



TE KAPU Ō WAITAHA

He Ao Hou

# FINANCIAL REPORT

2021/22





# **Consolidated Special Purpose Financial Statements**

**Te Kapu o Waitaha Trust & Subsidiaries**

For the year ended 30 June 2022

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# Directory

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

<b>Legal Name of Entity</b>	Te Kapu o Waitaha Trust
<b>IRD Number</b>	111-994-625
<b>Physical address</b>	2 Dunlop Road Te Puke
<b>Postal address</b>	Po Box 220 Te Puke
<b>Entity Type and Legal Basis</b>	Te Kapu o Waitaha Trust is a trust established under the Waitaha Settlement Claims Act 2013. It was created by Deed of Trust dated 20 September 2011.
<b>Entity's Purpose</b>	<p>The purpose for which the Trust is established are to receive, manage and administer the trust's assets on behalf of the beneficiaries in accordance with paragraph 2.4 of the Trust charter.</p> <p>As a result of negotiations and agreement with the Crown and Waitaha Iwi, the Trust is the mandated recipient, on behalf of Waitaha, of settlement assets under the Waitaha Settlement Claims Act 2013.</p>
<b>Entity Structure</b>	Te Kapu o Waitaha Trust is governed by a Board of Trustees.
<b>Board of Trustees</b>	Frank Grant - Chairperson Retimana Te Moni Carol Whare Joshua Grant (resigned July 2021)
<b>Accountants</b>	GHA Ltd Chartered Accountants 1108 Fenton Street Rotorua
<b>Auditor</b>	Cookson Forbes & Associates Chartered Accountants 96 Waioweka Road Opotiki
<b>Bankers</b>	ASB Bank Limited 518 Cameron Road Tauranga
<b>Date of Formation</b>	20 September 2011

# Directory

## Waitaha Charitable Trust

For the year ended 30 June 2022

<b>Legal Name of Entity</b>	Waitaha Charitable Trust
<b>Registration Number</b>	CC51158
<b>IRD Number</b>	115-740-067
<b>Physical address</b>	2 Dunlop Road Te Puke
<b>Postal address</b>	Po Box 220 Te Puke
<b>Entity Type and Legal Basis</b>	Waitaha Charitable Trust is a trust created by Deed of Trust dated 18 March 2014 and incorporated under the Charitable Trusts Act 1957. The trust is also registered with the Charities Commission.
<b>Entity's Purpose</b>	The trust was established to receive, manage and administer its assets for social, cultural and economic welfare purposes for the benefit of the Waitaha community.
<b>Entity Structure</b>	Waitaha Charitable Trust is governed by a Board of Trustees.
<b>Board of Trustees</b>	Frank Grant - Chairperson Joshua Grant (resigned July 2021) Carol Whare Retimana Te Moni Te Tapua Te Amo
<b>Accountants</b>	GHA Ltd Chartered Accountants 1108 Fenton Street Rotorua
<b>Auditor</b>	Cookson Forbes & Associates Chartered Accountants 96 Waioweka Road Opotiki
<b>Bankers</b>	ASB Bank Limited 518 Cameron Road Tauranga
<b>Date of Formation</b>	18 March 2014



# Directory

## Waitaha Group Holdings Limited Partnership

For the year ended 30 June 2022

<b>Nature of business</b>	Investments & property management Kiwifruit grower
<b>Address for service</b>	2 Dunlop Road Te Puke
<b>Registered office</b>	2 Dunlop Road Te Puke
<b>Directors</b>	Brad Tatere - Chairperson (resigned June 2021, appointed August 2021) Frank Grant (appointed July 2021) Joshua Grant (resigned July 2021) Thomas McClurg (appointed August 2021)
<b>Accountants</b>	GHA Ltd Chartered Accountants 1108 Fenton Street Rotorua
<b>Auditors</b>	Cookson Forbes & Associates Chartered Accountants 96 Waioweka Road Opotiki
<b>Bankers</b>	ASB Bank Limited 518 Cameron Road Tauranga
<b>Date of Formation</b>	10 November 2017
<b>General Partner</b>	Waitaha Management Limited
<b>Limited Partner</b>	Te Kapu o Waitaha Trust - 100%

# Directory

## Waitaha Assets Limited Partnership

For the year ended 30 June 2022

<b>Nature of business</b>	Investments & property management
<b>Address for service</b>	2 Dunlop Road Te Puke
<b>Registered office</b>	2 Dunlop Road Te Puke
<b>Directors</b>	Brad Tatere (resigned June 2021, appointed August 2021) Frank Grant (appointed July 2021) Joshua Grant (resigned July 2021) Thomas McClurg (appointed August 2021)
<b>Accountants</b>	GHA Ltd Chartered Accountants 1108 Fenton Street Rotorua
<b>Auditors</b>	Cookson Forbes & Associates Chartered Accountants 96 Waioweka Road Opotiki
<b>Bankers</b>	ASB Bank Limited 518 Cameron Road Tauranga
<b>Date of Formation</b>	6 May 2020
<b>General Partner</b>	Waitaha Assets General Partner Limited
<b>Limited Partner</b>	Te Kapu o Waitaha Trust - 100%



# Consolidated Statement of Profit and Loss

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Revenue</b>			
Rental revenue	1	400,635	376,210
Investment revenue	2	178,444	295,759
Kiwifruit revenue		1,322,968	1,265,742
Government funding		258,536	-
Other revenue	3	289,006	284,471
Changes in fair value of managed portfolio fund	14	-	(26,957)
Foreign exchange gain/(loss) on sale of managed portfolio fund	14	103,470	(70,660)
Realised gain/(loss) on sale of managed portfolio fund	14	(348,002)	854,244
Share of profit/(loss) in investments	14	185,057	47,504
Share of other gains/(losses) in investments	14	608,983	629,216
<b>Total Revenue</b>		<b>2,999,097</b>	<b>3,655,529</b>
<b>Expenses</b>			
Rental expenses	1	137,424	144,245
Employee related costs	4	399,857	509,679
Conservation projects		259,492	43,285
Depreciation		24,692	12,504
Governance	5	95,136	191,524
Kiwifruit expenses		818,092	682,244
Other expenses	6	581,838	370,856
<b>Total Expenses</b>		<b>2,316,530</b>	<b>1,954,337</b>
<b>Net profit before tax and other items</b>		<b>682,567</b>	<b>1,701,192</b>
<b>Other items</b>			
Gain on sale of investment		6,756	26,495
Grants and donations made		(169,192)	(137,232)
Non-deductible prior year tax adjustment	9	-	(57,976)
Gain/(Loss) upon transfer of investment property	16	-	2,136,000
Revaluation of investment property	17	1,600,000	3,300,000
<b>Total other items</b>		<b>1,437,564</b>	<b>5,267,287</b>
<b>Net profit before tax and after other items</b>		<b>2,120,130</b>	<b>6,968,479</b>
Tax expense	9	-	315,849
<b>Net profit after tax and after other items</b>		<b>2,120,130</b>	<b>6,652,630</b>



This Statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.

# Consolidated Statement of Financial Position

## Te Kapu o Waitaha Trust & Subsidiaries

As at 30 June 2022

	Notes	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Bank accounts and cash	7	11,964,325	8,499,876
Debtors and prepayments	8	59,149	152,642
Inventory	10	50,122	-
Income tax refund due	9	299,463	-
Short term deposits		1,008,353	1,170,000
<b>Total Current assets</b>		<b>13,381,412</b>	<b>9,822,518</b>
<b>Non-current assets</b>			
Te Kopuroa Orchard Property - WGHLP	12	10,429,675	11,283,197
Property, plant and equipment	15	62,491	49,199
Development costs - WALP	18	188,556	184,367
Non-current receivables	13	170,000	180,000
Managed portfolio funds	14	6,336,724	10,822,145
Commercial redress properties	16	8,980,000	8,383,500
Investment properties	17	15,277,192	12,325,000
<b>Total non-current assets</b>		<b>41,444,638</b>	<b>43,227,407</b>
<b>Total Assets</b>		<b>54,826,050</b>	<b>53,049,926</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Creditors and accrued expenses	20	77,415	167,929
Employee costs payable		37,982	33,347
Income tax payable	9	-	229,054
Revenue in advance		304,966	1,513
<b>Total current liabilities</b>		<b>420,363</b>	<b>431,842</b>
<b>Non-current liabilities</b>			
Future scholarship commitments	13	170,000	180,000
Eastpack share commitment	21	-	36,364
<b>Total Non-current liabilities</b>		<b>170,000</b>	<b>216,364</b>
<b>Total Liabilities</b>		<b>590,363</b>	<b>648,206</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>54,235,690</b>	<b>52,401,717</b>
<b>Equity</b>			
Investment revaluation reserve		12,907,815	11,593,972
Commercial redress settled		10,361,950	10,361,950
Retained earnings		30,965,925	30,445,795
<b>Total Accumulated Funds</b>		<b>54,235,690</b>	<b>52,401,717</b>

For and on behalf of the Trustees:

Chairperson FRANK GRANT Trustee

Date: 17 March 2023

*This Statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.*





# Consolidated Statement of Movements in Equity

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

	Note	Retained earnings	Asset revaluation reserve	Commercial & cultural redress settled	Total
		\$	\$	\$	\$
<b>Opening balance 1 July 2021</b>		<b>30,445,795</b>	<b>11,593,972</b>	<b>10,361,950</b>	<b>52,401,717</b>
Net profit		520,130	-	-	<b>520,130</b>
Movement in investments		-	613,650	-	<b>613,650</b>
Prior period adjustments	<b>24</b>	-	(899,807)	-	<b>(899,807)</b>
Te Kopuroa Orchard Property valuation		-	1,600,000	-	<b>1,600,000</b>
<b>Closing balance 30 June 2022</b>		<b>30,965,925</b>	<b>12,907,815</b>	<b>10,361,950</b>	<b>54,235,690</b>
<b>Opening balance 1 July 2020</b>		<b>23,793,165</b>	<b>9,490,588</b>	<b>10,361,950</b>	<b>43,645,703</b>
Net profit		6,652,630	-	-	<b>6,652,630</b>
Movement in investments		-	63,384	-	<b>63,384</b>
Te Kopuroa Orchard Property valuation		-	2,040,000	-	<b>2,040,000</b>
<b>Closing balance 30 June 2021</b>		<b>30,445,795</b>	<b>11,593,972</b>	<b>10,361,950</b>	<b>52,401,717</b>

This Statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Audit Report.



# Statement of Accounting Policies

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

### Reporting entity

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The consolidated financial statements of Te Kapu o Waitaha Trust ("the Trust", "the Parent", "TKOW") presented are for the year ended 30 June 2021, comprising the Trust and its subsidiaries Waitaha Group Holdings Limited Partnership ("WGHL"), Waitaha Charitable Trust ("WCT") and Waitaha Assets Limited Partnership ("WALP"), together called the Group.

The Trust was established under the Waitaha Settlement Claims Act 2013 and is domiciled in New Zealand. The Trust is involved primarily in property and equities investment.

WGHL is registered under Limited Partnerships Act 2008. WGHL is involved in investment property and kiwifruit growing on behalf of its parent TKOW.

WCT is a trust domiciled in New Zealand. It is a Charitable Trust under the Charitable Trusts Act 1957 and is the charitable arm of the Group.

WALP is registered under Limited Partnerships Act 2008. WALP is involved in investment and property management.

### Statement of Accounting Policies

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#### *(a) Basis of preparation*

These financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand.

The financial statements have been prepared for the Group's beneficiaries and taxation purposes.

The Group has adopted the provisions of the following NZ IFRS standards:

NZ IFRS 10 *Consolidated Financial Statements*, and

NZ IFRS 12 *Disclosure of Interest in Other Entities*

#### *(b) Historical cost*

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

#### *(c) GST*

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

#### *(d) Changes in accounting policies*

There were no changes to accounting policies during the year and all policies have been applied on a consistent basis with those used in the previous year.

#### *(e) Basis of consolidation*

The consolidated financial statements incorporate the financial statements of the Parent and subsidiaries controlled by the Parent.

Control is achieved when the Parent has power over the investee and can determine the investee's operating and financing policies, such that the parent can direct the investee to assist it achieving the parent's own financial and public benefit objectives.

Consolidation of a subsidiary begins when a Parent obtains control over the subsidiary and ceases when a Parent loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent gains control until the date when a Parent ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.



# Statement of Accounting Policies

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

### *(f) Other items*

Exceptional items are large income and/or expense items that do not arise as a result of normal business operations and are not expected to recur. Exceptional items are disclosed in the statement of financial performance where the total value exceeds 5% of revenue.

### *(g) Revenue recognition*

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the Partnership and revenue can be reliably measured.

Lease income is recognised on a straight line basis over the life of the lease.

Interest received is recognised as interest accrues, gross of refundable tax credits received.

Dividends received are recognised on receipt, net of non-refundable tax credits.

### *(h) Accounts receivable*

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

### *(i) Property, plant and equipment and commercial redress property*

Property, plant and equipment is stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

Commercial redress properties are revalued on a cyclical basis every three years to their rateable value. Revaluation gains are transferred to the asset revaluation reserve for that class of assets. If any revaluation reserve has a deficit, that deficit is recognised in profit or loss in the period it arises. Any revaluation surplus that reverses previous revaluation deficits in subsequent periods is recognised as revenue in profit or loss.

Where Investment properties within the "Cultural Redress" property portfolio have been transferred to the Trust subsidiaries the "fair Value" model has been adopted because the property has changed classes.

All other repairs and maintenance expenditure is recognised in profit or loss as incurred.

Depreciation is calculated on a straight line/diminishing value basis over the estimated useful life of the asset using depreciation rates published by Inland Revenue. The following depreciation rates have been used:

Motor vehicles - 30% DV

Office equipment - 16-67% DV

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

For commercial redress properties, upon derecognition, the asset revaluation reserve relating to the asset disposed shall be transferred to retained earnings.

### *(j) Financial assets*

At initial recognition the Trust determines the classification of financial assets as either held at fair value, cost or amortised cost. Financial assets are measured initially at fair value, estimated at the transaction price less any associated transaction costs.

#### Amortised cost

Includes assets where the Trust intends to earn contractual cash flows in the nature of principal and interest payments. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

# Statement of Accounting Policies

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

### Cost

Equity instruments are classified as held at cost. Assets are stated at cost less any accumulated impairment loss. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired. The Trust did not designate any financial assets as held at cost.

