

TE PAE O
WAIMIHIA



ANNUAL GENERAL MEETING 2015



ANNUAL REPORT

FOR THE YEAR ENDED 31ST MARCH 2015

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ANNUAL GENERAL MEETING 2015

Saturday 7th November, 10am commencement
Pakira Marae, Taupō

AGENDA

1. Minutes of Previous Meeting
2. Matters Arising
3. Chairman's Report
4. Financial Report
5. Appointment of Auditors
6. Strategic Plan
7. Distribution Policy
8. Trustees Fees



TRUSTEES



Gregory Stebbing
Chairman
Ngati Rauhoto



Ngahere Wall
Deputy Chairman
Ngati Tutemohuta



William Wall
Ngati Hinerau



Matiu Heperi Northcroft
Ngati Tutetawha



Dominic Bowdon
Ngati Te Urunga



Arapiu Pohokura Seymour
Ngati Hineure



CHAIRMAN'S REPORT





Tena koutou katoa

On behalf of the Trustees of Te Pae o Waimihia, it is my pleasure to respectfully present my first Chairman's Report on the activities of the trust for the twelve month period ended 31st March 2015.

Firstly, I wish to acknowledge the four Initial Trustees, Temuera Hall, Peter Clarke, Nigel Baker and Dylan Tahau, for the fine work they contributed towards the completion of the '7 Initial Tasks' required to be formally completed before any new Responsible Trustees could assume full responsibility duties for the running of the trust.

As a reminder, the Initial Tasks were:

1. Establish a Relationship Agreement with Tūwharetoa Settlement Trust (TST)
2. Establish and maintain a Register of Members
3. Develop a Strategic Plan
4. Develop a Financial Plan
5. Develop a Communications Plan
6. Prepare an Election Process
7. Conduct a review of the Trust Deed.

All the tasks with the exception of Task 3, 'Develop a Strategic Plan', were completed to TST's approval in March this year. Following further discussions with TST it was mutually agreed that the task to develop a Strategic Plan resided more appropriately with the newly elected Responsible Trustees, and hence an extension of twelve months was granted for this task.

The hapū elections were completed in December 2014 resulting in two of the Initial Trustees being re-elected and four new Trustees elected. All six new Responsible Trustees assumed full trustee responsibilities in April 2015 following the signing of a Deed of Adherence.

The Trust Deed review was completed with all proposed changes signed off at the Te Pae o Waimihia 2014 AGM held at Nukuhau Marae, 29 November 2014.

This review included changing the name of the trust from 'Waimihia Forest Hapu Cluster Trust' to 'Te Pae o Waimihia'.

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

As of recent, the Trustees have been facilitating hui with our constituent hapū relating to a draft Strategic Plan and Distribution Framework. Consistent and fundamental to any business or organisation, the Strategic Plan is a critical document that establishes Vision, Mission, and Strategic Goals, and therefore the fundamental direction that Governance and Management need to be focussed on.

We know the expectations of our hapū members are very high, and for this very reason, we hope that together we can develop a long term sustainable Distribution Framework that in the first instance acknowledges the greatest NEEDS, and also all other hapū/marae

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priorities as expressed and recorded in the 'Te Pae o Waimihia Strategic Plan/Distribution Framework Hapū Feedback Report' also to be later presented at this 2015 AGM.

An important and relative issue pivotal to any proposed Te Pae o Waimihia financial considerations, is that significant Te Pae o Waimihia funds (up to \$24M) are still held on trust by TST and are subject to the outcome of the Mana Whenua process relating to overlapping CNI iwi claims (Ngāti Tahu/Ngāti Whaoa) in Waimihia North/South.

TST are working with the CNI iwi to reach an agreement, and Te Pae o Waimihia Trustees have also agreed to provide pertinent input in support of bringing closure to this matter with a satisfactory outcome.

Finally, many thanks to the professional support provided by our key services providers, He Akina Ltd (Financial/Administration), Cargill Stent (Legal), Iwi Investor (Funds Management), TST (Members Register), BNZ (Banking).

