on its website.

Environmental leadership

CPWT's environmental leadership arises generally in the pursuance of its objectives, and through its role as the holder of the Scheme's resource consents, and its public reporting functions.

The trustees wish to ensure that the Trust's effort is prioritised in areas which are not presently being undertaken by others and is commensurate with the capacity that the Trust has from time to time.

In 2026/27, the Trust will engage in the following activities, although the extent to which the Trust can undertake these activities and achieve meaningful outcomes is limited by its capacity and resources:

1. Consideration of the benefits and risks to the environment, ecology, community, and recreational values of the region from CPWL's activities, including but not limited to water quality, with reference to the objectives of the Canterbury Water Management Strategy and the Selwyn-Waihora Zone Committee ZIPA. For this purpose, the Trustees will present the Annual Sustainability Report, scheduled for completion by the end of December, to the representatives of the Councils at the bi-annual meeting planned for March each year.

2. Consideration of the ways in which the CPW Scheme is encouraging, supporting and facilitating an appropriate balance of the benefits of economic development, with the enhancement of ecological, social, cultural and recreational values in the Central Plains area. These matters will also be reported in the Trust's Annual report to the Councils, to be presented to the representatives of the Councils at the bi-annual meeting planned for March.

3. Consideration of biodiversity enhancement opportunities across the region associated with sustainable development of the water resources of the Region, with particular reference to the CPW Scheme, the role of mahinga kai and the national direction to give effect to Te Mana o Te Wai.

4. That the Annual Sustainability Report's reporting framework is reviewed and any additional information that would assist the councils to be well-informed of the risks of contaminants reaching drinking water supplies is included.

5. Engagement is undertaken with the councils' environmental staff on the Annual Sustainability Report's findings, following which the Trust presents the Report to the councils in an open public meeting each year.

Community Engagement and Education

CPWT maintains a website for the purposes of public information and engagement concerning the operation of the Scheme.

The Community Liaison Group required by the resource consent conditions was established in December 2013 and is being supported as required.

Consideration of educational opportunities in order to enhance public knowledge of water issues and the benefits of the proper management of water for sustainable economic development.

Engagement with Selwyn District Council and Christchurch City Council

Representatives of the Trust Board will meet with representatives of the Councils biannually and on such additional occasions as may be agreed to discuss the Trust's monitoring of the performance of CPWL in operating the Scheme. This will include the Trustees' presentation of its Annual Sustainability Report. The Report is scheduled for completion by the end of December and the Trust representatives will present it to the representatives of the Councils at the bi-annual meeting planned for March.

The trustees will also discuss and agree with the Settlors on any key potential areas of additional focus for the Trust. The extent to which the Trust can undertake these activities and achieve meaningful outcomes is limited by its capacity and resources.

Key outputs

Reporting to the public on the performance of the Scheme	• Consider use of an independent consultant to obtain data from CPWL or undertake analysis to help prepare the Annual Sustainability Report • Continue to publish a 'plain English' Annual Sustainability Report on our website by March 31st.
Environmental leadership	• Encourage environmental and ecological values through the Environmental Management Fund
Community engagement and education	• Improve the website to make it more effective, accessible and current. • Company, Trust, Council and Ecosystem strategic alignment. • Align and assist with CPWL's education and outreach initiatives to provide an independent voice for the benefit of residents and stakeholders.
Engagement with Selwyn District Council and Christchurch City Council	• Six-monthly briefings by CPWT with additional briefings by exception. • Present Annual Sustainability Report to councils in a public meeting if requested.

Operational and Performance Targets

Community Liaison Group	• Hold meeting of the Community Liaison Group
Environmental Targets	• Oversee CPWL's operation of the scheme in respect to its use of the resource consents and report any non-compliances. • Oversee and report on methods and progress towards achieving environmental outcomes.
Relationship Targets	• Maintain and open an no surprise relationship with CPWL • Trust meetings with the Joint Settlor Committee and Councils as required. • Communicate on a no surprises basis to settlor councils

8. ANNUAL AND HALF YEAR REPORTING TO COUNCILS

Frequency of reporting:

A half yearly report and an audited annual report as at end of June.

Accounting policies:

Refer to Schedule 1 attached.

Reporting on agreed key areas of focus

CPWT will provide formal reports to the settlor Councils on its agreed key areas of focus through half-yearly and annual reports.

CPWT representatives will meet with representatives of the settlor Councils to discuss current activities, progress against the agreed key areas of focus and future opportunities and risks generally on a half-yearly basis.