### Fair value

Financial assets not held at amortised cost or cost are held at fair value and include managed portfolio fund with Craigs Investment Partners. Assets are subsequently measured at fair value only when the fair value of the instrument can be reliably measured based on a quoted price for an identical asset in an active market. Where no active market price is available the instrument shall be measured at a prior year's fair value less any accumulated impairment loss.

Gains and losses are recognised in profit or loss for movements in the fair value of the assets and when the assets are derecognised.

### *(k) Financial liabilities*

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

### *(l) Leases*

#### Finance leases where the Trust is a lessee

Finance leases which effectively transfer to the company substantially all of the risks and rewards incidental to ownership of the leased item are capitalised at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

#### Operating leases where the Trust is a lessor

Leases in which the Trust retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. The leased asset is included within property, plant and equipment or commercial redress property, and income recognised on a straight line basis over the life of the lease.

### *(m) Income tax*

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue.

### *(n) Kiwifruit Property - Te Kopuroa Orchard 258B Te Puke Highway*

Te Kopuroa kiwifruit orchard property was purchased, including the 2019 kiwifruit crop and settled on 31 July 2019. It is owned freehold by Waitaha Group Holdings LP and has been revalued to market value in accordance with the Telfer Young valuation report dated 4 June 2021. The revaluation movement has been reported in the statement of Profit & Loss in accordance with special purpose financial reporting.

### *(o) Investment properties*

#### *72B & 84 Simpson Road, Papamoa*

These investment properties are owned by Waitaha Assets LP and have been revalued to market value in accordance with the valuation by Telfer Young, dated June 2021. Revaluation movements have been reported in the statement of profit and loss.

#### *2 Dunlop Rd, Te Puke & 1 Lenihan Dr, Te Puke*

These investment properties are owned by Waitaha Group Holdings LP and have been revalued to market value in accordance with the valuation by Telfer Young, dated July 2020. Revaluation movements have been reported in the statement of profit and loss.

#### *500 Manoeka Road, Te Puke*

This investment property is owned by Te Kapu o Waitaha Trust and is currently valued at cost.

### *(p) Intangibles*

Intangibles are recorded at cost and amortised on a straight-line basis over their estimated useful life.

# Notes to the Consolidated Financial Statements

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>1 Rental</b>		
<b>Rental revenue</b>		
Commercial	335,293	326,148
Residential	22,950	17,162
Reimbursement of tenant expenses	42,392	32,900
<b>Total Rental revenue</b>	<b>400,635</b>	<b>376,210</b>
<b>Rental expenses</b>		
Insurance	25,739	57,055
Property and building management	29,072	15,712
Rates	48,631	40,103
Repairs and maintenance	33,982	31,376
<b>Total Rental expenses</b>	<b>137,424</b>	<b>144,245</b>
<b>Operating surplus</b>	<b>263,211</b>	<b>231,965</b>
<b>2 Investment revenue</b>		
Interest received	96,625	172,184
Dividends received	42,295	20,530
PIE income	5,035	1,090
Overseas income	34,489	26,876
<b>Total Investment revenue</b>	<b>178,444</b>	<b>220,681</b>
<b>3 Other revenue</b>		
Funding - MACA	164,420	-
Sundry Income	52,048	6,225
Cultural monitoring	7,678	130,714
Summerset Villages	10,000	-
Grant income	54,861	137,532
<b>Total Other revenue</b>	<b>289,006</b>	<b>274,471</b>
<b>4 Employee related costs</b>		
ACC Levy	-	1,474
Kiwisaver Employer Contributions	1,854	13,317
Salaries & wages	398,002	494,888
<b>Total Employee related costs</b>	<b>399,857</b>	<b>509,679</b>
<b>5 Governance</b>		
<b>Trustee &amp; director fees</b>		
B Tatere	21,000	20,600
C Whare	11,657	16,441
F Grant	25,928	13,332
J Grant	933	34,934
R Te Moni	9,927	-
T McClurg	20,000	-
K Te Amo	-	3,301
R Te Amo	-	4,406
T Davies	-	23,000

# Notes to the Consolidated Financial Statements

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>5 Governance - continued</b>		
T Te Amo	-	40,659
T Matua	-	23,000
<b>Total trustee fees</b>	<b>90,378</b>	<b>179,673</b>
<b>Trustee &amp; director expenses</b>		
Development and training	-	2,217
Meeting Expenses	3,244	3,400
Travel Expenses	1,514	6,234
<b>Total Trustee &amp; director expenses</b>	<b>4,758</b>	<b>11,851</b>
<b>Total Governance</b>	<b>95,136</b>	<b>191,524</b>
<b>6 Other expenses</b>		
Accountancy fees	33,921	37,743
Audit Fees	17,570	16,076
Cleaning	3,920	3,046
Computer expenses	4,328	5,102
Consulting expenses	4,430	8,127
Contracted Services	26,939	134,063
Covid 19 expenses	22,249	-
Koha	5,287	3,300
Election expenses	-	2,663
Feasibility & Investment Business Cases	-	1,732
Interest	12,560	-
Leased equipment	4,381	4,620
Legal expenses	252,835	29,174
Licences & subscriptions	2,642	3,945
Light, Power, Heating	18,077	14,779
Management fees - investment	36,308	13,668
Meeting expenses	442	4,376
Motor vehicle expenses	10,374	4,835
Office expenses	15,035	4,453
Special projects	-	185
Staff expenses & training	1,690	4,708
Telephone & internet	7,349	7,860
Travel expenses	778	31,434
Website expenses	6,768	435
Other expenses	93,955	58,481
<b>Total Other expenses</b>	<b>581,838</b>	<b>394,805</b>
<b>7 Bank accounts and cash</b>		
ASB Bank accounts	11,964,325	6,478,497
Craigs Cash accounts	-	353,955
Other bank accounts	-	1,667,424
<b>Total Bank accounts and cash</b>	<b>11,964,325</b>	<b>8,499,876</b>
<b>8 Debtors and prepayments</b>		
Accrued interest	17,128	10,668
Prepayments	8,076	5,541
Receivables	33,945	8,850
<b>Total Debtors and prepayments</b>	<b>59,149</b>	<b>25,059</b>



# Notes to the Consolidated Financial Statements

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

	2022 \$	2021 \$
<b>9 Income tax</b>		
Net surplus before tax	2,120,130	6,968,479
Total tax adjustments	(2,477,091)	(5,163,631)
<b>Taxable surplus/(Deficit)</b>	<b>(356,961)</b>	<b>1,804,847</b>
<b>Income tax at 17.5%</b>	<b>-</b>	<b>315,848</b>
Less: Imputation credits received	10,806	9,458
Less: Provisional tax paid	288,124	46,210
Less: Tax paid at source	5,941	8,272
Less: RWT transfer from WGHP	5,896	21,653
Less: RWT transfer from WALP	361	1,202
Add: Imputation credits converted to losses	(10,806)	-
<b>Total current year tax refund/(payable)</b>	<b>300,322</b>	<b>(229,053)</b>
<b>Opening tax balance from prior year</b>	<b>(229,053)</b>	<b>(17,780)</b>
Plus: Terminal tax paid	288,123	81,344
Less: Tax refunded during the year	(59,930)	(63,564)
<b>Total prior year taxes refunded/(payable)</b>	<b>(860)</b>	<b>-</b>
<b>Total tax refunds/(payable)</b>	<b>299,463</b>	<b>(229,053)</b>
<b>Māori Authority Credit Account</b>		
Opening Balance	210,567	105,122
Plus RWT paid	12,198	31,127
Plus imputation credits	10,806	10,327
Plus tax paid	576,247	127,554
Less tax refunded	(59,930)	(63,564)
<b>Closing Balance</b>	<b>749,888</b>	<b>210,567</b>
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>10 Inventory</b>		
Project consumables	50,122	-
<b>Total inventory</b>	<b>50,122</b>	<b>-</b>

Inventory consists of consumables to be used in the rendering of DOC project services.





# Notes to the Consolidated Financial Statements

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>11 Related party transactions</b>		
<b>Waitaha Group Holdings Limited Partnership</b>		
Opening balance	22,058,453	20,119,733
Distributions	(500,000)	(500,000)
Share of profit/(loss)	1,304,819	643,653
Prior period adjustment - OCI adjustment	900,000	-
Prior period adjustment - Crop valuation recognition	(900,000)	-
Te Kopuroa Orchard Property valuation	-	1,140,000
Hapai Commercial Property LP valuation	-	676,720
RWT distributed to Te Kapu o Waitaha	(5,889)	(21,653)
<b>Closing balance</b>	<b>22,857,382</b>	<b>22,058,453</b>

During the year the Trust received \$22,425 (2021: \$22,425) from Waitaha Group Holdings Limited Partnership for administration services. The Waitaha Holdings Group Limited Partnership also charged a total of \$49,979 (2021: \$50,074) for rent and rental opex costs during the year. These transactions were entered into on normal commercial terms and are at market value.

The Trust is the only limited partner in the Waitaha Group Holdings Limited Partnership.

### Waitaha Assets Limited Partnership

Opening balance	4,985,207	5,099,544
RWT distributed to Te Kapu o Waitaha	(359)	(1,202)
Share of profit/(loss)	(47,304)	(113,135)
Share of other comprehensive income - Prior period adjustment 2021	(950,000)	-
Share of other comprehensive income	1,600,000	-
<b>Closing balance</b>	<b>5,587,544</b>	<b>4,985,207</b>

During the year the trust received \$20,700 from Waitaha Assets LP (2021: \$18,975) for administration services. These transactions were entered into on normal commercial terms and are at market value.

The Trust is the only limited partner in the Waitaha Assets Limited Partnership.

The Trust has made no further property advances to Waitaha Assets Limited Partnership. The loan is interest free and payable on demand.

	2022	2021
	\$	\$
<b>12 Te Kopuroa Orchard Property</b>		
Improvements	197,000	197,000
Land	3,350,000	3,350,000
Kiwifruit Licenses	1,580,000	1,580,000
Hayward Kiwifruit (excl crop)	1,401,000	1,401,000
Gold3 Kiwifruit (excl crop)	3,812,000	3,812,000
Estimated Crop value	-	900,000
<b>Total Kiwifruit Orchard as per valuation</b>	<b>10,340,000</b>	<b>11,240,000</b>
<b>Kiwifruit Orchard Capital Improvements</b>		
<b>Opening Balance 1 July 2021</b>	<b>43,197</b>	<b>-</b>
Additions	53,455	44,100
Depreciation Expense	(6,977)	(903)
<b>Closing Balance 30 June 2022</b>	<b>89,675</b>	<b>43,197</b>
<b>Total Kiwifruit Orchard with Capital Improvements</b>	<b>10,429,675</b>	<b>11,283,197</b>

The valuations are based on Telfer Young assessments as at 4 June 2021.



# Notes to the Consolidated Financial Statements

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

### 13 Non-current receivables

Opening balance	180,000	190,000
Amount received during the year	(10,000)	(10,000)
<b>Closing balance</b>	<b>170,000</b>	<b>180,000</b>

The purchaser of Te Hou Hou block has a commitment to make 20 annual payments of \$10,000 each to Te Kapu O Waitaha, one payment on each anniversary of the date the Retirement Village opens, until fully paid. Te Kapu O Waitaha shall hold such money on trust for the purposes of one or more scholarships awarded annually for training/educating Waitaha Iwi members in the areas of Health and Wellbeing including elderly care. The funds will be received by Te Kapu O Waitaha and transferred to be held on trust by Waitaha Charitable Trust for one or more scholarships awarded annually by Waitaha Charitable Trust.

### 14 Managed Portfolio Funds

#### Craigs Investment Portfolio

<b>Opening balance at 1 July 2021</b>	7,701,295	6,290,017
Contributions	1,038	1,500,000
Withdrawals	(5,935,047)	(620,000)
Net investment revenue	160,483	128,927
Revaluation gains/(losses)	(348,002)	854,244
Foreign exchange gains/(losses)	103,470	(70,660)
Taxes paid	(30,633)	(27,278)
Cash in managed portfolio	183,480	(353,955)
<b>Closing balance at 30 June 2022</b>	<b>1,836,084</b>	<b>7,701,295</b>

#### Eastpack Shares

<b>Opening balance at 1 July 2021</b>	109,093	109,093
<b>Closing balance at 30 June 2022</b>	<b>109,093</b>	<b>109,093</b>

#### Hapai Commercial Property LP

<b>Opening balance at 1 July 2021</b>	3,011,757	-
Capital contributed	222,037	2,364,099
Share of operating profit/(losses)	185,883	47,504
Share of other gains/(losses)	608,983	629,216
Less distributions	(180,570)	(29,062)
<b>Closing balance at 30 June 2022</b>	<b>3,848,090</b>	<b>3,011,757</b>

#### Hapai Housing LP

<b>Opening balance at 1 July 2021</b>	-	-
Capital contributed	544,284	-
Share of operating profit/(losses)	(826)	-
<b>Closing balance at 30 June 2022</b>	<b>543,458</b>	-

#### Total Manged Portfolio Funds

	<b>6,336,725</b>	<b>10,822,145</b>
<b>Total Revaluation gains/(losses)</b>	<b>(348,002)</b>	<b>854,244</b>
<b>Total Foreign exchange gains/(losses)</b>	<b>103,470</b>	<b>(70,660)</b>
<b>Total Share of operating profit/(losses)</b>	<b>185,057</b>	<b>47,504</b>
<b>Total Share of other gains/(losses)</b>	<b>608,983</b>	<b>629,216</b>

# Notes to the Consolidated Financial Statements

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

### 15 Property, plant and equipment

	Intangible Assets	DOC Assets	Motor Vehicles	Office Equipment	Total
<b>2022</b>					
Cost	25,000	12,971	13,671	50,291	101,933
Additions	-	14,010	-	17,019	31,029
Disposals	-	-	-	(739)	(739)
Accumulated depreciation	(6,667)	(3,717)	(12,630)	(46,719)	(69,732)
<b>Net book value</b>	<b>18,333</b>	<b>23,264</b>	<b>1,041</b>	<b>19,852</b>	<b>62,491</b>
<b>2021</b>					
Cost	-	-	13,671	41,276	54,947
Additions	25,000	12,971	-	9,015	46,986
Accumulated depreciation	(1,667)	(439)	(12,184)	(38,445)	(52,735)
<b>Net book value</b>	<b>23,333</b>	<b>12,532</b>	<b>1,488</b>	<b>11,846</b>	<b>49,199</b>

**2022** **2021**

\$ \$

### 16 Cultural & Commercial redress properties

Opening balance 1 July	8,383,500	10,172,500
Disposals	-	(1,789,000)
Revaluation	596,500	-
<b>Closing balance 30 June</b>	<b>8,980,000</b>	<b>8,383,500</b>

Commercial redress properties consist of land and buildings which were settled and transferred to the Trust in 2014 for a value of \$4,885,000. These properties are recorded at their last ratings valuation. The most recent valuation was in July 2022. Ratings valuations are carried out every three years.