Last but not least, I respectfully acknowledge all our constituent hapū members, for your patience, understanding, trust and support of us your Te Pae o Waimihia elected Trustees, in our sincere and best endeavours to strive to prudently protect and advance your interests both culturally and economically for the well-being and benefit of all our generations now and into the future.

Naku iti nei, na



Greg Stebbing
Chairman – Te Pae o Waimihia Trust





2014 AGM MINUTES



TE PAE O WAIMIHIA ANNUAL GENERAL MEETING 2014

HELD AT NUKUHAU MARAE
ON 29TH NOVEMBER 2014

Present: Temuera Hall (Chairman)
Greg Stebbing, Nigel Baker,
Dylan Tahau, Dominic Bowden
(Trustees)

In Attendance: Members as per attendance
register, Joell Keremeta
(Minute Taker)

Apologies: Members as per apologies
register, Peter Clarke

Karakia: Temuera Hall

Mihi: Temuera Hall

1.0 MEETING ADMINISTRATION

1.1 The Meeting Opened at 2:24pm

- The Chairman welcomed everyone to the hui, and gave a brief overview of the proceedings for the day.
- Trustees apologised for the delay in sending the annual accounts and information out to the members.

1.2 Apologies

- Apologies were recorded, per the apologies register dated the 29th November 2014.

1.3 Minutes of Meeting

- Correction of spelling to Adrienne Kemp to the resolution of the accounts in the minutes.
- Noting that the Special General meeting was held for review of the Trust Order noting a 98.5% support for the Trust Order.

Resolved:

That the minutes of the:

1. Annual General Meeting held on the 14th December 2013 be approved
2. Special General Meeting held on the 30th August 2014 be approved

Moved: Harvey Karaitiana

Second: Harry Satchell

CARRIED

2.0 FINANCIAL

2.1 Financial Reports

Financial Reports to 31st March 2014 presented

- Confirmation that the trustees are unable to make financial commitments, investments other than low risk bank deposits or employ personnel.
- Total revenue received was \$554k. Funds are invested over three banks.
- Total expenses for the financial period was \$180k producing a net surplus for the year of 307k, expenses were made up of administration, trustee fees and investment fees.
- Trust asset funds have grown with a total trust equity of \$14.9m.
- Assets sitting in cash, and held on account with TST the amount of \$24.6m, subject to and pending completion of the Mana Whenua process CNI Forestry Rentals of \$1m are received each year.
- It is the understanding that the land will come back from the Mana Whenua process, the expectation is for an 100% return.

Resolved:

That the annual audited 2014 accounts be received

Moved: Florence Karaitiana

Second: Anne Clarke

CARRIED

- The Mana Whenua process was supposed to be completed by June 2012 but a number of CFL's are still unresolved, including Waimihia. Ngāti Tahu is the only iwi to cross claim and discussions are continuing.
- The members register was discussed. The trustees have not attempted to validate whakapapa, as they do not have the mandate. The whakapapa of the six hapū is well known, whakapapa from hapū down to us today is where the discrepancies happen.
- Anything out of Native Land Court brings about discrepancies which has also led to the loss of lands. The hapū are required to sort amongst themselves.
- Discussions on whakapapa being important, going from a shift of asset control and management to settlement entities. The trust is not mandated and needs to be raised by the marae, and hapū. The trust could assist in the facilitation with the new trustees.
- Hapū and trustees to work towards maintaining and updating the register, to have a work plan in place, noting that there are many things that need to be addressed.
- Noted that Tutemohuta requested the details of registered members, as at the last special hui it was found that some people were not listed on the registrations. Tutemohuta request to be part of the registration process with the trustees in a positive way.

