

# 2016

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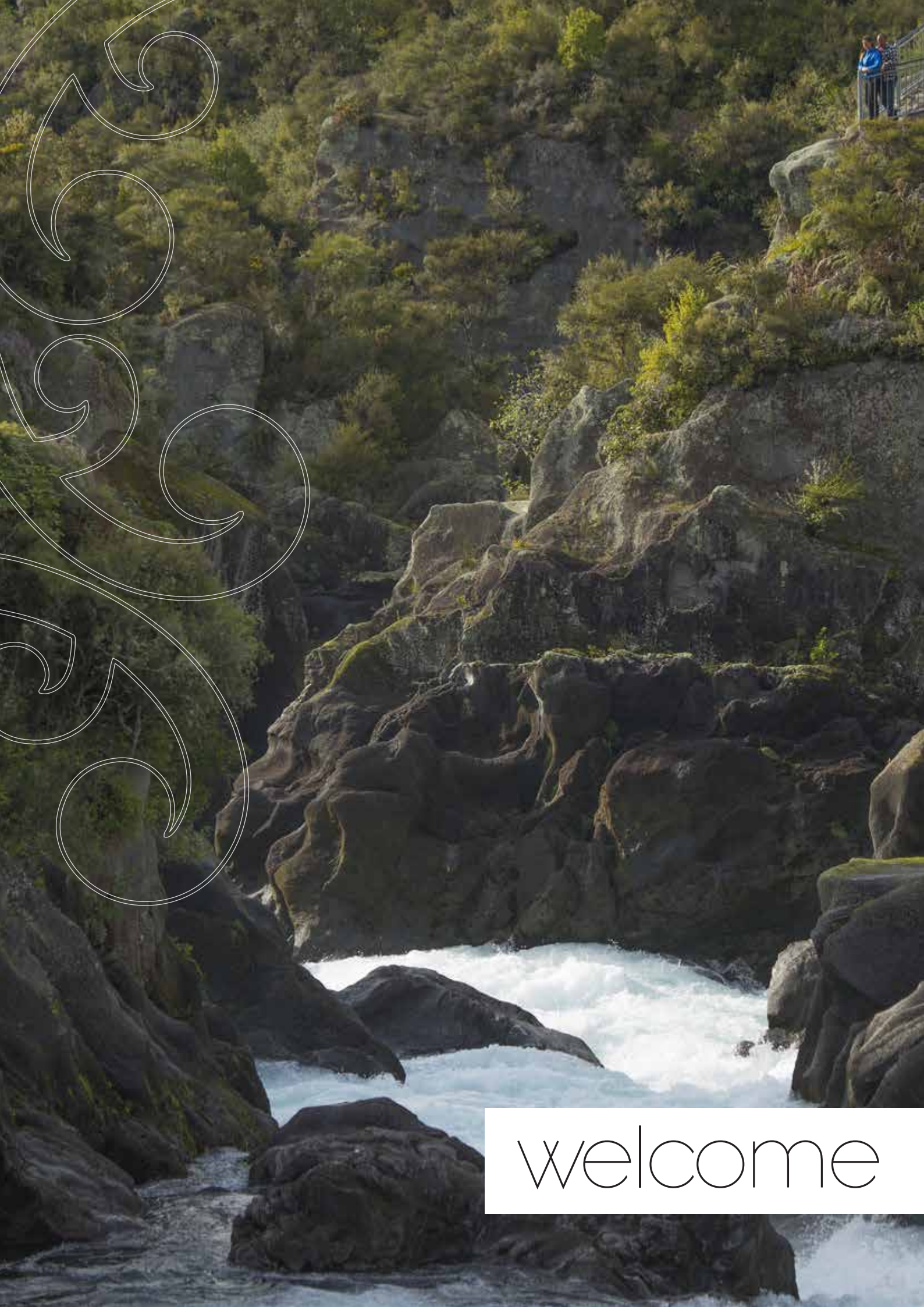
annual report