9. ESTIMATE OF COMMERCIAL VALUE OF THE TRUST'S ASSETS

CPWT's only asset is the resource consents for the CPW Scheme, and otherwise has no non-current assets (for example, property, plant and equipment, etc.). Any current assets (for example, cash and accounts receivable) at any one time are held exclusively to fund the needs and commitments of the Trust. Accordingly, the estimated commercial value of the Trust is effectively nil.

SCHEDULE 1

STATEMENT OF ACCOUNTING POLICIES

Statement of reporting entity

Central Plains Water Trust was initially formed through a Declaration of Trust on 15 April 2003. This has been replaced by a Deed of Trust dated 9 October 2012, as varied by the Deed of Variation dated 11 December 2023.The Trust is a charitable trust and is a Council Organisation of both the Selwyn District Council and the Christchurch City Council under the Local Government Act 2002.

Basis of preparation

The financial statements of the Trust have been prepared in accordance with the requirements of the Local Government Act 2002 and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS).

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on an historical cost basis.

The financial statements are presented in New Zealand dollars and the functional currency of the Trust is New Zealand dollars.

The Trust has designated itself as a public benefit entity for the purposes of PBE IPSAS.

Changes in accounting policies

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

Standards and Interpretation issued and not yet adopted

There are no standards and interpretations issued and not yet adopted that are applicable to the Trust's operations.

Going concern

The financial statements of the Trust have been prepared under the going concern assumption.

The Trust is reliant on Central Plains Water Limited to fund both its operating expenses and its liabilities under the MoA.

Central Plains Water Limited was formed to investigate, construct and operate a water management scheme for the Central Canterbury Plains. It has completed the construction of, and has commissioned both Stages 1 and 2 of the Scheme and also the Sheffield Scheme. The Company is now operating the whole Scheme in the manner required by the resource consents granted by the consent authorities. The resource consents have been transferred to the Trust, which in turn has granted the Company an exclusive license to use the resource consents as set out in the MoA.

If CPWL was unable to continue in operational existence, the Trust would lose that source of funding. In such circumstances, other sources of funding would need to be obtained, so that the Trust could continue to carry out its functions effectively.

If the Trust was unable to obtain such additional funding, it may be unable to continue in operational existence. In this event, adjustments may have to be made to the financial statements to reflect the situation that assets

may need to be realised other than in the amount at which they are currently recorded in the statement of financial position. In addition, the Trust may have to provide for further liabilities that might arise.

Significant accounting policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

Revenue

Revenue is measured at the fair value of consideration received or receivable.
Revenue from a contract to provide services is recognised by reference to stage of completion of the contract at year-end balance date.
Interest income is recognised using the effective interest method.

Revenue in Advance

Revenue in Advance is recognised as revenue when expenditure is incurred. This practice is based on the Reimbursement Agreement with Central Plains Water Limited dated 6 May 2004.

Cash and cash equivalents

Cash and cash equivalents includes cash in 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

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.
A provision for impairment of receivables is established when there is objective evidence that they will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

Financial assets

The Trust classifies its financial assets into the following categories: financial assets at fair value through surplus or deficit, held-to-maturity investments, loans and receivables and financial assets at fair value through other comprehensive income. The classification depends on the purpose for which the investments were acquired. The Trustees' or management determine the classification of investments at initial recognition and re-evaluate this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of investments are recognised on trade-date, the date on which the Trust commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Trust has transferred substantially all the risks and rewards of ownership.

The fair value of any financial instruments that are not traded in an active market is determined using valuation techniques. The Trust does not have any financial assets of this nature at this time.

The four categories of financial assets are:

Financial assets at fair value through surplus or deficit

This category has two sub-categories: Financial assets held for trading and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by the Trustees'. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance date.

After initial recognition, they are measured at their fair values. Gains or losses on remeasurement are recognised in the surplus or deficit.

Currently, the Trust does not hold any financial assets in this category.

Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition, they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. Loans and receivables are classified as 'trade and other receivables' in the statement of financial position.

Currently, the Trust has trade and other receivables in this category.

Held to maturity investments

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the Trust has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Currently, the Trust does not hold any financial assets in this category.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are those that are designated as fair value through comprehensive income or are not classified in any of the other categories above.

This category encompasses:

- Investments that the Trust intends to hold long-term but which may be realised before maturity; and
- Shareholdings that the Trust holds for strategic purposes.

After initial recognition, these investments are measured at their fair value with valuations performed by an independent valuer with sufficient regularity to ensure no investments are included at a valuation that is materially different from fair value. The valuation changes are recognised and held in a revaluation reserve.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the surplus or deficit.

Currently, the Trust does not hold any financial assets in this category.