3.0 TRUSTEE

3.1 Progress of Trust Set Up

- The Schedule 5: Tasks of Initial Trustees was discussed and an update given.
- The requirement is that TST will sign off once all tasks are completed. Good progress has been made:
 1. Establish a Relationship Agreement with TST – due to the relationship with TST there is an agreement that needs to be engaged in, yet to progress. There is a review date, however the relationship with TST may not end until 2043 when the current license agreements expire.
 2. Establish and maintain a Members Register – The trustees view is that it makes sense to continue using the TST database as the cost of establishing and maintaining a standalone database will be high.

3. Develop a Strategic Plan - The Strategic Plan is to be formulated by the new trustees once the election process is completed. This will be done in consultation with all hapū.
4. Develop a Financial Plan – A draft SIPO (Statement of Investment Parameters and Objectives) was created and drives investment and risk profile, currently awaiting TST sign off. Noting that the responsibility lies with the trustees not the owners. Accounting and administration has been outsourced to He Akina. Noting that all forests are under crown forest licenses and the trust is currently only the receiver of rentals.
5. Develop a Communication Plan – The plan was discussed with the hapū representatives and appointed members but is yet to be signed off by TST, in the final stages with various communication platforms.
6. Prepare an Election Process – proposed to be completed by 14 December 2014. Elections are to be held at marae at hapū level. Two hapū have completed their elections with the other four yet to be completed.

3.2 Trust Order

- Trust Order – the review is completed, Hui-a-Hapu were completed at various marae with final hui at the Special General Meeting held in August 2014. An outstanding 94% were in favour of the changes to the Trust Deed. Initial Trustees adopted the new Trust Deed 15th September 2014.
- Given the extremely poor return rate of 10% and the high cost, the requirement in the Deed for postal voting will be revisited by the new Trustees.

3.3 DOC Regional Office

- Opepe Farm Trust funded the building construction of the DOC building with the option of Te Pae o Waimihia to acquire 50% of the investment at a later date due to the Trustees being unable to enter into any contracts until full powers are granted to the newly elected Trustees.
- Te Pae o Waimihia also has a call option from Opepe to accept 100% of the other three properties on the site vested by DOC.
- The DOC building cost was \$1.6 million and was opened in August 2014.
- DOC tenancy agreement was signed for \$160k per annum, 10 years plus 4 x 5 years right of refusal.

3.4 DSP (Deferred Settlement Properties)

- Three properties are for consideration of purchase through TST: Taupo Schools lands from Ministry of Education, the Court House and Police Station from Ministry of Justice and Taniwha Street property from the Department of Corrections.
- TST are progressing due diligence on the Tuwharetoa Street land and buildings and Rangipo Prison forestry and lands.
- TST has offered Waimihia a call option to purchase 100% of the Taupo based properties in five years' time.
- The Kakano investment in Kaingaroa Timberlands is under TST not Te Pae o Waimihia.
- The old Story Place court house (kohanga) building is likely to be returned to hapū under the THF cultural redress settlement.

3.5 Membership Demographics

- Total members currently 4731 with 53% in the age bracket of 18-60 years old.
- Taupo/Turangi being the largest residential location of 34%.
- Six percent of members reside overseas.

A request for a bus from Napier was noted for hui today, a query to be put to the new trustees noting not to set a precedent over any hapū or region, consideration of skype facilitation.

4.0 Whakamutunga

Meeting closed by Temuera Hall at: 4:14 pm
Karakia: Hoani Simon

A close-up photograph of a dark grey metal grate. The grate consists of a grid of rectangular openings. Overlaid on this grid are several parallel, horizontal yellow braided straps. The straps are woven in a complex, repeating pattern that creates a series of interlocking loops and X-shapes across the surface of the grate. The lighting is bright, highlighting the texture of the metal and the intricate details of the braiding.