TE PAE O

**WAIMIHIA**





welcome



TE PAE O  
**WAIMIHIA** 

Annual Report for the Year Ended 31st March 2016

**Waipahihi Marae, Taupō**

**9am** Registrations

**10am** Meeting Commences

**12pm** Lunch

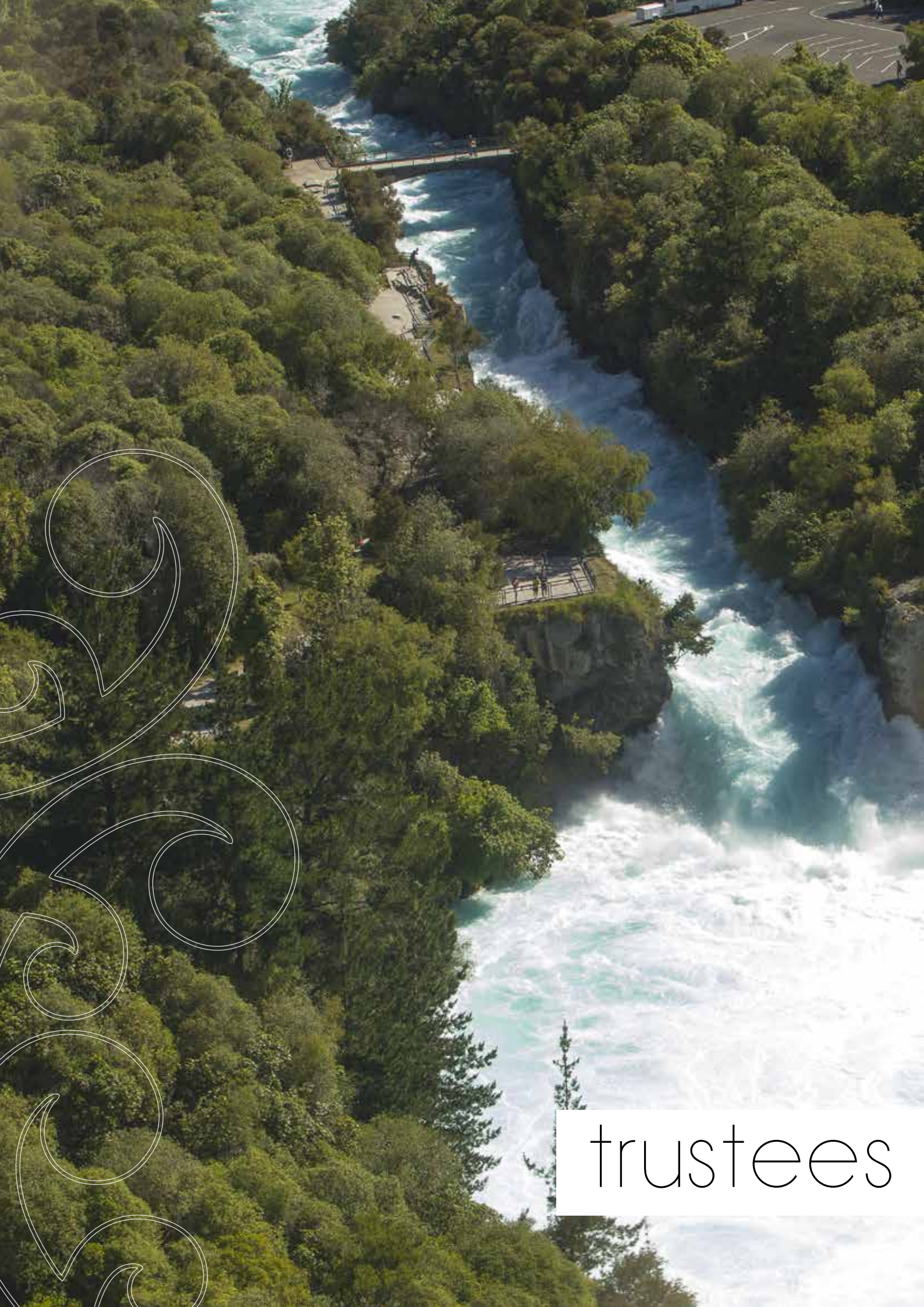




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trustees



**CHAIRMAN** - GREGORY STEBBING  
Ngāti Rauhoto



**DEPUTY CHAIRMAN** - NGAHERE WALL  
Ngāti Tutemohuta



WILLIAM WALL  
Ngāti Hinerau



MATIU HEPERI NORTHCROFT  
Ngāti Tutetawha



DOMINIC BOWDON  
Ngāti Te Urunga



ARAPIU POHOKURA SEYMOUR  
Ngāti Hineure



# chairman's report





Tena koutou katoa,

On behalf of the Trustees of Te Pae o Waimihia, it is my pleasure to present the Chairman's Report on the activities of the Trust for the twelve month period ended 31st March 2016.

Firstly, I think it is appropriate to re-state some comments made in my last Chairman's Report.

The name Te Pae o Waimihia had deliberate purpose to signify who and what we are, importantly also depicting future development and growth. Therefore, in the context of a marae environment, Te Pae o Waimihia resembles the six hapū at Governance level with their ultimate fiduciary responsibility to acknowledge and respect constituency perspectives, and protect and grow the asset 'Waimihia', all centred on one waka moving forward.

At the last AGM in November 2015, three key resolutions were passed that have provided the directional focus for the Trustees over the last ten months:

- Strategic Plan
- Distribution Framework
- Marae upgrades at Pakira and Tutetawha

## DISTRIBUTION FRAMEWORK

A resolution was passed at the 2015 AGM for the development of the Te Pae o Waimihia Distribution Policy and this has been a major focus area for Trustees over the past ten months.

With external support from Frankie Taituma of Total Diversity Ltd, the policy is now in the final stages of completion and ready for discussion at this years' AGM. As previously endorsed, the key areas of focus are:

- Marae (capital developments, annual operational grants, administration and capacity building)
- Tangihanga grants
- Kaumatua (transport, building and facilities)
- Education (wānanga, te reo Māori)
- Health & wellbeing (support services, firewood)
- Employment

The financial implications of distributing funds require immense consideration for the sustainability of the Trust fund. Hence, some key policy decisions have been made, specifically:

- A one-off capital development fund of \$5million - set aside primarily to complete the upgrades at Pakira



Marae and Tutetawha Marae as well as the wharekai kitchen refurbishment at Nukuhau Marae.

- The Trust fund must grow each year by between 2% and 3% to ensure distributions will be available on a sustainable basis for future generations. (This is required to counter the impact of inflation and population / membership growth.)
- After setting aside the Trust fund growth requirement, the balance of the annual net earnings will be available for distributions. As the returns from Trust investments will vary from year to year (depending on the performance of the financial markets) we estimate the level of funds available for distribution to be between \$1.1million and \$1.5million per annum.

### MARAE UPGRADES

We are happy with the progress being made in the two major marae upgrades. Building consent has been granted to Pakira Marae and plans have been issued to three commercial construction companies for (price) tendering. This process should be completed by the end of September with demolition and construction to begin shortly after.

Tutetawha Marae have finalised their concep-

tual design and are currently engaging with designers to produce working drawings ready for building consent.

The Trust has also approved a grant of \$170,000 to Nukuhau Marae towards their kitchen refurbishment which will commence in October.

### GOODS AND SERVICES TAX (GST) REGISTRATION

Te Pae o Waimihia Trustees have been working closely with the marae committees regarding administration and financial processes for the capital projects. Significant discussion has been around Goods and Services Tax (GST) and the opportunity to claim on the marae projects which would secure up to \$750,000 in GST refunds.