Impairment of Financial Assets

At each balance date, the Trust assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

Income Tax

Up to 30 June 2008 the Trust was a Charitable Trust exempt from income tax under sections CW34 and CW35 of the Income Tax Act 2004. The Trust is not registered as a charitable entity under the Charities Act 2005 and its charitable tax exemption lapsed on 1 July 2008. The Trust is not currently seeking registration as it does not intend to make a financial profit from its activities.

As the Trust does not trade, and its costs are reimbursed under the Memorandum of Agreement with Central Plains Water Limited, the Trust does not have any tax expense, liabilities, or assets.

Statement of financial performance

Central Plains Water Trust

Forecast for the year ended 30 June 2027, 2028 and 2029

Account	Forecasted 2027	Forecasted 2028	Forecasted 2029
Revenue			
Management and Administration Fee	155,000	158,241	161,762
Total Revenue	**155,000**	**158,241**	**161,762**
Expenditure			
Advertising	-	-	-
Audit Fees	15,000	15,344	15,686
Bank Fees	50	51	52
Consulting, Accounting & Administration	47,909	49,006	50,099
Depreciation	-	-	-
Entertainment	600	614	627
Insurance	7,850	8,030	8,209
Legal expenses	5,000	5,115	5,229
Office expenses	1,350	1,381	1,412
Subscriptions	1,032	1,056	1,079
Trustee Expenses	3,000	3,069	3,137
Trustee Honorarium	60,000	61,374	62,743
Trustee Meeting Fees	12,900	13,195	13,490
Website upgrade	-	-	-
Total Expenditure	**154,691**	**158,233**	**161,762**
Surplus / (deficit) after tax	**309**	**7**	**0**

The accompanying notes form an integral part of these financial statements.

Balance Sheet

Central Plains Water Trust

Forecast as at 30 June 2027, 2028 and 2029

Account	Forecast 2027	Forecast 2028	Forecast 2029
Assets			
Current Assets			
Bank accounts and cash	110,000	100,000	90,000
Central Plains Water Limited	-	-	-
Prepayments	1,963	2,007	2,052
GST	1,000	1,000	1,000
Total Current Assets	**112,963**	**103,007**	**93,052**
Fixed Assets			
Computer Software	20,994	20,994	20,994
Less Accumulated Depreciation on Computer Software	(20,994)	(20,994)	(20,994)
Total Fixed Assets	**-**	**-**	**-**
Total Assets	**112,963**	**103,007**	**93,052**
Liabilities			
Current Liabilities			
Selwyn District Council Current Account	45,647	35,575	25,211
Accrued Expenses	40,000	40,000	40,000
PAYE Payable			
Wages Payable - Payroll	18,225	18,642	19,058
Total Current Liabilities	**103,872**	**94,217**	**84,269**
Total Liabilities	**103,872**	**94,217**	**84,269**
Net Assets	**9,091**	**8,790**	**8,783**
Trust Equity			
Contributed Capital	1	1	1
Current Year Earnings	309	7	0
Retained Earnings	8,781	8,782	8,782
Total Trust Equity	**9,091**	**8,790**	**8,783**

Statement of Cash Flows

Central Plains Water Trust

Forecast for the year ended 30 June 2027, 2028 and 2029

	Forecast 2027	Forecast 2028	Forecast 2029
Operating Activities			
Receipts from customers	145,000	158,241	161,762
Payments to suppliers and employees	(160,468)	(148,168)	(151,398)
Agency payments on behalf of Central Plains Water Limited			
Net GST			
Net Cash Flows from Operating Activities	**(15,468)**	**10,072**	**10,364**
Investing Activities			
Net Cash Flows from Financing Activities	**-**	**-**	**-**
Financing Activities			
Net Cash Flows from Financing Activities	**-**	**-**	**-**
Net Cash Flows	**(15,468)**	**10,072**	**10,364**
Bank accounts and cash			
Bank accounts and cash at beginning of period	115,000	110,000	100,000
Net change in cash for period			
Westpac - Central Plains Water Trust	10,468	(20,072)	(20,364)
Total Net change in cash for period	**10,468**	**(20,072)**	**(20,364)**
Cash and cash equivalents at end of period	110,000	100,000	90,000
Reconciliation of surplus / (deficit) to net cash flow from operating activities			
Surplus / (deficit)	**309**	**7**	**-**
Movement in working capital items:			
Trade and other receivables	(10,000)	0	0
Trade and other payables	(5,468)	10,072	10,364
Net cash flow from operating activities	**(15,468)**	**10,072**	**10,364**