AUDITED ACCOUNTS



TE PAE O WAIMIHIA

FINANCIAL STATEMENTS
FOR THE YEAR ENDING
31ST MARCH 2015

- Trust Directory
- Statement of Comprehensive Income
- Statement of Changes in Equity
- Balance Sheet
- Notes to the Accounts
- Audit Report

Te Pae o Waimihia Trust Directory As at 31 March 2015

Nature of Business

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

Date of Formation

19 December, 2012

Bankers

Bank of New Zealand

Accountants

He Akina Limited

Auditor

Crowe Horwath New Zealand Audit Partnership

Solicitor

Chris Cargill

Trustees

Nigel Baker	Initial Trustee	Ceased 18th May 2015
Peter Clarke	Initial Trustee	Ceased 18th May 2015
Temuera Hall	Initial Trustee	Ceased 18th May 2015
Dylan Tahu	Initial Trustee	Ceased 18th May 2015
Gregory Stebbing	Initial Trustee, Elected Trustee	
Dominic Bowden	Initial Trustee, Elected Trustee	
Matiu Heperi Northcroft	Elected Trustee	Began 18th May 2015
Ngahere Wall	Elected Trustee	Began 18th May 2015
William Wall	Elected Trustee	Began 18th May 2015
Arapiu Pohokura Seymour	Elected Trustee	Began 18th May 2015

Beneficiaries

The beneficiaries of the Trust are all individuals who are members of the Iwi for the purposes of the Tuwharetoa Settlement Trust Deed and must also be a member of the following Hapu:

Ngati Hinerau
Ngati Hineure
Ngati Rauhoto
Ngati Te Urunga
Ngati Tutemohuta
Ngati Tutetawha

Te Pae o Waimihia
Statement of Comprehensive Income
For the year ended 31 March 2015

REVENUE	Note	2015	2014
Interest Received	3	631,465	553,946
TOTAL REVENUE		631,465	553,946
LESS EXPENSES			
Administration Expenses		81,104	62,653
Advertising		345	665
AGM Expenses		19,258	15,564
Audit Fees		2,703	3,105
Bank Charges		228	186
Insurance		9,476	9,476
Interest - IRD		-	47
Investment Management Fees		15,881	18,271
Koha		20,000	1,200
Legal Expenses		8,765	4,898
Licences & Subscriptions		-	274
Meeting Room Hire		2,141	4,391
Trustees		-	810
SGM Expenses		5,859	-
Printing, Stationery & Postage		-	1,017
Trustees Fees	8	44,050	56,300
Trustees Travel Costs		2,142	1,786
		211,952	180,643
TRUSTEES INCOME BEFORE TAX		419,513	373,303
LESS TAXATION PROVISION	4	73,888	65,801
NET SURPLUS/(DEFICIT)		345,625	307,502
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		\$345,625	\$307,502



The accompanying notes form part of these financial statements.
 These financial statements should be read in conjunction with the attached Audit Report.



Te Pae o Waimihia
Statement of Changes in Equity
For the year ended 31 March 2015

	Note	2015	2014
EQUITY AT START OF YEAR		39,538,465	14,596,111
SURPLUS & REVALUATIONS			
Total Comprehensive Income		345,625	307,502
Total recognised revenues & expenses		345,625	307,502
OTHER MOVEMENTS			
Funds Settled	10 (a)	-	-
Movement in Accrual for Funds Yet to be Settled	10 (a)	620,880	24,634,852
EQUITY AT END OF YEAR		\$40,504,970	\$39,538,465



The accompanying notes form part of these financial statements.
 These financial statements should be read in conjunction with the attached Audit Report.