Last year, the Trust advanced 2 Dunlop Rd, Te Puke and 1 Lenihan Drive, Papamoa to Waitaha Group Holdings LP for the market value of \$3,925,000. The properties had a carrying value of \$1,789,000.

Sales Proceeds	-	3,925,000
Less Carrying	-	(1,789,000)
<b>Gain on sale of property</b>	-	<b>2,136,000</b>

### 17 Investment properties

<b>Opening balance</b>	12,325,000	5,100,000
Additions: Transfer of 2 Dunlop Rd, Te Puke from TKoW	-	1,750,000
Additions: Transfer of 1 Lenihan Drive, Papamoa from TKoW	-	2,175,000
Additions: Purchase of 500 Manoeka Road, Te Puke from TKoW	1,352,192	-
Revaluation of 72B & 84 Simpson Rd, Papamoa	1,600,000	3,300,000
<b>Total Investment properties</b>	<b>15,277,192</b>	<b>12,325,000</b>

### 18 Development Costs - Waitaha Asset LP

Development Costs are Capital Works yet to be completed in relation to the subdivision on Simpson Rd, Papamoa. Upon completion of the Capital Works, these costs will be capitalised.

# Notes to the Consolidated Financial Statements

## Te Kapu o Waitaha Trust & Subsidiaries

For the year ended 30 June 2022

### 19 Department of Conservation Projects

<b>Government Funding - Department of Conservation</b>	<b>422,380</b>	<b>-</b>
<b>Expenses</b>		
Field operation supplies	7,474	-
Field Staff Contractors	3,500	-
Field Staff Salaries and personnel allowances	167,980	-
Kiwisaver Employer Contributions	2,343	-
Other Field Operations costs	63,146	-
Other Personnel Related Costs	6,673	-
Other project/programme related costs	55	-
Training Personnel protective equipment Uniforms	6,943	-
Vehicle and travel costs	423	-
<b>Total expenses</b>	<b>258,536</b>	<b>-</b>
<b>Net Surplus/(Deficit) carried forward</b>	<b>163,844</b>	<b>-</b>

The project work for the Department of Conservation began in the 2021 financial year. All project related funding and costs for 2021 were reported in Te Kapu o Waitaha Trust. From 1 July 2021 all project funding and costs were completed by Waitaha Charitable Trust.

During the year Waitaha Charitable Trust received funding from the Department of Conservation to carry out environmental related project work. Total revenue received during the year was \$422,380. Of this funding, a total of \$258,536 was recognised in this financial year.

At balance date, \$163,844 of funding had not been utilised. This has been carried forward to the next financial year as income in advance.

### 20 Creditors and accrued expenses

Credit cards	361	-
Creditors	58,878	88,467
GST due for payment	18,176	10,531
<b>Total Creditors and accrued expenses</b>	<b>77,415</b>	<b>98,998</b>

### 21 Capital commitments

Te Kapu o Waitaha Trust has an operating lease for a motor vehicle with \$25,232 outstanding at balance date (2021: The Limited Partnership committed to purchase Eastpack shares due June 2021 and June 2022).

### 22 Subsequent events

There were no subsequent events after balance date (2021: After balance date, the Trust transferred two properties at market value to Waitaha Group Holdings LP).

### 23 Covid 19

The trustees have considered the impact of the Covid 19 global pandemic on the Trust's business activities and consider the threat to be minimal in this regard.

### 24 Prior period adjustment

The prior period adjustment relates to a valuation of the kiwifruit crop that should have been recognized as an expense in the 2021 financial year. These costs have now been recognised as an adjustment in the current financial year through equity, in line with the special purpose reporting framework.

## **INDEPENDENT AUDITOR'S REPORT**

To the Beneficiaries of Te Kapu O Waitaha Trust & Subsidiaries

### **Reporting Entity**

The Reporting entity is Te Kapu O Waitaha Trust and the special purpose financial statements are made up of the Trust Parent entity and its wholly owned and controlled subsidiary entities that make up the "Trust Group" as follows:

Te Kapu O Waitaha Trust  
Waitaha Group holdings Limited Partnership  
Waitaha Assets Limited Partnership  
Waitaha Charitable Trust

### **Opinion**

We have audited the financial statements of Te Kapu O Waitaha Trust & Subsidiaries (the Trust Group) on pages 7 to 19, which comprise the consolidated statement of financial position as at 30 June 2022, the consolidated statement of Profit and Loss, consolidated statement of movements in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Trust Group for the year ended 30 June 2022 are prepared, in all material respects, in accordance with the *Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR-FPE)*, issued by Chartered Accountants Australia & New Zealand.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust Group in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust Group.

### **Other Matter – Basis of Preparation**

We draw attention to Note [a] on page 10 which describes the basis of preparation of the financial statements that have been prepared for the Beneficiaries and for taxation purposes and as a result, the financial statements may not be suitable for another purpose.

### **Restriction on Responsibility**

This report is made solely to the Trustees & Beneficiaries, as a body, in accordance with the trust deed. Our audit work has been undertaken so that we might state to the Trustee & Beneficiaries those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees & Beneficiaries as a body, for our audit work, for this report, or for the opinions we have formed.



### **Responsibilities of the Trustees for the Financial Statements**

The Trustees are responsible on behalf of the Trust for determining that the *SPFR-FPE* Framework adopted is acceptable in the Trust's circumstances, for the preparation of the financial statements in accordance with *SPFR-FPE* and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**


Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. Fred Cookson is the audit engagement partner.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/>

### **Other Regulatory Matter – Financial Reporting Compliance**

Te Kapu O Waitaha Trust is pursuant to the Waitaha Deed of Settlement signed with the Crown on 20 November 2011. The Trust operates in accordance with Te Kapu O Waitaha Trust Charter dated 27 April 2014. These special purpose financial statements have been prepared and audited in accordance with clauses 9.1 and 9.2 of the Trust Charter.



### **Cookson Forbes & Associates Ltd**

Chartered Accountants  
96 Waioweka Road  
OPOTIKI, New Zealand

17<sup>th</sup> March 2023

# **Special Purpose Financial Statements**

**Te Kapu o Waitaha Trust**

For the year ended 30 June 2022

# Contents

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# Directory

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

### Legal Name of Entity

Te Kapu o Waitaha Trust

### IRD Number

111-994-625

### Physical Address

2 Dunlop Road, Te Puke

### Postal Address

Po Box 220, Te Puke

### Entity Type and Legal Basis

Te Kapu o Waitaha Trust is a trust established under the Waitaha Settlement Claims Act 2013. It was created by Deed of Trust dated 20 September 2011.

### Entity's Purpose

The purposes for which the trust is established are to receive, manage and administer the trust's assets on behalf of the beneficiaries in accordance with paragraph 2.4 of the trust charter.

As a result of negotiations and agreement with the crown and Waitaha Iwi, the trust is the mandated recipient, on behalf of Waitaha, of settlement assets under the Waitaha Settlement Claims Act 2013.

### Entity Structure

Te Kapu o Waitaha Trust is governed by a Board of Trustees. The current Trustees are as follows:

Frank Grant - Chairperson

Joshua Grant (resigned July 2021)

Retimana Te Moni

Carol Whare

### Accountants

GHA Ltd

Chartered Accountants

PO Box 1712

Rotorua

### Auditor

Cookson Forbes & Associates

Chartered Accountants

96 Waioweka Road

Opotiki

### Bankers

ASB Bank Limited

Tauranga

# Statement of Profit and Loss

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Revenue</b>			
Rental revenue	3	238,979	230,313
Investment revenue	4	56,090	69,805
Grant revenue		10,000	137,532
Funding - MACA		164,420	-
Other revenue	5	90,395	180,184
Changes in fair value of managed portfolio fund	13	-	406,774
Realised gain/(loss) on sale of managed portfolio fund	13	(141,528)	-
Foreign exchange gain/(loss) on sale of managed portfolio fund	13	49,133	-
Share of profit - Waitaha Group Holdings Limited Partnership	14	1,304,819	643,653
<b>Total Revenue</b>		<b>1,772,308</b>	<b>1,668,262</b>
<b>Expenses</b>			
Employee related costs	6	399,857	509,679
Depreciation		16,314	11,600
Governance	7	35,855	70,702
Conservation projects		956	43,285
Rental expenses	3	69,542	57,550
Other expenses	8	428,596	259,430
Share of loss - Waitaha Assets Limited Partnership	14	47,304	113,135
<b>Total Expenses</b>		<b>998,425</b>	<b>1,065,382</b>
<b>Net profit/(loss) before exceptional items</b>		<b>773,883</b>	<b>602,880</b>
<b>Exceptional items</b>			
Gain/(Loss) upon transfer of investment property	17	-	2,136,000
Capital gain/(loss) on sale of managed portfolio fund		3,545	-
Grants and donations made		(19,536)	(22,602)
Non-deductible prior year tax adjustment	11	(195,654)	(57,976)
<b>Total Exceptional items</b>		<b>(211,645)</b>	<b>2,055,422</b>
<b>Net profit/(loss) after exceptional items</b>		<b>562,238</b>	<b>2,658,302</b>
Tax expense	11	-	(110,736)
<b>Net profit/(loss) after tax and exceptional items</b>		<b>562,238</b>	<b>2,547,567</b>



*This Statement is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.*



# Statement of Financial Position

## Te Kapu o Waitaha Trust

As at 30 June 2022

	Notes	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Bank accounts and cash	9	2,371,491	688,394
Debtors and prepayments	10	26,776	119,361
Income tax refund due	11	299,463	-
<b>Total Current assets</b>		<b>2,697,730</b>	<b>807,755</b>
<b>Non current assets</b>			
Non current receivables	15	170,000	180,000
Property, plant and equipment	16	49,882	49,199
Managed portfolio fund	13	30,434	3,308,240
Commercial redress properties	17	8,980,000	8,383,500
Investment properties	18	1,352,192	-
Investment in associate	14	28,444,925	27,043,659
Related party advances	12	3,925,000	3,925,000
<b>Total non-current assets</b>		<b>42,952,433</b>	<b>42,889,599</b>
<b>Total Assets</b>		<b>45,650,163</b>	<b>43,697,354</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Creditors and accrued expenses	19	43,555	56,312
Income tax payable	11	-	33,399
Employee entitlements		37,982	33,347
Other current liabilities		275,983	180,000
Related party payables	12	88,131	-
<b>Total current liabilities</b>		<b>445,651</b>	<b>303,057</b>
<b>Total Liabilities</b>		<b>445,651</b>	<b>303,057</b>
<b>Net Assets / (Net Liabilities)</b>		<b>45,204,512</b>	<b>43,394,295</b>
<b>Equity</b>			
Investment revaluation reserve		17,464,037	15,316,058
Commercial redress settled		10,361,950	10,361,950
Retained earnings		17,378,525	17,716,287
<b>Total Accumulated Funds</b>		<b>45,204,512</b>	<b>43,394,295</b>

For and on behalf of the Trustees:

Chairman FRANK GRANT Trustee 7.

Date: 17 March 2023



*This Statement is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.*

# Statement of Movements in Equity

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

	Retained earnings	Asset revaluation reserve	Commercial & cultural redress settled	Total
	\$	\$	\$	\$
<b>Opening balance 1 July 2021</b>	<b>17,716,287</b>	<b>15,316,058</b>	<b>10,361,950</b>	<b>43,394,295</b>
Net profit / (loss)	562,238	-	-	562,238
Prior period adjustments	(900,000)	-	-	(900,000)
Movement in investments	-	2,147,979	-	2,147,979
<b>Closing balance 30 June 2022</b>	<b>17,378,525</b>	<b>17,464,037</b>	<b>10,361,950</b>	<b>45,204,512</b>
<b>Opening balance 1 July 2020</b>	<b>15,168,720</b>	<b>13,451,060</b>	<b>10,361,950</b>	<b>38,981,730</b>
Net profit / (loss)	2,547,567	-	-	2,547,567
Movement in investments	-	1,864,998	-	1,864,998
<b>Closing balance 30 June 2021</b>	<b>17,716,287</b>	<b>15,316,058</b>	<b>10,361,950</b>	<b>43,394,295</b>



*This Statement is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.*

# Notes to the Financial Statements

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

### 1 Reporting entity

These financial statements are for Te Kapu o Waitaha Trust ("the Trust"). The Trust was established under the Waitaha Settlement Claims Act 2013 and is domiciled in New Zealand.

### 2 Statement of Accounting Policies

#### (a) Basis of preparation

These financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand. NZIFRS 12 has been adopted in accounting for Investments in associates and disclosure of related party transactions concerning the subsidiary entities Waitaha Group Holdings LP and Waitaha Assets LP.

The financial statements have been prepared for the Trust's beneficiaries and taxation purposes.

#### (b) Historical cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

#### (c) GST

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

#### (d) Changes in accounting policies

The Trustees have elected to move from the "rateable value" model to the "fair value" model for the valuation of investment properties. This is a change in accounting policy for this class of asset and the impact of the change is reported in the statement of profit and loss as "Gain/(Loss) upon transfer of Investment Property".

There were no other changes to accounting policies during the year and all other policies have been applied on a consistent basis with those used in the previous year.

#### (e) Exceptional items

Exceptional items are large income and/or expense items that do not arise as a result of normal business operations and are not expected to recur. Exceptional items are disclosed in the statement of financial performance where the total value exceeds 5% of revenue.

#### (f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the Partnership and revenue can be reliably measured.

Lease income is recognised on a straight line basis over the life of the lease.

Interest received is recognised as interest accrues, gross of refundable tax credits received.

Dividends received are recognised on receipt, net of non-refundable tax credits.