Expert advice was provided from Tahī - Ernst Young and they advised that all our marae are eligible for GST registration providing there are some taxable services such as catering or hosting of events.

They also recommended that all marae register for charitable status with the Charities Commission.

We are still in discussions with each marae on this matter and the Trust has offered to

provide support for both the initial registration and ongoing accounting requirements.

## INVESTMENTS

The majority of our Trust funds are still being held on Trust by Tūwharetoa Settlement Trust (TST) awaiting completion of the CNI Mana Whenua process. The Trustees requested that TST consider transferral of additional funds and I am pleased to report that an additional \$6.7million was received in June 2016.

With exception to our property investments (Taupō Schools, Taupō Courthouse, Probation Office and DOC Office), all of our funds are currently invested in Term Deposits generating returns of around 3%. This is an inadequate return for long term investment so we have engaged with IWLinvestor (Temuera Hall) to develop an Investment Strategy, taking into account key factors such as our risk appetite and liquidity needs for distributions. This strategy will be finalised by the end of September and is likely we will move to a diversified investment portfolio with a portion of funds invested in the bonds and equity markets (whilst more volatile have proven over time to generate higher average returns).

Te Pae o Waimihia has now taken up the call option with Opepe Farm Trust to purchase a 50% share of the Taupō DOC office for \$760,000. This investment is held by the Tauhara Properties Limited Partnership of which Opepe Farm Trust and Te Pae o Waimihia are 50/50 partners.

Development options for the other three Kaimanawa / Scannell Street sections vested by DOC to Te Pae o Waimihia are still being prepared with potential tenants for a new office and a health centre.

We were presented the opportunity to purchase a privately owned 700 hectare block (Opepe Forest) which was surrounded by Opepe Farm and Waimihia Forest. While the location was appealing, our bid was unfortunately a long way short of the vendor's expectations and the asking price would not have produced an acceptable economic return.

## TŪWHARETOA COMPREHENSIVE CLAIM SETTLEMENT - CULTURAL LANDS

The Tūwharetoa Hapū Forum is in the final stages of completing the comprehensive settlement with the Crown. An important part of the settlement is the return of cultural lands (agreed upon by the Tūwharetoa Hapū Forum) to the original owners within six months of the settlement.

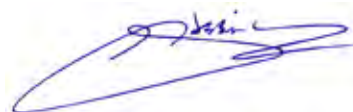
To receive these lands, the original owners (hapū) will need to have legal entities established. As Te Pae o Waimihia is already established to represent six hapū of the Taupō area, the Trust could also become the entity to hold some of the cultural lands. Some of these lands being returned have high potential for commercial development (Parakiri, Huka, Wharewaka) and Te Pae o Waimihia has the financial capacity to support hapū in such ventures.

This will be a matter for discussion at the AGM and Hui-A-Hapū over the coming months as hapū would need to be in agreement.

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On behalf of the Trustees, I thank you all for your continued support. While there is a lot of work to do in the next year, we are optimistic about the direction the Trust is headed. We also wish to acknowledge the professional support provided by our key services providers: He Akina Ltd (Financial / Administration), Cargill Stent (Legal), IWLinvestor (Funds Management), TST (Members Register) and BNZ (Banking).

Nakū iti nei, nā



Greg Stebbing  
**Chairman**  
**Te Pae o Waimihia Trust**



2015 agm minutes

**7th November 2015**  
**Pakira Marae**  
**Waitahanui, Taupō**

**PRESENT:**

Greg Stebbing (Chairman),  
Ngahere Wall (Deputy Chairman),  
Dominic Bowden, Abe Seymour,  
Matiu Heperi Northcroft, William  
Wall (Trustees), Vernon Rameka (He  
Akina Manager), Miria Stephens (He  
Akina - Minute Taker), Kiri Galvin  
(He Akina - Administration)

**IN ATTENDANCE:**

127 members as per attendance  
register

**APOLOGIES:**

79 members as per apology register

**KARAKIA:**

William Wall

**MIHI:**

Abe Seymour

## 1.0 MEETING ADMINISTRATION

### 1.1 The meeting opened at 10.12am

- The Chairman welcomed everyone to the AGM, all Trustees introduced themselves and which hapū they represent.
- He Akina staff were introduced.
- An outline of the agenda for the day was presented.

### 1.2 Apologies

- Apologies were noted for Topia Rameka Jr, Peter Clarke and Wallace Clarke. Apologies also recorded as per the apologies register.

**Resolved;**

That the apologies be received

**Moved:** Charles Wall

**Second:** Manino Clarke

**CARRIED**

### 1.3 Minutes of the previous AGM

- Mana Whenua process is continuing, albeit very slowly.

- Tutemohuta register of the members have not been received to date.
- Spelling of Ann Clarke to be corrected.
- The DOC office option has not been purchased from Opepe Farm Trust to date.
- A request of receiving the AGM booklet prior to the AGM. Mail out of AGM booklet to those whom request prior to AGM.
- Remuneration fees for the previous Trustees were resolved several hui ago.

**Resolved;**

That the minutes of the previous meeting of 29th November 2014 be confirmed as a true and accurate record

**Moved:** Hoani Simon

**Second:** Harvey Karaitiana

**CARRIED**

**Abstained** Ann Clarke

## 2.0 CHAIRMAN'S REPORT

### 2.1 Report Presented – Chairman read the report from the AGM booklet

- Until the CNI Mana Whenua process is completed, only 60% of the accumulated rentals as at 31 December 2012 are able to be received from TST. The balance is held in trust by TST.

**Resolved**

That the Chairman's report be received

**Moved:** Greg Stebbing

**Second:** Judy Harris

**CARRIED**

## 3.0 FINANCIAL

### 3.1 Financial Reports as presented via Power-point and AGM Booklet

- Profit for the 12 months \$346k, closing equity \$40,505k.