Te Pae o Waimihia
Balance Sheet
As at 31 March 2015

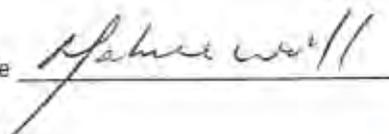
CURRENT ASSETS	<i>Note</i>	2015	2014
BNZ - Cheque Account		12,120	13,225
IWI Investor - Managed Funds	6	15,193,080	14,880,510
Waimihia Limited		42	-
Taxation	4	48,924	20,065
Total Current Assets		15,254,166	14,913,800
NON-CURRENT ASSETS			
TST Funds Held on Account	10 (a)	25,255,732	24,634,852
Total Non-Current Assets		25,255,732	24,634,852
TOTAL ASSETS		40,509,898	39,548,652
CURRENT LIABILITIES			
Trade Payables		2,704	4,155
PAYE Payable		1,568	-
Related Party Payables	7	656	6,032
Total Current Liabilities		4,928	10,187
TOTAL LIABILITIES		4,928	10,187
NET ASSETS		\$40,504,970	\$39,538,465
Represented By;			
TRUSTEES FUNDS			
Funds Settled	10 (a)	14,492,117	14,492,117
Funds Yet to Be Settled by TST	10 (a)	25,255,732	24,634,852
Retained Earnings	10 (b)	757,121	411,496
TOTAL TRUSTEES FUNDS		\$40,504,970	\$39,538,465

For and on behalf of the Trustees:

Trustee



Trustee



Date

7 Sept 2015



The accompanying notes form part of these financial statements.
 These financial statements should be read in conjunction with the attached Audit Report.



Te Pae o Waimihia
Notes to the Financial Statements
For the year ended 31 March 2015

1. STATEMENT OF ACCOUNTING POLICIES

Reporting entity

These are the financial statements of Te Pae o Waimihia ("the Trust"), formally known as Waimihia Forest Hapu Cluster Trust. The Trust changed its name on 15th September 2014 through an amendment of the Trust order, approved at the special general meeting held on the 30th August 2014.

The Trust is established and domiciled in New Zealand by trust deed.

Basis of Presentation

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other application Financial Reporting Standards, as appropriate for profit-oriented entities that qualify for and apply differential reporting concessions.

Basis of Measurement

The financial statements of the Trust have been prepared on a historical cost basis, except as noted otherwise below.

The information is presented in New Zealand dollars.

Changes in Accounting Policies

There have been no changes to accounting policies.

All accounting policies have been applied on a consistent basis with those from the previous financial year.

Differential Reporting

The Trust is a qualifying entity in that it qualifies for Differential Reporting as it is not publicly accountable and is not large as defined under the Framework for differential reporting.

All differential reporting exemptions have been applied.

Specific Accounting Policies

In the preparation of these financial statements, the specific accounting policies are as follows:

(a) Goods & Services Tax

These financial statements have been prepared inclusive of GST as the Trust is not registered for GST.



Te Pae o Waimihia

Notes to the Financial Statements

For the year ended 31 March 2015

(b) Income Tax

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

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

(c) Financial Instruments

Financial instruments include receivables, payables, cash balances and deposits. Financial instruments are stated in the balance sheet when the entity becomes party to a financial contract.

Non derivative financial assets are classified as held-to-maturity investments when the asset has fixed or determinable payments and a fixed maturity, and where the trust intends to hold the asset to maturity.

Held-to-maturity investments are initially measured at their fair value and subsequently measured at amortised cost using the effective interest method, less any impairment.

All financial assets of the trust are classified as held-to-maturity investments.

(d) Revenue

Interest income is recognised using the effective interest method.

2. CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities. The Trust has not granted any securities in respect of liabilities payable by any other party whatsoever.

3. OPERATING REVENUE

	2015	2014
Interest Received	631,465	553,946
Total Operating Revenue	<u>\$631,465</u>	<u>\$553,946</u>



Te Pae o Waimihia
Notes to the Financial Statements
For the year ended 31 March 2015

4. TAXATION

Taxation is calculated as follows:

	2015	2014
Profit Before Taxation	419,513	373,303
Taxation Thereon At 17.5%	73,415	65,328
Tax Effect of Timing Differences	473	473
Income Tax on Net Profit	73,888	65,801
 The Taxation Charge is Represented by		
Current year tax	73,888	65,801
 Tax Payable		
Prior Year Tax to Pay (Refund)	(20,065)	-
Taxes Refunded (Paid)	270	-
Less RWT Credits	(103,017)	(85,866)
Total Tax to Pay (Refund Due)	(48,924)	(20,065)