#### (g) Accounts receivable

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

#### (h) Property, plant and equipment and commercial redress property

Property, plant and equipment is stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

Commercial redress properties are revalued on a cyclical basis every three years to their rateable value. Revaluation gains are transferred to the asset revaluation reserve for that class of assets. If any revaluation reserve has a deficit, that deficit is recognised in profit or loss in the period it arises. Any revaluation surplus that reverses previous revaluation deficits in subsequent periods is recognised as revenue in profit or loss.



# Notes to the Financial Statements

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

Where investment properties within the "cultural redress" property portfolio have been transferred to the Trust subsidiaries, the "fair value" model has been adopted because the property has changed classes.

All other repairs and maintenance expenditure is recognised in profit or loss as incurred.

Depreciation is calculated on a straight line/diminishing value basis over the estimated useful life of the asset using depreciation rates published by Inland Revenue. The following depreciation rates have been used:

Motor vehicles - 30% DV

Office equipment - 16-67% DV

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

For commercial redress properties, upon derecognition, the asset revaluation reserve relating to the asset disposed shall be transferred to retained earnings.

### *(i) Financial assets*

At initial recognition the Trust determines the classification of financial assets as either held at fair value, cost or amortised cost. Financial assets are measured initially at fair value, estimated at the transaction price less any associated transaction costs.

#### Amortised cost

Includes assets where the Trust intends to earn contractual cash flows in the nature of principal and interest payments. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

#### Cost

Equity instruments are classified as held at cost. Assets are stated at cost less any accumulated impairment loss. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired. The Trust did not designate any financial assets as held at cost.

#### Fair value

Financial assets not held at amortised cost or cost are held at fair value and include managed portfolio fund with Craigs Investment Partners. Assets are subsequently measured at fair value only when the fair value of the instrument can be reliably measured based on a quoted price for an identical asset in an active market. Where no active market price is available the instrument shall be measured at a prior year's fair value less any accumulated impairment loss.

Gains and losses are recognised in profit or loss for movements in the fair value of the assets and when the assets are derecognised.

### *(j) Financial liabilities*

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

### *(k) Income tax*

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue.

### *(l) Intangibles*

Intangibles are recorded at cost and amortised on a straight-line basis over their estimated useful life.



# Notes to the Financial Statements

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>3 Rental</b>		
<b>Rental revenue</b>		
Commercial	219,890	230,313
Residential	19,089	-
<b>Total Rental revenue</b>	<b>238,979</b>	<b>230,313</b>
<b>Rental expenses</b>		
Rental outgoings	6,148	4,842
Property and building management	10,489	1,393
Rent	43,285	43,285
Insurance	9,620	8,031
<b>Total Rental expenses</b>	<b>69,542</b>	<b>57,550</b>
<b>Operating surplus</b>	<b>169,437</b>	<b>172,764</b>
<b>4 Investment revenue</b>		
Interest received	16,243	28,148
Dividends received	16,060	18,347
PIE income	512	1,090
PIE excluded income	283	-
Overseas income	22,992	22,220
<b>Total Investment revenue</b>	<b>56,090</b>	<b>69,805</b>
<b>5 Other revenue</b>		
Administration fees	22,425	41,400
COVID revenue	18,000	-
Sundry revenue	42,255	8,070
Cultural monitoring	7,678	130,714
Gain/(Loss) on Sale	38	-
<b>Total Other revenue</b>	<b>90,395</b>	<b>180,184</b>
<b>6 Employee related costs</b>		
ACC Levy	1,854	1,474
Kiwisaver Employer Contributions	12,498	13,317
Salaries & wages	385,504	494,888
<b>Total Employee related costs</b>	<b>399,857</b>	<b>509,679</b>



# Notes to the Financial Statements

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

<b>7 Governance</b>		
<b>Trustee fees</b>		
C Whare	10,724	15,620
F Grant	10,928	12,823
K Te Amo	-	3,301
J Grant	933	11,424
T Te Amo	-	15,106
R Te Amo	-	4,406
R Te Moni	8,994	-
<b>Total trustee fees</b>	<b>31,580</b>	<b>62,680</b>
Board expenses	3,137	3,103
Board development & training	-	2,217
Trustee travel	1,138	2,702
<b>Total Governance</b>	<b>35,855</b>	<b>70,702</b>
	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>8 Other expenses</b>		
Accountancy fees	19,616	25,102
Audit Fees	8,717	7,090
Cleaning	3,920	3,046
Computer expenses	4,328	5,102
Contracted Services	23,579	130,770
Covid 19 expenses	16,103	-
Election expenses	-	2,663
Interest	12,560	-
Leased equipment	4,381	4,620
Legal expenses	26,877	15,842
Legal expenses - MACA	221,874	-
Licences & subscriptions	2,642	3,945
Light, Power, Heating	4,070	3,306
Management fees - investment	16,458	13,582
Meeting expenses	339	134
Motor vehicle expenses	10,374	4,835
Office expenses	14,808	3,935
Special projects & Feasibility business cases	-	185
Staff expenses & training	1,690	4,708
Telephone & internet	7,349	7,860
Trust travel	778	1,317
Website expenses	6,768	435
Other expenses	21,365	20,951
<b>Total Other expenses</b>	<b>428,596</b>	<b>259,430</b>
<b>9 Bank accounts and cash</b>		
ASB bank accounts	2,293,020	504,914
Craigs Investment Portfolio Call account	-	183,480
Visa Business	78,471	-
<b>Total Bank accounts and cash</b>	<b>2,371,491</b>	<b>688,394</b>





# Notes to the Financial Statements

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

### 10 Debtors and prepayments

Accrued interest	-	5,186
Prepayments	1,915	1,288
Receivables	24,861	112,887
<b>Total Debtors and prepayments</b>	<b>26,776</b>	<b>119,361</b>

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>11 Income tax</b>		
Net surplus before tax	562,238	2,658,302
Total tax adjustments	(1,760,929)	(1,995,141)
<b>Taxable surplus/(Deficit)</b>	<b>(1,198,691)</b>	<b>663,161</b>
Income tax at 17.5%	-	116,053
Less: Imputation credits	10,806	5,318
Less: Provisional tax paid	288,124	46,210
Less: Tax paid at source	5,941	8,272
Less: RWT transfer from WGHLP	5,896	21,653
Less: RWT transfer from WALP	361	1,202
Add: Imputation credits converted to losses	(10,806)	-
<b>Total current year tax refund/(payable)</b>	<b>300,322</b>	<b>(33,398)</b>
<b>Prior year tax balance</b>	<b>(33,399)</b>	<b>40,607</b>
Less: Terminal tax paid	288,123	80,924
Less: Tax refunded during the year	(59,930)	(63,555)
Less: Prior Period Tax Adjustment	(195,654)	(57,976)
<b>Total prior year tax balance</b>	<b>(860)</b>	<b>-</b>
<b>Total closing tax refund/(payable)</b>	<b>299,463</b>	<b>(33,399)</b>
<b>Maori Authority Credit Account</b>		
Opening Balance	197,947	51,282
Income tax refunded	(59,930)	(63,555)
Income tax paid	576,246	80,924
Provisional tax paid	-	46,210
RWT paid	5,940	8,272
Imputation credits	9,486	5,318
RWT from WGHLP	5,895	21,653
Imputation credits WGHLP	1,320	-
Prior year RWT from WGHLP not included	-	46,641
RWT from WALP	360	1,202
<b>Closing Balance</b>	<b>737,264</b>	<b>197,947</b>



# Notes to the Financial Statements

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>12 Related party advances</b>		
<b>Waitaha Charitable Trust</b>		
Opening balance	-	-
Advances to/(from)	(88,131)	-
<b>Closing balance</b>	<b>(88,131)</b>	<b>-</b>

During the year, the Trust made no distributions to Waitaha Charitable Trust (2021: \$nil). Any transactions entered into are done so on normal commercial terms and are at market value. All balances are repayable on demand.

### Waitaha Group Holdings LP

Opening balance	3,925,000	-
Advance of property to WGHLP	-	3,925,000
<b>Closing Balance</b>	<b>3,925,000</b>	<b>3,925,000</b>

In 2021 the Trust transferred two investment properties to the Limited Partnership at market value of \$3,925,000. A deed of debt was entered into and the loan is interest free and is payable on written demand by the Trust. No further property advances have been made to Waitaha Group holdings Limited Partnership during the year.

<b>Total Related Party Advances</b>	<b>3,836,869</b>	<b>3,925,000</b>
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### 13 Managed Portfolio Fund

<b>Available-for-sale financial assets</b>		
Opening balance at 1 July 2021	3,308,240	2,546,735
Contributions	1,038	1,000,000
Withdrawals	(3,412,671)	(500,000)
Net investment revenue	62,333	56,030
Revaluation gains/(losses)	(141,528)	443,994
Foreign exchange gains/(losses)	49,133	(37,219)
Taxes paid	(19,591)	(17,820)
Cash in managed portfolio	183,480	(183,480)
<b>Total Available-for-sale financial assets</b>	<b>30,434</b>	<b>3,308,240</b>

The above investments represents managed funds held with Craigs Investment Partners and are valued at fair value at balance date.



# Notes to the Financial Statements

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>14 Investment in Associates</b>		
<b>Waitaha Group Holdings Limited Partnership</b>		
Opening balance	22,058,452	20,119,733
Distributions	(500,000)	(500,000)
Share of profit/(loss)	1,304,819	643,653
Prior period adjustment - OCI adjustment	900,000	-
Prior period adjustment - Crop valuation recognition	(900,000)	-
Te Kopuroa property valuation	-	1,140,000
Hapai Commercial Property LP valuation	-	676,720
RWT distributed to Te Kapu o Waitaha	(5,889)	(21,653)
<b>Balance at 30 June</b>	<b>22,857,381</b>	<b>22,058,452</b>

During the year the Trust received \$22,425 (2021: \$22,425) from Waitaha Group Holdings Limited Partnership for administration services. These transactions were entered into on normal commercial terms and are at market value.

The Trust is the only limited partner in the Waitaha Group Holdings Limited Partnership.

### Waitaha Assets LP

Opening balance	4,985,207	5,099,544
RWT distributed to Te Kapu o Waitaha	(359)	(1,202)
Share of profit/(loss)	(47,304)	(113,135)
Share of other comprehensive income - Prior period adjustment 2021	(950,000)	-
Share of other comprehensive income	1,600,000	-
<b>Closing balance</b>	<b>5,587,544</b>	<b>4,985,207</b>

During the year the Trust has made no further cash or property advances to Waitaha Assets Limited Partnership (2021: \$nil). The advance is interest free and payable on demand.

During the year the trust received \$20,700 from Waitaha Assets LP (2021: \$18,975) for administration services.

<b>Total investment in associates</b>	<b>28,444,925</b>	<b>27,043,659</b>
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### 15 Non current receivables

Opening balance	180,000	190,000
Amount received during the year	(10,000)	(10,000)
<b>Closing balance</b>	<b>170,000</b>	<b>180,000</b>

The purchaser of Te Hou Hou block has a commitment to make 20 annual payments of \$10,000 each to Te Kapu o Waitaha, one payment on each anniversary of the date the Retirement Village opens, until fully paid. Te Kapu o Waitaha shall hold such money on trust for the purposes of one or more scholarships awarded annually by the Te Kapu o Waitaha for training/educating Waitaha Iwi members in the areas of Health and Wellbeing including elderly care. The funds will be received by Te Kapu o Waitaha and transferred to be held on trust by Waitaha Charitable Trust for one or more scholarships awarded annually by Waitaha Charitable Trust.



# Notes to the Financial Statements

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

### 16 Property, plant and equipment

	Intangible Assets \$	DOC Assets \$	Motor Vehicles \$	Office Equipment \$	Total \$
<b>2022</b>					
Cost	25,000	12,971	13,671	50,291	101,933
Additions	-	-	-	17,019	17,019
Disposals	-	-	-	(739)	(739)
Accumulated depreciation	(6,667)	(2,316)	(12,630)	(46,719)	(68,331)
<b>Net book value</b>	<b>18,333</b>	<b>10,655</b>	<b>1,041</b>	<b>19,852</b>	<b>49,882</b>
<b>2021</b>					
Cost	-	-	13,671	41,276	54,947
Additions	25,000	12,971	-	9,015	46,986
Accumulated depreciation	(1,667)	(439)	(12,184)	(38,445)	(52,735)
<b>Net book value</b>	<b>23,333</b>	<b>12,532</b>	<b>1,487</b>	<b>11,846</b>	<b>49,198</b>
				<b>2022</b>	<b>2021</b>
				\$	\$

### 17 Cultural & Commercial redress properties

Opening balance	8,383,500	10,172,500
Disposals	-	(1,789,000)
Revaluation	596,500	-
Closing balance	<b>8,980,000</b>	<b>8,383,500</b>

Commercial redress properties consist of land and buildings which were settled and transferred to the Trust in 2014 for a value of \$4,885,000. These properties are recorded at their last ratings valuation. The most recent valuation was in July 2022.

Last year the Trust advanced 2 Dunlop Rd, Te Puke and 1 Lenihan Drive, Papamoa to Waitaha Group Holdings LP for the market value of \$3,925,000. The properties had a carrying value of \$1,789,000.

Investment Property - revalued to Fair Value upon transfer to WGHLP	-	3,925,000
Less Carrying value	-	(1,789,000)
Gain/(Loss) upon transfer of Investment Property	-	<b>2,136,000</b>

### 18 Investment property

Opening balance 1 July	-	-
Additions	1,352,192	-
<b>Balance at 30 June</b>	<b>1,352,192</b>	-

During the year the residential property at 500 Manoeka Rd, Te Puke was purchased. The property was purchased with the intention to use it as a residential rental property.



# Notes to the Financial Statements

## Te Kapu o Waitaha Trust

For the year ended 30 June 2022

### 19 Creditors and accrued expenses

Accrued expenses	-	-
Credit cards	-	2,034
Creditors	9,542	19,905
GST due for payment	34,013	34,372
<b>Total Creditors and accrued expenses</b>	<b>43,555</b>	<b>56,312</b>

### 20 Capital commitments

At balance date there are no known capital commitments (2021: \$Nil).

### 21 Subsequent events

There were no events after balance date that would impact the financial statements. (2021: Nil).

### 22 Covid 19

The trustees have considered the impact of the Covid 19 global pandemic on the Trust's business activities and consider the threat to be minimal in this regard.

### 23 Department of Conservation Projects

The project work for the Department of Conservation began in the 2021 financial year. All project related funding and costs for 2021 were reported in Te Kapu o Waitaha Trust. From 1 July 2021 all project works were completed by Waitaha Charitable Trust and associated funding and costs have been reported in the Charitable Trust accounts.