- Funds invested by IWIinvestor are in Cash and Term Deposits spread across 3 banks earning an approximate 4% return. The investment strategy is yet to be developed.
- Administration expenditure is due to Hui-A-Hapū associated with the changing of the Trust Deed and He Akina charges for financial and administration services.
- AGM expenditure of \$19k driven mainly by the cost of the mail out.
- Legal expenses were associated with the changes to the Trust order.
- Noted in the audit that the previous year's closing funds were overstated due to TST's balance date being 30 June whereas Te Pae o Waimihia is 31st March, which resulted in the CNI rentals received in June 14 being incorrectly recorded.
- Insurance is the Trustee Liability insurance for the year.

**Resolved;**

That the Audited Financial reports or the year ending 30th March 2015 be received

**Moved:** Nigel Baker

**Second:** Harry Satchel

**CARRIED**

## 4.0 AUDITORS

### 4.1 Appointment of Auditors

- Auditors for 2016 was discussed, the auditors Crowe Horwath are now very familiar with the Trust and provide a very competitive fee structure.

**Resolved;**

To reappoint Crowe Horwath Chartered Accountants as auditor for Te Pae o Waimihia ending 31st March 2016

**Moved:** Charles Wall

**Second:** Harry Satchel

## 5.0 STRATEGIC PLAN 2016 - 2018

### 5.1 Presented by – Abe Seymour and Dominic Bowden

- Vision statement: Te puawaitanga o nga moemoea a kuia ma a koro ma. The Strategic Plan started with the vision.
- Mission statement: Ka tiaki te roopu whirinaki i nga rawa kia tipu ai, hei awahi i nga wawata o ia reanga, me nga reanga kei te heke mai. Kia hiki ake nga tikanga mo te oranga o nga hapū o Te Pae o Waimihia to protect and grow the assets of the trust to support the intergenerational aspirations, wellbeing and cultural tikanga of the haou of Te Pae o Waimihia.
- Values: Rangimarie, Whakakotahitanga, Rangatiratanga, Whakawhanautanga and Manaakitanga. Noting that values are not only for the board but also the people.
- Core Strategy 1: Whakamana i nga hapū.
- Core Strategy 2: Organisation Development.
- Core Strategy 3: Asset Growth.

#### **Resolved;**

That the members approve the Te Pae o Waimihia Strategic Plan as presented

**Moved:** Harry Satchel

**Second:** Harvey Karaitiana

**CARRIED**

## 6.0 DISTRIBUTION POLICY

### 6.1 Draft Policy presented by Ngahere Wall Core Elements Purpose

- To sustainability support the needs and aspirations of our hapū, marae and members.
- Establishment of the work that will be carried out will be contracted for the

level of expertise.

- Distribution framework to consist of policy, strategy with the plan.
- The distribution framework does not affect the distribution for marae.

#### **Resolved;**

That the Te Pae o Waimihia Distribution Policy (Framework) as presented is approved

**Moved:** Raureti Wall

**Second:** Florence Karaitiana

**CARRIED**

### TPoW Strategic Plan / Distribution Framework – Hapū Feedback Report

- All hapū feedback was presented to the members. Information was gathered from Hui-A-Hapū held at Ngāti Tutemohuta at Pakira Marae 20th August 2015, Ngāti Tutetawha held at Tutetawha Marae 3rd September, Ngāti Rauhoto and Ngāti Te Urunga held at Nukuhau Marae 7th October and Ngāti Hinerau, Ngāti Hineure held at Waipahihi Marae 8th October.
- There were common features that stood out from all hapū being Marae support, Kaumatua support, Education, Health and wellbeing and employment opportunities.
- All feedback has been received and be held with the Trust, notification that the door is still open for feedback through the hapū representatives.
- Special needs, proactive health initiatives, kuia and kaumatua care in the homes have been acknowledged.

#### **Resolved;**

That the TPoW Strategic Plan / Distribution Framework – Hapū Feedback Report as presented be received

**Moved:** Judy Harris

**Second:** Sonny Tupara

**CARRIED**

**Resolved;**

That the Te Pae o Waimihia Strategic Plan / Distribution Framework – Hapū Feedback Report Common Themes as presented be approved to form the initial basis of the Te Pae o Waimihia Distribution Policy

**Moved:** Horiana Rolleston

**Second:** Rangiuia Ngawhika

**CARRIED**

## 7.0 TRUSTEE FEES

### 7.1 Meeting based fees

- Current Trustee fees were set at \$800 gross full day meeting, \$500 gross half day and the Chairperson at \$1200 gross full day meeting, \$800 gross half day
- The recently ratified Trust Order states that fees will be an annual fee, not a meeting fee

**Resolved;**

Trustees fees be set at \$12k per annum and the Chairman's fee at \$18k per annum

**Moved:** Harry Satchell

**Second:** Charles Wall

**CARRIED**

### Trust Logo presented by William Wall

- The new logo was presented to the members with the explanation of its design, taurapa of the Te Arawa waka with koiri, unity and growth. The six points of the koiri represent the six hapū with Ngatoroirangi.

### Registered Members Demographic Profile

- Owners report show demographics of where they are living and the age ranges, total members registered to date 5160.



## 8.0 GENERAL BUSINESS

### 8.1 Marae Presentations

#### Pakira Marae

(presentation Ngatoru Wall)

- 2017 Pakira will soon be celebrating their 100 years anniversary.
- Graphic description and photographs of the current state of disrepair of the marae was provided.
- The buildings current configuration is fine, just the buildings themselves need repair.
- Estimated costs for the upgrade are \$1.95m but will be firmed up with additional quotes if given the go ahead by Te Pae o Waimihia.