Timing Differences

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

	2015	2014
Closing Audit & Accounting Fees Accrued	2,703	2,703
Total Timing Differences	2,703	2,703

5. MAORI AUTHORITY TAX CREDIT ACCOUNT

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

	2015	2014
Opening Balance	89,335	23,534
RWT Credits Attached To Interest Income Received	103,017	85,865
Less Tax Refunds Expected at Balance Date	48,924	20,064
Closing Balance	143,428	89,335



Te Pae o Waimihia
Notes to the Financial Statements
For the year ended 31 March 2015

6. IWI INVESTOR INVESTMENT PORTFOLIO

The investments under management by IWI Investor are as follows:

	2015	2014
On Call Account with IWI Investor	135,292	165,531
Bank of New Zealand		2,517,438
ANZ Term Deposit @ 3.87% Maturing 13 May 2014		2,663,487
ANZ Term Deposit @ 4.28% Maturing 4 June 2016	1,707,974	
ANZ Term Deposit @ 4.28% Maturing 11 June 2015	2,805,910	
ANZ Term Deposit @ 4.28% Maturing 6 June 2015	2,515,830	
BNZ Term Deposit @3.90% Maturing 19 May 2014		1,707,447
BNZ Term Deposit @ 3.92% Maturing 10 June 2014		2,004,081
Kiwibank Term Deposit @3.80% Maturing 1 May 2014		2,515,616
Kiwibank Term Deposit @3.85% Maturing 3 June 2014		2,005,485
Kiwibank Term Deposit @ 4.00% Maturing 19 June 2014		1,301,425
Kiwibank Term Deposit @ 4.40% Maturing 2 April 2015	2,028,449	
Kiwibank Term Deposit @ 4.40% Maturing 9 April 2015	2,077,431	
Kiwibank Term Deposit @ 4.50% Maturing 22 May 2015	2,520,959	
Kiwibank Term Deposit @ 4.60% Maturing 16 September 2015	1,401,235	
	<u>\$15,193,080</u>	<u>\$14,880,510</u>



Te Pae o Waimihia
Notes to the Financial Statements
For the year ended 31 March 2015

7. RELATED PARTIES

During the period there have been material transactions between the Trust and related parties as follows:

1. The Trust paid investment management fees totalling \$15,881 to Taupo Moana Group Limited trading as IWI Investor. IWI Investor is associated to the Trust as Temuera Hall is a director of Taupo Moana Group Limited and a Trustee of this Trust. (2014: \$18,271).

2. The Trust paid a number of expenses to He Akina Limited. He Akina Limited is associated to the Trust due to Gregory Stebbing being a Trustee of the Trust and a director of He Akina Limited.

These expenses were:

	2015	2014
Administration	81,104	61,226
Advertising	-	665
AGM	6,867	15,563
Auditing	-	403
Meeting Room Hire	773	4,391
General Expenses		
Insurance	-	9,476
Legal Fees	-	449
Licences & Subscriptions	-	274
Trustees	-	1,207
Printing & Stationery	-	1,017
Trustee Fees	-	12,532
	<u>88,744</u>	<u>107,203</u>

The amount outstanding at year end was \$656 (2014: \$6,032).

3. The Trust has received a call option from Opepe Farm Trust that would allow it to acquire 50% of a commercial property investment venture currently being undertaken by Opepe Farm Trust. Opepe Farm Trust is associated to the Trust as Temuera Hall is the Chairman of Opepe Farm Trust and a Trustee of this Trust.

4. The Trust has settlement funds receivable from Tuwharetoa Settlement Trust (TST), which is detailed in note 11(a). Tuwharetoa Settlement Trust is associated to the Trust as Temuera Hall is the General Manager, Gregory Stebbing is the Chairman of the TST Audit and Risk Committee, and Dylan Tahau is the Chairman Tuwharetoa Settlement Trust, and all are Trustees of this Trust.