## **INDEPENDENT AUDITOR'S REPORT**

To the Beneficiaries of Te Kapu O Waitaha Trust

### **Reporting Entity**

The Reporting entity is Te Kapu O Waitaha Trust and the financial statements have been prepared and audited in accordance with the Trust Charter.

### **Opinion**

We have audited the financial statements of Te Kapu O Waitaha Trust (the Trust) on pages 4 to 15, which comprise the statement of financial position as at 30 June 2022, the statement of profit and loss, statement of movements in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Trust for the year ended 30 June 2022 are prepared, in all material respects, in accordance with the *Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR-FPE)*, issued by Chartered Accountants Australia & New Zealand.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

### **Other Matter – Basis of Preparation**

We draw attention to Note 2 [a] on page 7 which describes the basis of preparation of the financial statements that have been prepared for the Beneficiaries and for taxation purposes and as a result, the financial statements may not be suitable for another purpose.

### **Restriction on Responsibility**

This report is made solely to the Trustees & Beneficiaries, as a body, in accordance with the trust deed. Our audit work has been undertaken so that we might state to the Trustee & Beneficiaries those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees & Beneficiaries as a body, for our audit work, for this report, or for the opinions we have formed.

### **Responsibilities of the Trustees for the Financial Statements**

The Trustees are responsible on behalf of the Trust for determining that the *SPFR-FPE* Framework adopted is acceptable in the Trust's circumstances, for the preparation of the financial statements in accordance with *SPFR-FPE* and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Responsibilities of the Trustees for the Financial Statements - continued**

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. Fred Cookson is the audit engagement partner.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/>

### **Other Regulatory Matter – Financial Reporting Compliance**

Te Kapu O Waitaha Trust is pursuant to the Waitaha Deed of Settlement signed with the Crown on 20 November 2011. The Trust operates in accordance with Te Kapu O Waitaha Trust Charter dated 27 April 2014. These special purpose financial statements have been prepared and audited in accordance with clauses 9.1 and 9.2 of the Trust Charter.



### **Cookson Forbes & Associates Ltd**

Chartered Accountants  
96 Waioweka Road  
OPOTIKI, New Zealand

17<sup>th</sup> March 2023

# **Special Purpose Financial Statements**

## **Waitaha Group Holdings Limited Partnership**

For the year ended 30 June 2022



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- 3** Directory
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- 7** Statement of Accounting Policies
- 9** Notes to the Financial Statements
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# Directory

## Waitaha Group Holdings Limited Partnership

As at 30 June 2022

<b>Nature of business</b>	Investments & property management Kiwifruit grower
<b>Address for service</b>	2 Dunlop Road Te Puke
<b>Registered office</b>	2 Dunlop Road Te Puke
<b>Directors</b>	Brad Tatere (resigned June 2021, appointed August 2021) Frank Grant (appointed July 2021) Thomas McClurg (appointed August 2021) Joshua Grant (resigned July 2021) Tania Matua (resigned June 2021) Thomas Davies (resigned June 2021) Tonty Tony Te Amo (resigned May 2021)
<b>Accountants</b>	GHA Ltd Chartered Accountants 1108 Fenton Street Rotorua
<b>Auditors</b>	Cookson Forbes & Associates Chartered Accountants 96 Waioweka Road Opotiki
<b>Bankers</b>	ASB Te Puke
<b>Date of Formation</b>	10 November 2017
<b>General Partner</b>	Waitaha Management Limited
<b>Limited Partner</b>	Te Kapu o Waitaha Trust

# Statement of Profit and Loss

## Waitaha Group Holdings Limited Partnership

For the year ended 30 June 2022

	Notes	2022	2021
		\$	\$
<b>Revenue</b>			
Property revenue	1	188,684	183,650
Kiwifruit revenue	1	1,322,968	1,265,742
Investment revenue	2	34,014	126,552
Other revenue		4,000	6,155
Share of Profit/(Loss) in Hapai Commercial Property LP	9	185,883	47,504
Share of Profit/(Loss) in Hapai Housing LP	10	(826)	-
<b>Total Revenue</b>		<b>1,734,724</b>	<b>1,629,603</b>
<b>Expenses</b>			
Property expenses	3	109,333	138,442
Kiwifruit expenses	3	818,092	682,244
Operating expenses	4	72,127	57,137
Governance expenses	5	32,361	59,716
Depreciation		6,977	903
<b>Total Expenses</b>		<b>1,038,890</b>	<b>938,446</b>
<b>Operating profit/(loss) for the period</b>		<b>695,834</b>	<b>691,157</b>
<b>Exceptional Items</b>			
Gain/(Loss) on revaluation of Te Kopuroa Orchard		-	2,040,000
Share of Other Gains & (Losses) in Hapai Commercial Property LP	9	608,984	629,216
<b>Total Exceptional Items</b>		<b>608,984</b>	<b>2,669,216</b>
<b>Net profit/(loss) for the period</b>		<b>1,304,819</b>	<b>3,360,373</b>



This Statement is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.

# Statement of Movements in Net Assets Attributable to Limited Partners

## Waitaha Group Holdings Limited Partnership

For the year ended 30 June 2022

	Note	Limited Partners' Committed Capital	Retained Earnings	Total
		\$	\$	\$
<b>Opening balance 1 July 2021</b>		<b>19,204,726</b>	<b>3,753,727</b>	<b>22,958,454</b>
Distributions made		(500,000)	-	(500,000)
Net profit for the period		-	1,304,819	1,304,819
Prior period adjustment	8	-	(900,000)	(900,000)
Resident withholding tax distributed to partner		-	(5,889)	(5,889)
<b>Closing balance 30 June 2022</b>		<b>18,704,726</b>	<b>4,152,656</b>	<b>22,857,382</b>
<b>Opening balance 1 July 2020</b>		<b>19,704,726</b>	<b>415,007</b>	<b>20,119,734</b>
Distributions made		(500,000)	-	(500,000)
Net profit for the period		-	3,360,374	3,360,374
Resident withholding tax distributed to partner		-	(21,653)	(21,653)
<b>Closing balance 30 June 2021</b>		<b>19,204,726</b>	<b>3,753,727</b>	<b>22,958,454</b>



This Statement is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.

# Statement of Financial Position

## Waitaha Group Holdings Limited Partnership

As at 30 June 2022

	Notes	2022	2021
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	7,423,733	7,590,804
Trade and other receivables	7	9,868	8,641
Prepayments		5,829	5,199
<b>Total current assets</b>		<b>7,439,430</b>	<b>7,604,644</b>
<b>Non current assets</b>			
Eastpack Shares		109,093	109,093
Hapai Commercial Property LP	9	3,848,091	3,011,757
Hapai Housing LP	10	543,458	-
Investment Properties	14	3,925,000	3,925,000
Kiwifruit Orchard	13	10,429,675	11,283,197
Waitaha Assets LP Loan	15	1,100,000	1,100,000
<b>Total non-current assets</b>		<b>19,955,317</b>	<b>19,429,047</b>
<b>Total Assets</b>		<b>27,394,747</b>	<b>27,033,691</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade payables		23,027	86,633
GST payable		15,380	27,243
<b>Total Current liabilities</b>		<b>38,407</b>	<b>113,876</b>
<b>Non current liabilities</b>			
Eastpack share commitment		-	36,364
Te Kapu o Waitaha Loan	15	3,925,000	3,925,000
Waitaha Assets LP	11	573,962	-
<b>Total Current liabilities</b>		<b>4,498,962</b>	<b>3,961,364</b>
<b>Total Liabilities</b>		<b>4,537,368</b>	<b>4,075,240</b>
<b>Net assets attributable to limited partners</b>		<b>22,857,382</b>	<b>22,958,454</b>
<b>Partners' funds</b>			
Partners' advance accounts	8	22,857,382	22,958,454
<b>Total Partners' funds</b>		<b>22,857,382</b>	<b>22,958,454</b>

Partner

Partner

Date: 13 March 2023



This Statement is to be read in conjunction with the Notes to the Financial Statements, and the accompanying Audit Report.

# Statement of Accounting Policies

## Waitaha Group Holdings Limited Partnership

For the year ended 30 June 2022

### Reporting entity

These financial statements are for the Waitaha Group Holdings Limited Partnership ("Partnership") established under the Limited Partnerships Act 2008 and in accordance with the Limited Partnership agreement dated 10 November 2017. Waitaha Group Holdings Limited Partnership is engaged in investments, property management, and growing Kiwifruit.

### Statement of Accounting Policies

#### *(a) Basis of preparation*

These are special purpose financial statements prepared in accordance with the special purpose financial reporting framework published by Chartered Accountants Australia and New Zealand and are for the sole use of the directors and general partner and for taxation purposes. They should not be relied upon by any other third party without the approval of the directors of the general partner.

#### *(b) Historical cost*

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

#### *(c) GST*

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

#### *(d) Changes in accounting policies*

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

#### *(e) Revenue recognition*

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the Partnership and revenue can be reliably measured.

Lease income is recognised on a straight line basis over the life of the lease.

Interest received is recognised as interest accrues, gross of refundable tax credits received.

#### *(f) Accounts receivable*

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

#### *(g) Financial assets*

At initial recognition the Partnership determines the classification of financial assets as either held at fair value, cost or amortised cost. Financial assets are measured initially at fair value, estimated at the transaction price less any associated transaction

#### Amortised cost

Includes assets where the company intends to earn contractual cash flows in the nature of principal and interest payments. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

#### Cost

Equity instruments are classified as held at cost. Assets are stated at cost less any accumulated impairment loss. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired.



# Statement of Accounting Policies

## Waitaha Group Holdings Limited Partnership

For the year ended 30 June 2022

### Statement of Accounting Policies (continued)

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#### Fair Value

Financial assets not held at amortised cost or cost, are held at fair value and include financial derivatives such as forward contracts and interest rate swaps. Assets are subsequently measured at fair value only when the fair value of the instrument can be reliably measured based on a quoted price for an identical asset in an active market. Where no active market price is available the instrument shall be measured at fair value for a prior year less any accumulated impairment loss.

Gains and losses are recognised in profit or loss for movements in the fair value of the assets and when the assets are derecognised.

#### *(h) Liabilities*

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

#### *(i) Kiwifruit Property - Te Kopuroa Orchard 528C Te Puke Highway*

Te Kopuroa kiwifruit orchard property was purchased, including the 2019 kiwifruit crop and settled on 31 July 2019. It is owned freehold by the limited partnership and has been revalued to market value in accordance with the Telfer Young valuation report dated 4 June 2021. The revaluation movement has been reported in the statement of Profit & Loss in accordance with special purpose financial reporting.

#### *(j) Intangible assets*

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

#### *(k) Investment Properties - 2 Dunlop Rd, Te Puke & 1 Lenihan Dr, Te Puke*

Investment properties are held to earn rental income for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in surplus or deficit. Fair value is determined triennially using an independent, professionally accredited property valuer.

#### *(l) Investment*

The results, assets and liabilities of investment are incorporated in these financial statements using the equity method of accounting. Under the equity method, the investment is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the Limited Partnership's share of the profit or loss and other comprehensive income of the investment.



# Notes to the Financial Statements

## Waitaha Group Holdings Limited Partnership

For the year ended 30 June 2022

	2022 \$	2021 \$
<b>1 Revenue</b>		
<b>Property revenue</b>		
Commercial property leases	139,599	139,120
Reimbursement of tenant expenses	49,086	44,531
<b>Total Property revenue</b>	<b>188,684</b>	<b>183,650</b>
<b>Kiwifruit revenue</b>		
Kiwifruit sales - Hayward	373,596	335,230
Kiwifruit sales - G3	949,372	930,512
<b>Total Kiwifruit revenue</b>	<b>1,322,968</b>	<b>1,265,742</b>
<b>2 Investment revenue</b>		
Interest received	30,620	124,370
Dividends received	3,394	2,182
<b>Total Investment Revenue</b>	<b>34,014</b>	<b>126,552</b>
<b>3 Expenses</b>		
<b>Property expenses</b>		
Insurance	18,995	53,021
Light, power, heating	14,007	11,395
Property management	16,682	11,611
Property valuation	-	8,253
Rates	26,148	24,878
Repairs and maintenance	33,502	29,284
<b>Total Property expenses</b>	<b>109,333</b>	<b>138,442</b>
<b>Kiwifruit expenses</b>		
Kiwifruit expenses	818,092	682,244
<b>Total Kiwifruit expenses</b>	<b>818,092</b>	<b>682,244</b>
<b>4 Operating expenses</b>		
Accounting fees	5,362	8,255
Audit fees	4,805	4,893
Bank fees	161	177
Catering	-	147
Consulting expenses	4,430	8,127
Contracted services	3,360	3,293
Feasibility and investment business cases	-	1,732
Health and safety	-	10
Koha	-	220
Legal expenses	4,084	3,626
Office expenses	22,425	26,525
Portfolio management fees	27,500	-
Travel expenses	-	134
<b>Total Operating expenses</b>	<b>72,127</b>	<b>57,138</b>





# Notes to the Financial Statements

## Waitaha Group Holdings Limited Partnership

For the year ended 30 June 2022

	2022 \$	2021 \$
<b>5 Governance Expenses</b>		
<b>Directors fees</b>		
B Tatere	11,000	11,300
T McClurg	12,000	-
F Grant	9,000	-
T Davies	-	12,000
J Grant	-	12,000
T Mahuta	-	12,000
T Te Amo	-	10,000
<b>Total Directors fees</b>	<b>32,000</b>	<b>57,300</b>
<b>Director expenses</b>		
Director Meeting Expenses	53	201
Director Travel	308	2,216
<b>Total Director expenses</b>	<b>361</b>	<b>2,417</b>
<b>Total Governance Expenses</b>	<b>32,361</b>	<b>59,717</b>
<b>6 Cash and cash equivalents</b>		
ASB business account	5,526,217	4,589,227
ASB saver account	-	541,845
Kopuroa Orchard Operating account	889,172	1,459,733
Term deposits	1,008,353	1,000,000
Visa Business	(10)	-
<b>Total Cash and cash equivalents</b>	<b>7,423,733</b>	<b>7,590,804</b>
<b>7 Trade and other receivables</b>		
Accounts receivable	9,084	6,172
Accrued interest	783	2,468
<b>Total trade and other receivables</b>	<b>9,868</b>	<b>8,641</b>
<b>8 Partners' advance accounts</b>	<b>Note</b>	
<b>Te Kapu o Waitaha Trust</b>		
Opening balance	22,958,454	20,119,734
Capital distributions	(500,000)	(500,000)
Net Profit/(loss) for the period	1,304,819	3,360,371
Prior period adjustment	<b>19</b> (900,000)	-
RWT distributed	(5,889)	(21,653)
<b>Closing balance</b>	<b>22,857,382</b>	<b>22,958,454</b>

In 2019 the sole partner Te Kapu O Waitaha Trust resolved to introduce capital of \$20,000,000 for the purpose of asset acquisition by the Limited Partnership. The total amount introduced is treated as equity with no caveats or repayment obligations attached.