- Notification that the marae will close for 6 months for the redevelopment.

Strong support from the floor for financial assistance for the redevelopment of Pakira Marae, noting a process required prior to action.

#### **Tutetawha Marae**

(presentation Matiu Northcroft)

- No presentation presented as no pictures of marae to present to the members.
- Support and respect for the Pakira Marae rebuild, no raru of which marae over the other.
- Build together for the new generations

to come, grow and work together for everyone.

#### **Resolved;**

That the TPoW support the finance assistance for the rebuild of Pakira Marae and Tutetawha Marae

**Moved:** Harry Satchell

**Second:** Florence Karaitiana

**CARRIED**


### 8.0 WHAKAMUTUNGA

Meeting closed by Temuera Hall at 1.29pm.

Charles Wall closed the meeting with a karakia.



financial report



**Legal Name of Entity:** Te Pae o Waimihia

**Entity Type and Legal Basis:** Trust

**Entity's Purpose or Mission:**

To receive settlement assets on behalf of the hapū. To manage and invest the Trust funds.

**Entity Structure:**

**Trustees:**

**Trustees ceased in May 2015:**

Temuera Hall  
Nigel Baker  
Peter Clarke  
Dylan Tahau

**Trustees elected in May 2015:**

Gregory Stebbing  
Dominic Bowden  
Matiu Heperi Northcroft  
Ngahere Wall  
William Wall  
Arapiu Pohokura Seymour

**Beneficiaries:**

The beneficiaries of the Trust are all individuals who are members of the iwi for the purposes of the Tūwharetoa Settlement Trust Deed and must also be a members of the following hapū:  
Ngāti Hinerau  
Ngāti Hineure  
Ngāti Rauhoto  
Ngāti Te Urunga  
Ngāti Tutemohuta  
Ngāti Tutetawha

**Main Sources of Entity's Cash and Resources:**

The entity's activities are funded by interest income derived from investment funds.

**Physical Address:**

63 - 65 Waikato Street  
Taupō 3330  
New Zealand

**Postal Address:**

P.O. Box 723  
Taupō 3330  
New Zealand

# statement of service performance

## Te Pae o Waimihia For the year ended 31 March 2016

### Description of Entity's Outcomes

The Purposes of the Trust as set out in the Trust deed are to received, hold, manage and administer the Trust Fund on trust for any other object or purpose that is beneficial to the Hapū community and all the Beneficiaries irrespective of where those Beneficiaries reside, and shall:

- The promotion amongst the Forest Hapū Cluster of the educational, spiritual, economic, social and cultural advancement and well-being of the Forest Hapū Cluster;
- The promotion amongst the Forest Hapū Cluster of the health and well-being of the Forest Hapū Cluster including the aged or those suffering from mental or physical sickness or disability;
- The promotion and advancement of the social and economic development of the Forest Hapū Cluster including, without limiting the generality of this purpose, by the promotion of business, commercial or vocational training or the enhancement of community facilities in a manner appropriate to the particular needs of the Forest Hapū Cluster;
- The maintenance and establishment of places of cultural or spiritual significance to the Forest Hapū Cluster;
- The promotion of a tribal forum to hear and determine matters affecting the Forest Hapū Cluster and to advocate on their behalf;
- Any other purpose that is considered by the Trust from time to time to be beneficial to the Forest Hapū Cluster and the Beneficiaries.

### Description and Quantification of the Entity's Outputs

Account	2016	2015
<b>Koha &amp; Sponsorship Distributions</b>		
<b>Koha for Trustee Elections</b>		20,000
The Trust paid a koha of \$5,000 to each of the four marae to host the trustee elections		
<b>Marae Sports Club Grants</b>	22,377	-
Marae sports club grants are paid to marae to enable those marae to compete in Pa Wars, an inter-marae sports festival. During the 2016 financial year, the Trust paid marae sports club grants to four marae.		
<b>Tutetawha Marae Building Relocation</b>	28,538	-
The Trust has paid for the Ex-College Old Boys building and its relocation.		



# statement of financial performance

## Te Pae o Waimihia For the year ended 31 March 2016

Account	Notes	2016	2015
<b>Revenue</b>			
Interest, dividends and other investment revenue	1	586,910	631,465
<b>Total Revenue</b>		<b>586,910</b>	<b>631,465</b>
<b>Expenses</b>			
Administration and overhead costs	2	119,282	129,879
Investor Advisor Fees	2	16,128	15,881
Koha & Sponsorship	2	50,915	20,000
Trustee Expenses	2	90,085	46,192
<b>Total Expenses</b>		<b>276,410</b>	<b>211,952</b>
<b>Surplus/(Deficit) for the Year before tax</b>		<b>310,500</b>	<b>419,513</b>
Less: Provision for taxation	4	59,382	73,888
<b>Net Surplus/(Deficit) after tax</b>		<b>251,118</b>	<b>345,625</b>

These financial statements should be read in conjunction with the notes to the financial statements and independent audit report



# statement of financial position

Te Pae o Waimihia  
As at 31 March 2016

Account	Notes	2016	2015
<b>Assets</b>			
<b>Current Assets</b>			
Bank Accounts and Cash		110,222	12,120
IWI Investor - Managed Funds		15,324,395	15,193,080
Waimihia Limited		90	42
Taxation		73,864	48,924
<b>Total Current Assets</b>		<b>15,508,571</b>	<b>15,254,166</b>
<b>Non-Current Assets</b>			
TST Funds held on account	7	27,416,555	25,255,732
Property Plant & Equipment	3	2,404	-
<b>Total Non-Current Assets</b>		<b>27,418,959</b>	<b>25,255,732</b>
<b>Total Assets</b>		<b>42,927,530</b>	<b>40,509,898</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses		10,619	4,928
<b>Total Current Liabilities</b>		<b>10,619</b>	<b>4,928</b>
<b>Total Liabilities</b>		<b>10,619</b>	<b>4,928</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>42,916,911</b>	<b>40,504,970</b>
<b>Accumulated Funds</b>			
Funds Yet to be Settled by TST	7	27,416,555	25,255,732
Retained Earnings	6	1,008,239	757,121
Funds Settled		14,492,117	14,492,117
<b>Total Accumulated Funds</b>		<b>42,916,911</b>	<b>40,504,970</b>