Te Pae o Waimihia
Notes to the Financial Statements
For the year ended 31 March 2015

8. TRUSTEES REMUNERATION

The Trustees have received the following remuneration from the Trust in respect of the year ended 31 March 2015:

	2015	2014
Nigel Baker	6,500	9,600
Peter Clarke	6,000	10,400
Ternuera Hall	9,750	15,300
Gregory Stebbing	6,500	10,400
Dominic Bowden	5,700	6,200
Dylan Tahu	4,400	4,400
Matiu Heperi Northcroft	1,300	-
Ngahere Wall	1,300	-
William Wall	1,300	-
Arapiu Pohokura Seymour	1,300	-
	<u>\$44,050</u>	<u>\$56,300</u>

9. CAPITAL & LEASE COMMITMENTS

At balance date there are no commitments for capital expenditure or lease commitments. (2014:nil).



Te Pae o Waimihia
Notes to the Financial Statements
For the year ended 31 March 2015

10. TRUST EQUITY

(a) Settlements on to Trust	2015	2014
Funds Settled under Deed of Trust	14,492,117	14,492,117
Funds Yet To Be Settled by TST	25,255,732	24,634,852
Total Settled on to the Trust	\$39,747,849	\$39,126,969

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

The remaining funds and assets yet to be settled by TST of \$25,113,766 (2014: \$24,634,852) is based on TST achieving 100% Mana Whenua allocation for Waimihia North and South Forests (this cannot be guaranteed). The remaining funds consist of accumulated rentals, interest and other gains on those rentals, and in property assets.

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

During the 2015 financial year, additional information has been made available to more accurately estimate the value of the receivable. If the receivable in the 2014 financial year was calculated with the additional information made available, the balance would have been \$22,988,595, resulting in total movements for the 2015 financial year of \$2,267,136. This balance is defined as an accounting estimate by NZ IAS 8 and restatements of prior year balances are not made for changes in the estimate due to changes in the available information. As a result, no restatement has been made in these financial statements.

(b) Retained Earnings	2015	2014
Opening Balance	411,496	103,994
Net Surplus after tax	345,625	307,502
Retained Earnings Closing Balance	757,121	411,496



INDEPENDENT AUDITOR'S REPORT

To the Trustees of Te Pae o Waimihia (formally known as Waimihia Forest Hapu Cluster Trust)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Te Pae o Waimihia on pages 3 to 12, which comprise the statement of financial position as at 31 March 2015, the statement of comprehensive income, and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

TRUSTEES' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand; 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

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

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

OPINION

In our opinion, the financial statements on pages 3 to 12 present fairly, in all material respects, the financial position of Te Pae o Waimihia as at 31 March 2015, its financial performance and changes in equity for the year then ended in accordance with generally accepted accounting practice in New Zealand.



**CROWE HORWATH NEW ZEALAND AUDIT PARTNERSHIP
CHARTERED ACCOUNTANTS**

7 September 2015

STRATEGIC PLAN 2016 - 2018

VISION:

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

MISSION:

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

OUR CORE STRATEGIES:

1 Whakamana
i nga hapū

2 Organisation
development

3 Asset
growth

STRATEGIC GOALS:

- | | | |
|--|---|--|
| a) To improve marae/
hapū financial
capacity | e) to implement a
comprehensive
Waimihia hapū
members register | i) to develop and
implement a robust
investment strategy |
| b) To improve te reo
me ona tikanga | f) to ensure a lift in
governance upskilling | j) to exercise the trust's
call option with Opepe
for the DoC regional
office |
| c) To upgrade
Tutetawha and
Pakira Marae | g) to develop and
implement a
distribution framework | k) to establish a
commercial building on
the DoC site |
| d) To support
resolution of the
mana whenua
process | h) to develop and
implement robust
organisation policies | |

VALUES: KOTAHI TE KII

- Rangimarie
- Rangatiratanga
- Whakakotahitanga
- Whakawhanaungatanga