# Notes to the Financial Statements

## Waitaha Group Holdings Limited Partnership

For the year ended 30 June 2022

	2022 \$	2021 \$
<b>9 Hapai Commercial Property LP</b>		
Opening balance	3,011,757	-
Capital Contributed	222,037	2,364,099
Share of Operating Profit	185,883	47,504
Share of Other Gains & (Losses)	608,984	629,216
Less Distributions	(180,570)	(29,062)
<b>Closing Hapai Commercial Property LP</b>	<b>3,848,091</b>	<b>3,011,757</b>

Waitaha Group Holdings LP has a 2.94% share in Hapai Commercial Property LP.

	\$	\$
<b>10 Hapai Housing LP</b>		
Opening balance	-	-
Capital Contributed	544,284	-
Share of Operating Profit	(826)	-
<b>Closing Hapai Housing LP</b>	<b>543,458</b>	<b>-</b>

Waitaha Group Holdings LP invested in Hapai Housing LP for a 3.93% share of the Limited Partnership.

	\$	\$
<b>11 Waitaha Assets LP</b>		
Opening balance	-	-
Advance	573,962	-
<b>Closing Waitaha Assets LP</b>	<b>573,962</b>	<b>-</b>

<b>12 Share of Profit to Partners</b>		
Net profit/(loss)	1,304,819	3,360,373
<b>Share of profit/(loss)</b>	<b>1,304,819</b>	<b>3,360,373</b>
<b>Distributed as follows:</b>		
Te Kapu o Waitaha Trust	1,304,819	3,360,373
<b>Total Distributed</b>	<b>1,304,819</b>	<b>3,360,373</b>

<b>13 Kiwifruit Orchard</b>		
Improvements	197,000	197,000
Land	3,350,000	3,350,000
Kiwifruit Licenses	1,580,000	1,580,000
Hayward Kiwifruit (excl crop)	1,401,000	1,401,000
Gold3 Kiwifruit (excl crop)	3,812,000	3,812,000
Estimated Crop value	-	900,000
<b>Total Kiwifruit Orchard as per valuation</b>	<b>10,340,000</b>	<b>11,240,000</b>

### Kiwifruit Orchard Capital Improvements

<b>Opening Balance 1 July 2020</b>	<b>43,197</b>	<b>-</b>
Additions	53,455	44,100
Depreciation Expense	(6,977)	(903)
<b>Closing Balance 30 June</b>	<b>89,675</b>	<b>43,197</b>
<b>Total Kiwifruit Orchard with Capital Improvements</b>	<b>10,429,675</b>	<b>11,283,197</b>

The valuations are based on Telfer Young assessments as at 4 June 2021.



# Notes to the Financial Statements

## Waitaha Group Holdings Limited Partnership

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>14 Investment Property</b>		
Opening balance	3,925,000	-
Additions	-	3,925,000
Revaluation to fair value	-	-
<b>Closing balance</b>	<b>3,925,000</b>	<b>3,925,000</b>

The properties at 2 Dunlop Rd, Te Puke and 1 Lenihan Drive, Papamoa were transferred at market value in 2021 from Te Kapu o Waitaha Trust. Independent valuations are carried out every three years.

### 15 Related parties

Last year, Te Kapu o Waitaha Trust transferred two investment properties to the Limited Partnership at market value of \$3,925,000. A deed of debt was entered into and the loan is interest free and is payable on written demand by the Trust.

The Limited Partnership has loaned \$1,100,000 to Waitaha Asset LP for the purpose of asset acquisition. The loan is interest free and is payable on written demand by the Limited Partnership. Other than those disclosed in notes 8 and 11 above, no other related party transactions took place.

### 16 Capital commitments

The Limited Partnership has the following capital commitments at balance date:

Private Equity Fund	Committed Capital	Paid Capital	Uncalled Capital
Hapai Commercial Property LP	\$3,000,000	\$2,586,136	\$413,864
Hapai Housing LP	\$2,000,000	\$544,284	\$1,455,716

Apart from the above, there are no other capital commitments as at balance date.

### 17 Subsequent events

There were no other events occurred subsequent to balance date which would impact on the financial statements (2021: nil).

### 18 Covid 19

The directors have considered the impact of the Covid-19 global pandemic on the company's business activities and consider the threat to be minimal in this regard.

### 19 Prior Period Adjustment

The prior period adjustment relates to a valuation of the kiwifruit crop that should have been recognized as an expense in the 2021 financial year. These costs have now been recognised as an adjustment in the current financial year through equity, in line with the special purpose reporting framework.



## **INDEPENDENT AUDITOR'S REPORT**

To the Partner in Waitaha Group Holdings Limited Partnership

### **Reporting Entity**

The reporting entity is Waitaha Group Holdings Limited Partnership and these financial statements have been prepared and audited in accordance with the limited partnership agreement.

### **Opinion**

We have audited the financial statements of Waitaha Group Holdings Limited Partnership (the Limited Partnership) on pages 4 to 12, which comprise the statement of financial position as at 30 June 2022, the statement of profit and loss, statement of movements in net assets attributable to limited partner for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Limited Partnership for the year ended 30 June 2022 are prepared, in all material respects, in accordance with *Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR for FPEs)*, issued by Chartered Accountants Australia & New Zealand.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described below in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Limited Partnership in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We reaffirm our independence. Other than in our capacity as auditor we have no relationship with, or interests in, Waitaha Group Holdings Limited Partnership.

### **Other Matter – Basis of Preparation**

We draw attention to Note [a] on page 7 of the financial statements, which describes the basis of preparation. The financial statements have been prepared for the partners. As a result, the financial statements may not be suitable for another purpose.

### **Restriction on Responsibility**

This report is made solely to the partners, as a body, in accordance with the limited partnership agreement. Our audit work has been undertaken so that we might state to the partners those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the partners as a body, for our audit work, for this report, or for the opinions we have formed.



### **Responsibilities of the General Partner for the Financial Statements**

The general partner is responsible on behalf of the limited partnership for determining that the SPFR for FPEs Framework adopted is acceptable in the partnership's circumstances, for the preparation of the financial statements in accordance with SPFR for FPEs and for such internal control as the partners determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the general partner is responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting.

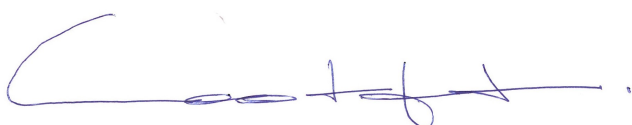
### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. Fred Cookson is the audit engagement partner.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/>



**Cookson Forbes & Associates Ltd**

Chartered Accountants

96 Waioweka Road

Opotiki

NEW ZEALAND

13<sup>th</sup> March 2023

# **Special Purpose Financial Statements**

**Waitaha Assets Limited Partnership**

For the year ended 30 June 2022

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- 7**    Statement of Financial Position
- 8**    Statement of Accounting Policies
- 9**    Notes to the Financial Statements

# Compilation Report

## Waitaha Assets Limited Partnership

For the year ended 30 June 2022

Compilation Report to the Directors of Waitaha Assets Limited Partnership.

### Scope

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On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Waitaha Assets Limited Partnership for the year ended 30 June 2022.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

### Responsibilities

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The Directors are solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

### No Audit or Review Engagement Undertaken

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Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

### Independence

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We have no involvement with Waitaha Assets Limited Partnership, other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

### Disclaimer

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We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.



**GHA Limited**  
Chartered Accountants  
Dated: 17 March 2023



# Directory

## Waitaha Assets Limited Partnership

As at 30 June 2022

<b>Nature of business</b>	Investments & property management
<b>Address for service</b>	2 Dunlop Road Te Puke
<b>Registered office</b>	2 Dunlop Road Te Puke
<b>Directors</b>	Frank Grant (appointed July 2021) Brad Tatere (reappointed August 2021) Thomas McClurg (appointed August 2021) Brad Tatere (resigned June 2021) Joshua Davies (resigned July 2021) Tania Matua (resigned June 2021) Thomas Davies (resigned June 2021) Tonty Tony Te Amo (resigned May 2021)
<b>Accountants</b>	GHA Ltd Chartered Accountants PO Box 1712 Rotorua
<b>Auditors</b>	Cookson Forbes & Associates Chartered Accountants 96 Waioweka Road Opotiki
<b>Bankers</b>	ASB Te Puke
<b>Date of Formation</b>	6 May 2020
<b>General Partner</b>	Waitaha Assets General Partner Limited
<b>Limited Partner</b>	Te Kapu o Waitaha Trust

# Statement of Profit and Loss

## Waitaha Assets Limited Partnership

For the year ended 30 June 2022

	Notes	2022	2021
		\$	\$
<b>Revenue</b>			
Residential Rental Revenue		22,950	17,162
Investment revenue		2,005	4,600
<b>Total Revenue</b>		<b>24,955</b>	<b>21,762</b>
<b>Expenses</b>			
Administration Expenses	1	8,758	17,040
Governance Expenses	2	24,121	58,711
Operating Expenses	3	39,381	59,145
<b>Total Expenses</b>		<b>72,260</b>	<b>134,897</b>
<b>Net profit/(loss) for the period</b>	<b>5,8</b>	<b>(47,304)</b>	<b>(113,135)</b>
<b>Other comprehensive income</b>			
Revaluation of Investment property	6	1,600,000	3,300,000
<b>Total comprehensive income for the period</b>	<b>5,8</b>	<b>1,552,696</b>	<b>3,186,865</b>

*These financial statements should be read in conjunction with the notes to the financial statements and the compilation report*

# Statement of Movements in Net Assets Attributable to Limited Partners

## Waitaha Assets Limited Partnership

For the year ended 30 June 2022

	Limited Partners' Committed Capital	Retained Earnings	Total
	\$	\$	\$
<b>Opening balance 1 July 2021</b>	<b>1,100,100</b>	<b>2,935,107</b>	<b>4,035,207</b>
RWT distributed to TKoW	-	(359)	(359)
Total comprehensive income for the period	-	1,552,696	1,552,696
<b>Closing balance 30 June 2022</b>	<b>1,100,100</b>	<b>4,487,443</b>	<b>5,587,543</b>
<b>Opening balance 1 July 2020</b>	<b>1,150,100</b>	<b>(250,556)</b>	<b>899,544</b>
Repayment of Distribution from 2020	(50,000)	-	(50,000)
RWT distributed to TKoW	-	(1,202)	(1,202)
Total comprehensive income for the period	-	3,186,865	3,186,865
<b>Closing balance 30 June 2021</b>	<b>1,100,100</b>	<b>2,935,107</b>	<b>4,035,207</b>

*These financial statements should be read in conjunction with the notes to the financial statements and the compilation report*

# Statement of Financial Position

## Waitaha Assets Limited Partnership

As at 30 June 2022

	Notes	2022	2021
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	171,259	794,859
GST receivable		4,525	7,254
Accrued interest		695	309
Accounts receivable		-	1,389
Prepayments		332	342
Waitaha Group Holdings Ltd		573,962	-
<b>Total current assets</b>		<b>750,773</b>	<b>804,154</b>
<b>Non current assets</b>			
Investment Properties	6	10,000,000	8,400,000
Development Costs		188,556	184,367
<b>Total non current assets</b>		<b>10,188,556</b>	<b>8,584,367</b>
<b>Total Assets</b>		<b>10,939,329</b>	<b>9,388,521</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accrued expenses		1,785	3,313
<b>Total Current liabilities</b>		<b>1,785</b>	<b>3,313</b>
<b>Non current liabilities</b>			
Advance from Waitaha Group Holdings Limited Partnership	7	1,100,000	1,100,000
Advance from Te Kapu o Waitaha Trust	7	4,250,000	4,250,000
<b>Total Current liabilities</b>		<b>5,350,000</b>	<b>5,350,000</b>
<b>Total Liabilities</b>		<b>5,351,785</b>	<b>5,353,313</b>
<b>Net assets attributable to limited partners</b>		<b>5,587,543</b>	<b>4,035,207</b>
<b>Partners' funds</b>			
Partners' advance accounts	5	5,587,543	4,035,207
<b>Total Partners' funds</b>		<b>5,587,543</b>	<b>4,035,207</b>



Director

B. Tātēre



Director

F. Grant

Date: 17 March 2023

*These financial statements should be read in conjunction with the notes to the financial statements and the compilation report*

# Notes to the Financial Statements

## Waitaha Assets Limited Partnership

For the year ended 30 June 2022

### **Reporting entity**

These financial statements are for the Waitaha Assets Limited Partnership ("Partnership") established under the Limited Partnerships Act 2008 in accordance with the limited partnership agreement dated 4 May 2020. Waitaha Assets Limited Partnership is engaged in investments and property management.

### **Statement of Accounting Policies**

#### *(a) Basis of preparation*

These are special purpose financial statements prepared in accordance with the special purpose financial reporting - for profit entities framework published by CAANZ and for the sole use of the directors and shareholder and for taxation purposes. They should not be relied upon by any other third party without the approval of the directors of the general partner.

#### *(b) Historical cost*

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

#### *(c) GST*

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

#### *(d) Changes in accounting policies*

There are no changes in accounting policies from the prior year.

#### *(e) Revenue recognition*

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the Partnership and revenue can be reliably measured.

Lease income is recognised on a straight line basis over the life of the lease.

Interest received is recognised as interest accrues, gross of refundable tax credits received.

#### *(f) Accounts receivable*

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

#### *(g) Financial assets*

At initial recognition the Partnership determines the classification of financial assets as either held at fair value, cost or amortised cost. Financial assets are measured initially at fair value, estimated at the transaction price less any associated transaction costs.