For and on behalf of the Trustees:

Trustee

Trustee

Date

8-9-16

These financial statements should be read in conjunction with the notes to the financial statements and independent audit report



# statement of cash flows

Te Pae o Waimihia  
For the year ended 31 March 2016

Account	2016	2015
<b>Cash Flows from Operating Activities</b>		
Interest, dividends and other investment receipts	81	0
IRD Tax Refunded	20,064	270
Payments to suppliers and employees	(201,238)	(181,375)
Donations or grants paid	(50,915)	(20,000)
<b>Total Cash Flows from Operating Activities</b>	<b>(232,008)</b>	<b>(201,105)</b>
<b>Cash Flows from Investing and Financing Activities</b>		
Cash Transferred from IWI Investor Managed Funds	335,000	200,000
Payments to acquire property, plant and equipment	(4,890)	-
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>330,110</b>	<b>200,000</b>
<b>Net Increase/ (Decrease) in Cash</b>	<b>98,102</b>	<b>(1,105)</b>
<b>Cash Balances</b>		
Opening Cash	12,120	13,225
Closing Cash	110,222	12,120
<b>Net change in cash for period</b>	<b>98,102</b>	<b>(1,105)</b>

These financial statements should be read in conjunction with the notes to the financial statements and independent audit report



# statement of accounting policies

## Te Pae o Waimihia For the year ended 31 March 2016

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### Reporting Entity

These are the financial statement of Te Pae of Waimihia ("the Trust"), formally known as Waimihia Forest Hapu Cluster Trust. The Trust is established and domiciled in New Zealand by trust deed dated 19 December 2012 and varied 15 September 2014.

### Basis of Preparation

The entity has elected to apply Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) PBE SFR-A (NFP) on the basis that it does not have public accountability and has total annual expenses 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.

### Tier 2 Standards Adopted

The Trust has also adopted PBE IPSAS 29 Financial Instruments: Recognition and Measurement. The impact on accounting policies are disclosed below.

### Goods and Services Tax (GST)

The entity was registered for GST from 1 October 2015. All transactions prior to that date are inclusive of GST (if any) and all transactions after that date are exclusive of GST (if any) except Receivables and Payables which are stated inclusive of GST.

### Income Tax

Income tax is accounted for using the taxes payable method. The income tax expenses charged to the Statement of Financial Performance is the estimated tax payable in the current year, adjusted for any differences between the estimated and actual tax payable in prior years.

The Trust has elected to be a Maori Authority under section HF 11 of the Income Tax Act 2007.

### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits, excluding those held within managed funds) with original maturities of 90 days or less. Bank Accounts and Cash are recorded when the cash is received, and are measured at the amount held.

### Revenue

Interest income is recognised as earned.

### Receivables

Trade receivables are stated at their amortised cost less any provision for impairment.

### Payables

Creditors and other payables are measured at fair value.

### Managed Funds/Investments

Managed Funds are measured when purchased at the amount paid, and revalued each year to market valuation.

### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.





# notes to the performance report

## Te Pae o Waimihia For the year ended 31 March 2016

<b>1. Analysis of Revenue</b>	<b>2016</b>	<b>2015</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Received	586,910	631,465
<b>Total</b>	<b>586,910</b>	<b>631,465</b>
<b>2. Analysis of Expenses</b>	<b>2016</b>	<b>2015</b>
<b>Administration and overhead costs</b>		
Administration	77,575	81,104
Advertising	-	345
AGM	7,815	19,258
Auditing	2,600	2,703
Bank Charges	244	228
Board Room Expenses	-	2,141
Consultants	11,791	-
Depreciation	2,486	-
Insurance	9,476	9,476
Legal Expenses	1,491	8,765
Meeting Expenses	2,134	-
SGM	-	5,859
Special Hui	1,167	-
Telephone, Tolls & Internet	2,503	-
	<b>119,282</b>	<b>129,879</b>
<b>Investor Advisor Fees</b>		
Investor Advisor Fees	16,128	15,881
	<b>16,128</b>	<b>15,881</b>
<b>Koha &amp; Sponsorship</b>		
Koha - General	10,948	20,000
Sponsorship	22,377	-
Tutetawha Marae	17,590	-
	<b>50,915</b>	<b>20,000</b>
<b>Trustee Expenses</b>		
Trustees Fees	78,200	44,050
Trustees Professional Development	4,890	-
Trustees Travel	6,995	2,142
	<b>90,085</b>	<b>46,192</b>
<b>Total Expenses</b>	<b>276,410</b>	<b>211,952</b>
<b>3. Analysis of Non Current Assets</b>	<b>2016</b>	<b>2015</b>
<b>Property Plant &amp; Equipment</b>		
Office Equipment - Opening Carrying Value	-	-
Additions	4,890	-
Current year depreciation	(2,486)	-
Office Equipment - Closing Carrying Value	<b>2,404</b>	-



## Te Pae o Waimihia For the year ended 31 March 2016

### 4. Taxation 2016      2015

Taxation is calculated as follows:

<b>Profit before Taxation:</b>	<b>310,500</b>	419,513
Taxation Thereon at 17.5%	<b>54,338</b>	73,415
Tax effect of Timing Differences	<b>523</b>	473
Tax effect of Permanent Differences	<b>4,521</b>	-
<b>Income Tax on Net Profit</b>	<b>59,382</b>	<b>73,888</b>
<b>The Taxation Charge is Represented by</b>		
<b>Current Year Tax</b>	<b>59,382</b>	<b>73,888</b>
<b>Tax Payable</b>		
<b>Prior Year Tax to Pay (Refund)</b>	(48,924)	(20,065)
<b>Tax Refunded (Paid)</b>	20,064	270
<b>Less RWT Credits</b>	(104,386)	(103,017)
<b>Total Tax to Pay (Refund Due)</b>	<b>(73,864)</b>	<b>(48,924)</b>

#### Timing Differences

The following timing differences have been included in the calculation of the current year tax charge above:

Closing Audit & Accounting Fees Accrued	2,990	2,703
<b>Total Timing Differences</b>	<b>2,990</b>	<b>2,703</b>

### 5. Maori Authority Tax Credit Account 2016      2015

At balance date the Maori Authority Tax Credits available to be attached to distributions to the beneficiaries were:

Opening Balance	143,248	89,335
RWT Credits Attached to Interest Income Received	104,386	103,017
Less Tax Refunds Expected at Balance Date	(20,064)	(48,924)
<b>Closing Balance</b>	<b>227,570</b>	<b>143,428</b>

### 6. Accumulated Funds 2016      2015

<b>Opening Balance</b>	757,121	411,496
Accumulated surpluses or (deficits)	251,118	345,625
<b>Total Accumulated Funds</b>	<b>1,008,239</b>	<b>757,121</b>

### 7. Trustee Funds 2016      2015

Settlements on to Trust:	14,492,117	14,492,117
Funds yet to be Settled under Deed of Trust	27,416,555	25,255,732
<b>Total Settled on to the Trust</b>	<b>41,908,672</b>	<b>39,747,849</b>

The \$14,492,117 funds settled in December 2012 under the Deed of Trust represents a purchase of the accumulated forestry rentals for Waimihia Forest originally held in trust by the Crown Forest Trust that were distributed to the Tuwharetoa Settlement Trust (TST) in the 2010 financial year.

The remaining funds and assets yet to be settled by TST of \$27,416,555 (2015:\$25,255,732) is based on TST achieving 100% Mana Whenua allocation for Waimihia North and South Forests. The remaining funds consist of accumulated rentals, interest and other gains on those rentals, and in property assets.

On 30 June 2016, \$6,307,317 was received from TST. The funds have been invested with Iwi Investor.

The final settlement is not expected to be received within 12 months from balance date and is recorded as a non-current receivable.



## Te Pae o Waimihia For the year ended 31 March 2016

### 8. Commitments

There are no commitments as at 31 March 2016 (Last year - nil).

### 9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2016 Last year - nil).

### 10. Related Parties

#### Taupo Moana Group Limited (IWI Investor)

The Trust paid investment management fees to Taupo Moana Group Limited trading as IWI Investor. IWI Investor is associated with the Trust as Temuera Hall is a director of Taupo Moana Group Limited and a Trustee of the Trust. Total Management Fees Paid in the 2016 year: \$16,128 (2015: \$15,881). There are no outstanding amounts owing at balance date (2015: nil).

#### He Akina Limited

The Trust paid a number of expenses to He Akina Limited. He Akina Limited is associated with the Trust due to Gregory Stebbing being the Chairman of the Trust and a director of He Akina Limited. Total payments made during the 2016 year: \$77,400 (2015: \$88,744) There are no outstanding amounts owing at balance date (2015: nil).

#### Tuwharetoa Settlement Trust (TST)

The Trust has settlement funds receivable from Tuwharetoa Settlement Trust (TST), which is detailed in note 7. TST is associated with the Trust as Gregory Stebbing is the Financial Advisor of TST and is also the Chairman of the Trust.

### 11. Trustees Remuneration

The Trustees have received the following remuneration from the Trust:

	2016	2015
Nigel Baker	800	6,500
Peter Clarke	500	6,000
Temuera Hall	-	9,750
Gregory Stebbing	18,400	6,500
Dominic Bowden	12,500	5,700
Dylan Tahau	-	4,400
Matiu Heperi Northcroft	12,500	1,300
Ngahere Wall	12,500	1,300
William Wall	10,900	1,300
Arapiu Pohokura Seymour	10,100	1,300

### 12. Events After the Balance Date

The Trust entered into a call option from Opepe Farm Trust on 30 June 2016. That has allowed it to acquire 50% of a commercial property investment venture currently being undertaken by Opepe Farm Trust. Te Pae o Waimiha and Opepe Farm Trust are 50% partners in Tauhara Property Limited Partnership which owns the commercial property. The property is being leased to the Department of Conservation and was purchased for a total of \$1,530,124, of which Te Pae o Waimihia will pay 50% of this amount to Opepe Farm Trust. (Last year - nil).

The trustees have approved to support two marae development projects for Tutetawha and Pakira maraes. The estimated cost of each project is \$2 million. The trustees have also approved a grant of \$200,000 less GST for the Nukuhau marae kitchen upgrade.



**INDEPENDENT AUDITOR'S REPORT**

To the Trustees of Te Pae o Waimihia

**Report on the Performance Report**

We have audited the accompanying performance report of Te Pae o Waimihia on pages 18 to 25, which comprises the entity information, the statement of financial performance and statement of cash flows for the year ended 31 March 2016, the statement of financial position as at 31 March 2016, and the statement of significant accounting policies and other explanatory information.

*The Responsibility of the Trustees for the Performance Report*

The Trustees are responsible on behalf of the entity for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report which comprises:
  - the entity information;
  - the statement of service performance; and
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and

- (c) for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the performance report based on our audit. We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the performance report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial performance report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the performance report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the performance report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our firm has provided accounting services to the Trust. The firm has no other relationship with, or interests in, the Trust.