#### Amortised cost

Includes assets where the company intends to earn contractual cash flows in the nature of principal and interest payments. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

#### *(h) Liabilities*

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

# Notes to the Financial Statements

## Waitaha Assets Limited Partnership

For the year ended 30 June 2022

### *(i) Investment Property*

Investment property is initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. Investment properties are subsequently measured at fair value which is determined by registered valuers every three years.

Gains or losses arising from changes in the fair value of investment property are included in other comprehensive income the year in which they arise. Subsequent expenditure is capitalised to the asset's carrying amount only where it is probable that a future economic benefit will flow to the entity and costs can be reliably measured. All other repairs and maintenance costs are expensed as incurred.

Investment properties are de-recognised either when they have been disposed of or when no future economic benefit is expected from its disposal. Any gains or losses on the disposal of an investment property is recognised in other comprehensive income in the year of disposal and is calculated as the difference between the net disposal proceeds and the carrying value of the property. Investments in commercial properties are accounted for as investment property at the independent valuations completed.

# Notes to the Financial Statements

## Waitaha Assets Limited Partnership

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>1 Administration Expenses</b>		
Accounting Fees	4,731	4,386
Audit Fees	1,785	1,700
Bank Fees	68	93
Insurance	2,173	1,156
Legal expenses	-	9,706
<b>Total Administration Expenses</b>	<b>8,758</b>	<b>17,040</b>
<b>2 Governance Expenses</b>		
Board Expenses	53	96
Board Fees	24,000	57,300
Board Travel	68	1,315
<b>Total Governance Expenses</b>	<b>24,121</b>	<b>58,711</b>
<b>3 Operating Expenses</b>		
Catering & Meeting Expenses	45	70
Light, Power, Heating	-	78
Office Expenses	18,975	22,975
Property & Building Management	1,902	2,708
Property Valuation	-	14,363
Rates	17,979	16,860
Repairs and Maintenance	480	2,092
<b>Total Operating Expenses</b>	<b>39,381</b>	<b>59,145</b>
<b>4 Cash and cash equivalents</b>		
ASB business account	-	624,859
ASB Term deposit	171,259	170,000
<b>Total Cash and cash equivalents</b>	<b>171,259</b>	<b>794,859</b>
<b>5 Partners' advance accounts</b>		
<b>Te Kapu o Waitaha Trust</b>		
Opening balance 1 July	4,035,207	899,544
Distributions	-	(50,000)
Share of total comprehensive income for the period	1,552,696	3,186,865
RWT Distributed	(359)	(1,202)
<b>Closing balance 30 June</b>	<b>5,587,543</b>	<b>4,035,207</b>

In the 2021 financial year the sole Partner was repaid a distribution received in 2020 for swamp clean up and was also distributed RWT paid by Waitaha Asset LP.

# Notes to the Financial Statements

## Waitaha Assets Limited Partnership

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>6 Investment Properties</b>		
Opening balance	8,400,000	5,100,000
Revaluation of 72B & 84 Simpson Rd, Papamoa	1,600,000	3,300,000
<b>Total Investment Properties</b>	<b>10,000,000</b>	<b>8,400,000</b>

Investment Properties are revalued every three years. The revaluation carried out this year was completed by Telfer Young Property Valuers and Advisors at 31 July 2022.

### 7 Related party advances

There were no related party transactions during the year. (2021: \$nil)

### 8 Distribution to the Limited Partner

Total comprehensive income for the period	1,552,696	3,186,865
<b>Distributed as follows:</b>		
Te Kapu o Waitaha Trust	1,552,696	3,186,865
<b>Total Distributed</b>	<b>1,552,696</b>	<b>3,186,865</b>

### 9 Capital commitments

There were no capital commitments as at balance date.

### 10 Subsequent events

No subsequent events at balance date. (2021: On 17 August 2021 New Zealand went into lockdown due to community transmission cases of the delta strain of COVID-19. The Trustees have considered the impacts of this event and determined that there to be no material impact on these financial statements. There are no other events that would have a material impact on the Performance Report).





# **Performance Report**

## **Waitaha Charitable Trust**

For the year ended 30 June 2022

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# Entity Information

## Waitaha Charitable Trust

For the year ended 30 June 2022

### Legal Name of Entity

Waitaha Charitable Trust

### Registration Number

CC51158

### IRD Number

115-740-067

### Physical Address

2 Dunlop Road, Te Puke

### Postal Address

PO Box 220, Te Puke

### Entity Type and Legal Basis

Waitaha Charitable Trust is a trust created by Deed of Trust dated 18 March 2014 and incorporated under the Charitable Trusts Act 1957. The trust is also registered with the Charities Commission.

### Entity's Purpose

The trust was established to receive, manage and administer its assets for social, cultural and economic welfare purposes for the benefit of the Waitaha community.

### Entity Structure

Waitaha Charitable Trust is governed by the Board of Trustees. The current Trustees are as follows:

Frank Grant (Chairperson)

Carol Whare

Te Tapua Te Amo

Retimana Te Moni

### Accountants

GHA Ltd

PO Box 1712

Rotorua

### Auditor

Cookson Forbes & Associates

Chartered Accountants

96 Waioweka Road

Opotiki

### Bankers

ASB Bank Limited

Tauranga

# Statement of Service Performance

## Waitaha Charitable Trust

For the year ended 30 June 2022

Waitaha Charitable Trust is a sub entity of Te Kapu o Waitaha Trust. Both entities are governed by the same board of Trustees with a single Distribution sub-committee.

### Policy Governance ENDS

Policy Governance demands accomplishment of purpose, and only limits the staff's available means to those which do not violate the board's pre-stated standards of prudence and ethics. ENDS are monitored each month and are performance based. The following statements provide an overview of ENDS (strategic achievements) at year end.

### Distribution Policies

1. Hakaraia Endowment Policies were approved by the iwi at the AGM of 2014, and are aligned to Waitaha tikanga principles.
2. Distribution Policies are reviewed every two years and approved by the Trustees.
3. All other operational policies are aligned to the Trust Group shared services model.
1. The Waitaha Charitable Trust Statement of Intent (SOI) 2020 - 2025 has been approved with Waitaha

### 2022 PERFORMANCE OUTCOMES

#### Objective 1 - Cultural

##### Outcomes - 2022

The Trust committed to contributing to the revitalisation of Waitaha cultural aspirations. In total 59% of the total grants paid contributed to the following priority areas;

- (a) Waitaha leadership programmes
- (b) Waitaha studies with reo components
- (c) Celebration events, and opportunity for cultural mātauranga and tikanga learnings
- (d) Conservation kaitiaki projects
- (e) Supporting Waitaha koeke role and contributions
- (f) Manaaki; education, health, housing, and well-being

Accountability of funds includes an impact measurement framework. Tertiary, and wananga programmes evaluation indicated 100% positive feedback to learning experience, including financial relief, improved cultural capacity, and wellbeing of 67 recipients surveyed.

#### Objective 2 - Social

##### Outcomes - 2022

Iwi identified that housing was a key priority area, in particular for whanau living locally. Indications was whanau interest in building on their own land, and others who needed repairs to existing dwellings. This year the Trust dedicated funds to host a Waitaha housing Summit. This was attended by approximately 90 people over a 2 day period. Since then a series of hui have continued to develop a housing plan, and secure future resourcing for a co-ordinated approach for the implementation of the Housing plan in the coming year. Post Audit, a grant was secured for the purposes of a housing co-ordinator received from Lotteries Commission \$40,000. The cost of the summit and hui during the fiscal year was \$1,700.

Plans for the Waitaha Health summit, and COVID iwi plans were postponed due to COVID precautions during this period. The Trust supported a number of COVID initiatives post Audit.

A whakawhanaunga/Xmas day was funded for nga tamariki nohinohi. This is an important Waitaha event to promote whanau, and well-being particularly in times of COVID.

A second event was the Trust participation in the Matariki community event. Many Waitaha whanau participated through their schools and supported by whanau.

# Statement of Service Performance

## Waitaha Charitable Trust

For the year ended 30 June 2022

### Objective 3 - Education

#### Outcomes - 2022

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This fiscal year the Trust funded;

- (a) Tertiary (Diploma, Degree, Post Grad, Masters, PHD)
- (b) Apprenticeships (Trades)
- (d) Cultural leadership programmes (Harakeke weaving traditions, Te Reo Okere)
- (e) License programmes (Learner, Restricted, Full).

The total grants and scholarships paid this year was \$ 117,710. This is down on last year due to the Trust having a more targeted allocation approach in accordance with iwi priorities. Despite a lower distribution this year, the number of people benefiting and or funded almost doubled.

Pleasing results with 89% of those recipients funded remained in their studies, a small percentage discontinued due to genuine health and wellbeing reasons.

### 2022 Summary

Generating income through our investments has been challenging in a COVID environment. It is pleasing however that despite this, more people received grant and or scholarship assistance this year than the previous year.

A highlight has also been bought about by the approved SOI in 2020. This will provide a more targeted approach in distributing funds to areas of priority as identified by the iwi, and approved by the Board. The SOI will continue to roll out over the coming year.

### 2021 PERFORMANCE OUTCOMES

#### Objective 1 - To create a world class culture of grant distributing

#### Outcomes - 2021

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1. Distribution system has been updated to include Partnership Scholarships.
2. All applications are 100% online. All approvals are 100% online.
3. Maximising our technologies has meant a cost savings to the Trust of \$6,000, and a further \$3,000 savings to combined applicants.
4. The distribution culture is guided by the approved tikanga principles as stated in the Waitaha Treaty Claim (2013), and approved by the beneficiaries in 2014 as the Education distribution policy. The principles of manaaki, te tihi, whakapapa, mātauranga, etc are integrated in the distribution culture and administrative process. The implementation of those principles is evidenced in a result of 99% of the total number of eligible applications received were funded.
5. A survey in respect of the distribution system is conducted with 100% applicants. Notably is that the applicants have also provided comparatives to other funding agent applications suggesting that the Trust's application process is by far a superior "user friendly" system. 98% have rated the process and pastoral support as the highest level of satisfaction on the survey continuum.
6. The Trust has a number of partnership scholarships, of which are integrated into the distribution system. In particular the administration and funding co-ordination between the Trust, Universities, private sector, and tertiary institutes. The retention of such agreements evidences Trust capability and goal of creating a "world class distribution" system.

A cost savings of \$50,500 was achieved through the partnership agreements, while adding significant social, education and cultural value add for recipients and their whanau.

# Statement of Service Performance

## Waitaha Charitable Trust

For the year ended 30 June 2022

**Objective 2 - To initiate and support projects or programmes that in the opinion of the Trust, support the objectives of the Trust**

### Outcomes - 2021

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1. The Trust distributes across a wide range of purposes with key responses to social, education, environmental, and cultural benefit.

Below is the percentage of allocation for the following purposes from total budgeted funds;

- Cultural/Social 23%
- Training & Employment 30%
- Education 30%
- Environment 3%
- Health & wellbeing 27% (response to COVID)

2. The Trust purposes are regulated by the Trust Deed, and Charities Commission. All distributions comply with the objects and purposes accordingly.

**Objective 3 - To develop relationships with effective organisations that we can call partners**

### Outcomes - 2021

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1. The Trust considers its' relationships as critical to the outcomes in relation to its' strategic activities and SOI.

Examples of outcomes from those relationships are;

- Tri-Agreement securing a student internship to compliment a commerce degree
- Shared contributions toward "shelter" Waitaha student accommodation
- Licensing and construction tickets for employment related outcomes
- Resources in response to COVID-19
- Environmental restoration programmes within Waitaha area of interest
- Counselling & well-being support in particular for those learners studying away from home.
- Access to free courses for Waitaha
- Discounted forklift licenses
- Strengthening relationship with Te Puke High School enabling robust discussion in respect of Waitaha students, curriculum, and support to student success for all
- Participation in the design of promoting Waitaha heritage within public spaces, managed by Regional and local Government bodies
- Maintenance of kaitiaki roles through our legislation in respect of the environment
- Continuance of external funding due to partnerships.

We have seen an increase in "agreements" evolve between the Trust and others which has been effective in securing a shared commitment to mutual outcomes.

**Objective 4 - Recognise good models of practice and make a difference for Waitaha people and our communities**

### Outcomes - 2021

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1. The Trust operates a Policy Governance model which promotes the linkage between the iwi and Trust Governance as paramount. Despite COVID-19 the Trust was in a good position to support whanau and maintain that policy via dedicated communications, innovative ways connecting with whanau, combined effort with ECD, and others.

2. The Trust will continue participation in Waitaha Hui-A-Iwi forums, however, additional meetings between the Trust and iwi will be a priority enabling the Trust to engage on specific kaupapa (Trust business) with whanau/iwi.

# Statement of Service Performance

## Waitaha Charitable Trust

For the year ended 30 June 2022

**Objective 5 - Financial performance is supported through professional advisory and investment managers. Financial targets are critical to realising benefits both direct and indirect.**

### **Outcomes - 2021**

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1. The Trust operates and plans via a planned budget for the year approved by its' Board. Trust Endowment funds, are managed through Craigs Investment Partners, with an annual target for the year. The investment model seeks to achieve a balanced portfolio target, revenue and growth KPI.
2. Despite COVID-19 and other economic shocks, the managed funds fared well. Increasing to \$3.7 million portfolio as at 30 June 2020, up from \$3.6 million the previous year.
3. Interest rates in the final quarter were at an all time low. The Trust carries \$500k cash reserves. This is invested with ASB and treated as a restricted fund. Fixed term with better interest rates prior to COVID lockdown impacts helped meet interest targets this year.
4. The Trust met all KPI deliverables, with additional expenditure due to COVID-19. Planning, and policy has meant the financial impact was minimized.