#### *Opinion*

In our opinion the performance report on pages 18 to 25 presents fairly, in all material respects;

- the entity information for the year ended 31 March 2016; and
- the financial position of Te Pae o Waimihia as at 31 March 2016 and its financial performance, and cash flows for the year then ended

In accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

#### *Other Matter*

We are not responsible for expressing an opinion on the statement of service performance.



Crowe Horwath New Zealand Audit Partnership  
CHARTERED ACCOUNTANTS  
8 September 2016

# distributions



## KAUMATUA

Firewood	Firewood for kaumatua	\$
Events	Special annual event for kaumatua	\$
Housing Accessibility	Improve the accessibility of kaumatua housing	\$\$\$
Health Grants	Health grants to partially or fully subsidise health treatments	\$\$

Te Pae o Waimihia Trustees have been working on a Distributions Policy with the key areas of focus on marae, kaumatua, education, sports, and whanau.

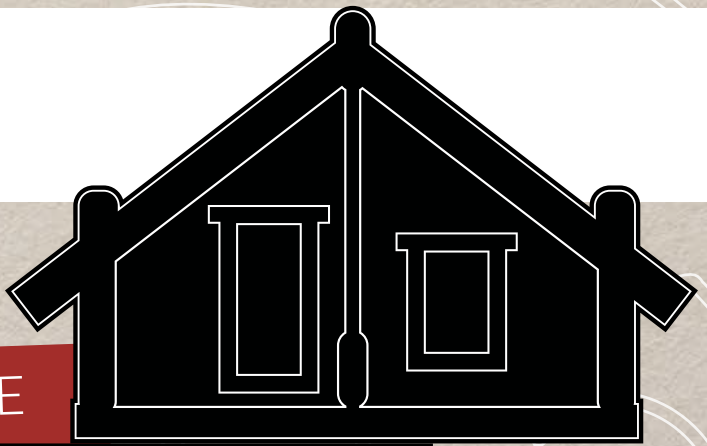
The following key policy decisions were made:

- A one-off capital development fund of \$5million - set aside primarily to complete the upgrades at Pakira Marae and Tutetawha Marae as well as the wharekai kitchen refurbishment at Nukuhau Marae.
- The Trust Fund must grow each year by between 2% and 3% to ensure distributions will be available on a sustainable basis for future generations. (This is required to counter the impact of inflation and population / membership growth.)
- After setting aside the Trust Fund Growth requirement, the balance of the annual net earnings will be available for distributions. As the returns from Trust investments will vary from year to year (depending on the performance of the financial markets) we estimate the level of funds available for distribution to be between \$1.1million and \$1.5million per annum.

## SPORTS

Participation	Grant to support sporting participation expenses (sporting fees and equipment)	\$\$
Representative	Grant to support sporting representative expenses (sporting fees and equipment)	\$\$





**MARAE**

Capital Grants	Grant to support Te Pae o Waimihia marae capital projects
Development & Operational Grant	Grant to support Te Pae o Waimihia marae operational expenses
Administration / Treasury Support	Administration & treasury support Te Pae o Waimihia marae (through He Akina Ltd)
Maraakai	Marae based maraakai education programme
Tangihanga Grants	\$500 meat voucher redeemable at M21

\$\$\$\$\$  
 \$\$\$\$  
 \$  
 \$  
 \$



**EDUCATION**

Education Grant - Tamariki	Education grants for school fees and uniforms
Education Initiative	Grants to provide additional education support (i.e. tutorial lessons)
Kura Kaupapa / Kohanga Reo - Operational Support	Grant to support the operational expenses of the kura kaupapa and kohanga reo within Te Pae o Waimihia rohe

\$\$  
 ?  
 \$\$

Te Reo Māori	Te Reo Māori programmes - Marae based - Home based
Summer Whānau Day	Annual whānau day

\$  
 \$

**WHĀNAU**





strategic plan 2016-2018



**VISION:** “Te puawaitanga o nga moemoea a kuia ma a koro ma”  
“The blossoming dreams of our elders”

**MISSION:** “Ka tiaki te roopu whirinaki i nga rawa kia tipu ai, hei awahi i nga wawata o ia reanga, me nga reanga kei te heke mai. Kia hiki ake nga tikanga mo te oranga o nga hapū o Te Pae o Waimihia”  
“To protect and grow the assets of the trust to support the intergenerational aspirations, wellbeing and cultural tikanga of the hapū of Te Pae o Waimihia”

**OUR CORE STRATEGIES:**

- |                           |                               |                   |
|---------------------------|-------------------------------|-------------------|
| 1 Whakamana<br>i nga hapū | 2 Organisation<br>development | 3 Asset<br>growth |
|---------------------------|-------------------------------|-------------------|

**STRATEGIC GOALS:**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>a) To improve marae/hapū financial capacity</li> <li>b) To improve te reo me ona tikanga</li> <li>c) To upgrade Tutetawha and Pakira Marae</li> <li>d) To support resolution of the mana whenua process</li> <li>e) to implement a comprehensive Waimihia hapū members register</li> <li>f) to ensure a lift in governance upskilling</li> </ul> | <ul style="list-style-type: none"> <li>g) to develop and implement a distribution framework</li> <li>h) to develop and implement robust organisation policies</li> <li>i) to develop and implement a robust investment strategy</li> <li>j) to exercise the trust’s call option with Opepe for the DoC regional office</li> <li>k) to establish a commercial building on the DoC site</li> </ul> |
|---|--|

**VALUES - KOTAHI TE KII:**

- |                       |                    |
|-----------------------|--------------------|
| • Rangimarie          | • Whakakotahitanga |
| • Manaakitanga        | • Rangatiratanga   |
| • Whakawhanaungatanga |                    |