# Statement of Financial Performance

## Waitaha Charitable Trust

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Revenue</b>			
Government Funding	13	258,536	-
Investment Income	1	143,882	121,297
Other Income	2	61,591	10,000
<b>Total Revenue</b>		<b>464,009</b>	<b>131,297</b>
<b>Expenses</b>			
Depreciation	10	1,401	-
Grants and donations made	3	154,943	117,710
Other expenses	4	80,414	29,983
Conservation project expenses	13	258,536	-
<b>Total Expenses</b>		<b>495,294</b>	<b>147,693</b>
<b>Surplus/(Deficit) for the year</b>		<b>(31,285)</b>	<b>(16,397)</b>
<b>Other comprehensive income</b>			
Changes in fair value of available-for-sale financial assets	8	(206,474)	349,853
<b>Total comprehensive income for the year</b>		<b>(237,759)</b>	<b>333,456</b>



*This statement is to be read in conjunction with the Notes to the Performance Report and the accompanying Audit Report*

# Statement of Financial Position

## Waitaha Charitable Trust

as at 30 June 2022

	Notes	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Bank accounts and cash	5	3,005,997	595,819
Inventory	7	50,122	-
Other receivables	6	17,870	34,749
<b>Total Current assets</b>		<b>3,073,989</b>	<b>630,568</b>
<b>Non-current assets</b>			
Fixed Assets	10	12,609	-
Investments	8	1,805,650	4,393,055
Related party advances	12	88,131	-
<b>Total non-current assets</b>		<b>1,906,390</b>	<b>4,393,055</b>
<b>Total Assets</b>		<b>4,980,379</b>	<b>5,023,623</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Creditors and accrued expenses	9	414	11,086
Income in advance		198,983	-
<b>Total current liabilities</b>		<b>199,398</b>	<b>11,085</b>
<b>Total Liabilities</b>		<b>199,398</b>	<b>11,085</b>
<b>Net Assets / (Net Liabilities)</b>		<b>4,780,982</b>	<b>5,012,537</b>
<b>Accumulated Funds</b>			
Investment revaluation reserve	11	715,748	916,020
Accumulated surpluses	11	4,065,233	4,096,518
<b>Total Accumulated Funds</b>		<b>4,780,982</b>	<b>5,012,537</b>

For and on behalf of the Trustees:

FRANK GRANT  
Chairman

7

Trustee

Date: 17 March 2023



*This statement is to be read in conjunction with the Notes to the Performance Report and the accompanying Audit Report*

# Statement of Cash Flows

## Waitaha Charitable Trust

For the year ended 30 June 2022

	Notes	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Interest received		6,600	31,941
Dividends received		-	52,519
Other Income Received		154,278	36,495
GST received (net)		4,277	54
<b>Total Cash receipts</b>		<b>165,155</b>	<b>121,009</b>
<b>Cash payments</b>			
Payments to suppliers		(78,108)	(19,045)
Grants and donations paid		(154,943)	(117,710)
<b>Total Cash payments</b>		<b>(233,051)</b>	<b>(136,755)</b>
<b>Net Cash Flows from Operating Activities</b>		<b>(67,896)</b>	<b>(15,746)</b>
<b>Cash flows from investing and financing activities</b>			
Receipts from sale of investments		2,478,077	-
Purchases of investments		-	(348,807)
<b>Net Cash Flows from investing and financing Activities</b>		<b>2,478,077</b>	<b>(348,807)</b>
<b>Net Increase/ (Decrease) in Cash</b>		<b>2,410,178</b>	<b>(364,556)</b>
<b>Cash balances</b>			
Cash and cash equivalents at beginning of period	5	595,819	960,375
Cash and cash equivalents at end of period	5	3,005,997	595,819
<b>Net change in cash for period</b>		<b>2,410,178</b>	<b>(364,556)</b>



*This statement is to be read in conjunction with the Notes to the Performance Report and the accompanying Audit Report*

# Statement of Accounting Policies

## Waitaha Charitable Trust

For the year ended 30 June 2022

### Basis of Preparation

The Trust 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 is a going concern and will continue to operate in the foreseeable future.

The Trust is a Tier 3 reporting entity, but has elected to apply the following Tier 2 reporting standards:

- PBE IPSAS 29 Financial Instruments: Recognition and Measurement
- PBE IPSAS 30 Financial Instruments: Disclosures

### Changes in accounting policies

There has been no changes in accounting policies during the current year.

### Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

### Grants and donations received

Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.

### Interest and dividend revenue

Interest revenue is recognised as it accrues, using the effective interest method.

Dividend revenue is recognised when the dividend is declared.

### Bank accounts and cash

Bank accounts and cash in the Statement of Cash Flows comprise cash on hand, cheque or savings accounts, and deposits held on call with banks.

### Goods and Services Tax (GST)

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

### Financial instruments

Financial instruments are initially recognised when the Trust becomes a party to the contractual provisions of the instrument.

### Financial assets

Financial assets within the scope of PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalents and debtors fall into this category.

#### Available for sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

Available-for-sale financial assets comprise investments in portfolio funds managed by Craigs Investments Partners.

Available-for-sale financial assets are subsequently measured at fair value with gains or losses recognised and presented in the available-for-sale financial assets fair value reserve within net assets/equity, less impairment.



# Statement of Accounting Policies

## Waitaha Charitable Trust

For the year ended 30 June 2022

### Financial liabilities

The Trust's financial liabilities include trade and other creditors, and loans.

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

### Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

### Income Tax

The Trust is incorporated under the Charitable Trusts Act 1957 and is exempt from income tax on income other than business income derived by the trustees in trust for charitable purposes under Section CW42 of the Income Tax Act 2007.

### Property, plant and equipment and commercial redress property

Property, plant and equipment is stated at historical cost less any accumulated depreciation and impairment losses.

Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

Depreciation is calculated on a straight line/diminishing value basis over the estimated useful life of the asset using depreciation rates published by Inland Revenue. The following depreciation rates have been used:

Motor vehicles - 30% DV

Office equipment - 16-67% DV

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

### Inventory

Inventory is measured at the lower of cost and net realisable value.

Cost is calculated as all costs associated with the purchase, the cost of conversion and other costs associated with bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the costs of completion.

When inventories are sold, the carrying amount of those inventories are recognised as an expenses in the period which the related revenue is recognised.

### Audit

These financial statements have been subject to audit, please refer to the Auditor's report.



# Notes to the Performance Report

## Waitaha Charitable Trust

For the year ended 30 June 2022

	2022 \$	2021 \$
<b>1 Investment Revenue</b>		
Interest Received	47,757	57,369
Dividends Received	22,841	15,067
Overseas income	11,497	17,709
PIE income	4,240	4,656
Realised gain/(loss) on sale of available-for-sale financial assets	57,548	26,495
<b>Total Investment Revenue</b>	<b>143,882</b>	<b>121,297</b>
<b>2 Other Income</b>		
Covid 19 Waitaha Response	6,730	-
Sponsorship of Te Houhou Health Scholarship	10,000	10,000
NZ Lottery Grants	44,861	-
<b>Total Other Income</b>	<b>61,591</b>	<b>10,000</b>
<b>3 Grants and donations made</b>		
Grants	144,943	104,630
Koha	-	3,080
Scholarships	10,000	10,000
<b>Total Grants and donations made</b>	<b>154,943</b>	<b>117,710</b>
<b>4 Other expenses</b>		
Accountancy fees	4,212	4,668
Audit fees	2,263	2,002
Board fees	2,798	2,393
Covid expenses	6,146	-
Housing expenses	44,861	-
Hui a Iwi expenses	-	1,756
Meeting fees and expenses	58	85
Office expenses	227	4,026
Portfolio Management fees	19,850	14,635
Travel Expense	-	418
Wages & Salaries	-	-
<b>Total Other expenses</b>	<b>80,414</b>	<b>29,983</b>
<b>5 Bank accounts and cash</b>		
Cash at bank	3,005,997	425,344
Cash in managed portfolio funds	-	170,475
<b>Total Bank accounts and cash</b>	<b>3,005,997</b>	<b>595,819</b>
<b>6 Other receivables</b>		
Accrued interest	15,649	17,401
GST receivable	2,221	7,890
Imputation credits	-	9,458
<b>Total other receivables</b>	<b>17,870</b>	<b>34,749</b>
<b>7 Inventory</b>		
	\$	\$
Project consumables	50,122	-
<b>Total inventory</b>	<b>50,122</b>	<b>-</b>

Inventory consists of consumables to be used in the rendering of DOC project services.



# Notes to the Performance Report

## Waitaha Charitable Trust

For the year ended 30 June 2022

	2022	2021
	\$	\$
<b>8 Investments</b>		
<b>Available-for-sale financial assets</b>		
Opening balance at 1 July 2021	4,393,055	3,743,282
Contributions	-	500,000
Withdrawals	(2,522,376)	(120,000)
Net investment revenue	98,150	72,897
Revaluation gains/(losses)	(206,474)	410,250
Foreign exchange gains/(losses)	54,337	(33,441)
Taxes paid	(11,042)	(9,458)
Cash in managed portfolio funds	-	(170,475)
<b>Total Available-for-sale financial assets</b>	<b>1,805,650</b>	<b>4,393,055</b>

The above investments represents managed funds held with Craigs Investment Partners and are valued at fair value at balance date.

<b>9 Creditors and accrued expenses</b>		
ASB Credit Card	361	34
Creditors	53	52
Grants payable	-	11,000
<b>Total Creditors and accrued expenses</b>	<b>414</b>	<b>11,086</b>

<b>10 Property, plant and equipment</b>	<b>DOC Assets</b>	<b>Total</b>
	\$	\$
<b>2022</b>		
Cost	-	-
Additions	14,010	-
Accumulated depreciation	(1,401)	-
<b>Net book value</b>	<b>12,609</b>	<b>-</b>

<b>11 Accumulated funds</b>	<b>Investment revaluation reserve</b>	<b>Accumulated surpluses or (deficits)</b>	<b>Total</b>
	\$	\$	\$
<b>Opening balance 1 July 2020</b>	<b>566,167</b>	<b>4,112,915</b>	<b>4,679,082</b>
Surplus / (loss) for the year	-	(16,397)	(16,397)
Other comprehensive income	349,853	-	349,853
<b>Closing balance 30 June 2021</b>	<b>916,020</b>	<b>4,096,518</b>	<b>5,012,538</b>
<b>Opening balance 1 July 2021</b>	<b>916,020</b>	<b>4,096,518</b>	<b>5,012,538</b>
Surplus / (loss) for the year	-	(31,285)	(31,285)
Other comprehensive income	(206,474)	-	(206,474)
Unrealised capital gains / (loss) on investments	6,203	-	6,203
<b>Closing balance 30 June 2022</b>	<b>715,748</b>	<b>4,065,233</b>	<b>4,780,982</b>



# Notes to the Performance Report

## Waitaha Charitable Trust

For the year ended 30 June 2022

	2022 \$	2021 \$
<b>12 Related party advances</b>		
<b>Te Kapu o Waitaha Trust</b>		
Opening balance at 1 July	-	-
Advances received	88,131	-
<b>Closing balance 30 June</b>	<b>88,131</b>	<b>-</b>
<b>Transactions with related parties</b>		
Expenses paid on behalf of Waitaha Charitable Trust	294,875	3,109
<b>Total transactions with related parties</b>	<b>294,875</b>	<b>3,109</b>

All transactions with related parties were entered into on normal commercial terms and are at market value. The balance is repayable on demand.

During the year, Summerset Retirement Villages distributed \$10,000 (2021:\$10,000) to Waitaha Charitable Trust on behalf of Te Kapu o Waitaha Trust. The purpose of the distribution is to provide a scholarship in the area of Health, Wellbeing and Aged care.

	2022 \$	2021 \$
<b>13 Department of Conservation Projects</b>		
<b>Government Funding - Department of Conservation</b>	<b>422,380</b>	<b>-</b>
<b>Expenses</b>		
Field operation supplies	7,474	-
Field Staff Contractors	3,500	-
Field Staff Salaries and personnel allowances	167,980	-
Kiwisaver Employer Contributions	2,343	-
Other Field Operations costs	63,146	-
Other Personnel Related Costs	6,673	-
Other project/programme related costs	55	-
Training Personnel protective equipment Uniforms	6,943	-
Vehicle and travel costs	423	-
<b>Total expenses</b>	<b>258,536</b>	<b>-</b>
<b>Net Surplus/(Deficit) carried forward</b>	<b>163,844</b>	<b>-</b>

The project work for the Department of Conservation began in the 2021 financial year. All project related funding and costs for 2021 were reported in Te Kapu o Waitaha Trust. From 1 July 2021 all project funding and costs were completed by Waitaha Charitable Trust.

During the year Waitaha Charitable Trust received funding from the Department of Conservation to carry out environmental related project work. Total revenue received during the year was \$422,380. Of this funding, a total of \$258,536 was recognised in this financial year.

At balance date, \$163,844 of funding had not been utilised. This has been carried forward to the next financial year as income in advance.





# Notes to the Performance Report

## Waitaha Charitable Trust

For the year ended 30 June 2022

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### 14 Contingent liabilities

At balance date there are no known contingent liabilities (2021:\$nil). Waitaha Charitable Trust has not granted any securities in respect of liabilities payable by any other party whatsoever.

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### 15 Capital commitments

At balance date there are no known capital commitments (2021:\$nil).

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### 16 Events after the balance date

No events occurred after balance date. (2021: On 17 August 2021 New Zealand went into lockdown due to community transmission cases of the delta strain of COVID-19. The Trustees have considered the impacts of this event and determined that there to be no material impact on these financial statements. There are no other events that would have a material impact on the Performance Report).

## **INDEPENDENT AUDITOR'S REPORT**

To the Trustee's of Waitaha Charitable Trust

### **Reporting Entity**

The reporting entity is Life Skills for Life Trust and the performance report has been prepared and audited in accordance with the Trust Deed.

### **Opinion**

We have audited the accompanying performance report of Waitaha Charitable Trust on pages 8 to 16, which comprises the statement of financial performance, statement of cash flows for the year ended 30 June 2022, the statement of financial position as at 30 June 2022, the statement of accounting policies and other explanatory information.

In our opinion the performance report on pages 8 to 16 presents fairly, in all material respects the financial position of Waitaha Charitable Trust as at 30 June 2022, 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).

### **Basis for Opinion**

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)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Performance Report section of our report. We are independent of Waitaha Charitable Trust. in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Waitaha Charitable Trust.

### **Other Information**

The Trustee's are responsible for the other information. The other information comprises the entity information and statement of service performance but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### **Other Information - continued**

If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Restriction On Responsibility**

This report is made solely to the Trustees, as a body, in accordance with section 42F of the charities Act 2005. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Trustee's Responsibility for the Performance Report**

The Trustee's are responsible for the preparation of financial statements in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustee's are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee's either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

### **Auditors Responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.

**Auditors Responsibilities for the Audit of the Performance Report - continued**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustee's and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

We communicated with the Trustee's regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. The audit engagement partner is Fred Cookson.



**Cookson Forbes & Associates Ltd**  
Chartered Accountants  
96 Waioweka Road  
OPOTIKI

17th March 2023