

The Whanganui Trust

Chairman's Report for year ended 30 June 2011

Overview

Income for the year was nearly as much as last year's although costs have risen slightly. This meant that with the Morikau funded scholarships (\$7,000) and the funding from UCOL (\$4,500), the Trust had just over \$69,500 available for distribution.

In keeping with previously stated policy, the major focus of the Trust is to support education and to this end 87 people received assistance. Of these 84 were new applicants. There were no applicants for the Farm Training scholarship so that budget allocation would have gone unspent had not the guidelines been changed. The first change is that in future the \$2,500 Farm Training scholarship will be expanded to cover any occupational study at an NZQA recognised educational institution. The second change is that in the event of there being more applicants for Education Grants than funds allocated, any unspent allocation from other scholarship or grant categories will be added to the pool so all applicants will be funded although this may be less than the target \$500, depending on numbers.

Hospice

A last year's meeting in Ranana Tu Gardiner asked if Morikau could join the beef grazing scheme on behalf of the Hospice. After much subsequent discussion it was decided that the grazing scheme presented some difficulties and that it would be easier for the Trust to make a cash donation. This has been set at \$1,000 to be paid annually.

Christchurch Earthquakes

September and then February saw devastation in Christchurch from the two major earthquakes. In response to a call from a Whanganui group in that city the Trust made a donation of \$7,500 to be used exclusively for Whanau affected by the earthquakes.

Scholarships and Grants

We remind shareholders of Morikaunui Incorporation that they or their descendents are eligible to apply for assistance from the Trust. The Scholarship and Education Grant applications close on 31 March. The year specific application forms will be on the website (www.whanganuitrust.com) from the end of January.

Future Prospects

With the world in financial turmoil there is no immediate prospect of interest rates rising so our funds are going to be limited again in the current financial year and probable for the foreseeable future. Although this impacts of our available resources, the Trust will continue to support all deserving applicants to the fullest extent of its capacity.

The following were the recipients of Scholarships in the 2011 year.

On behalf of Morikau

WR Metekingi Post Graduate Scholarship

Awarded for up to two years

Karen Maree Taiaroa (rolled over)

Hera Scott Wells Scholarships

Awarded for up to 3 years

Amber-Lea Rerekura (rolled over)

Keepa T Hipango (new)

Rangitaua Hunia (new)

Helena N Taiaroa (new)

Hoeroa Marumaru Scholarships

Awarded for up to 3 years

Jacob Tarawhai Edwards (rolled over)

Sheila R Henry (new)

Pirihira T Waitai (new)

UCOL Scholarship

Eligible after a successful first year for one year (at the Whanganui campus)

Amy K L Hina

**The Whanganui Trust Agri-business/
Agri-science Scholarship**

*Awarded for one year to someone who
has an agricultural focus in their degree*

Emma Bell

Farm Training Scholarship

No applications

In addition, there were 68 Education Grants and 7 Year 13 Grants awarded. The number of grants for applicants representing Aotearoa in sporting events overseas is also pleasing. The Trustees congratulate all recipients and wish them every success.

Hari Benevides (Ms)

Chairman

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THE WHANGANUI TRUST

DIRECTORY

AS AT 30 JUNE 2011

Nature of Business	Charitable Trust
Address	C/o Balance Chartered Accountants P O Box 670 WHANGANUI
Secretary	Harvey Bell
Bankers	Bank of New Zealand, Whanganui
Solicitors	Tripe Matthews & Feist Wellington
GST	Not Registered
Trustees	As Morikaunui Incorporation Committee of Management members: Hari Benevides (Ms) - Chairperson Ann Waitai Jimmy Edmonds Robert Gray Tema Butler Turama Hawira William Konui Elected at the Morikaunui AGM as prescribed in the Trust Deed: Debbie Te Riaki
Accountants	Balance Chartered Accountants Limited Whanganui
Auditors	Sewell & Wilson Whanganui

THE WHANGANUI TRUST

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$
Income		
Morikaunui Tribal Purposes Grant	12,500	12,500
Dividends Received	2,388	3,072
Interest Received	83,327	85,108
Total Income before Expenses	98,214	100,680
Less Expenses		
Accountancy, Secretarial & Legal Fees	25,279	22,174
Audit Fee	3,465	3,303
Bank Fees & Charges	0	9
Interest - Current Account	0	2
Committee Expenses	10,364	6,773
General Expenses	750	523
Subscriptions , Licences & Fees	176	113
Total Expenses	40,034	32,895
Total Amount Available for Grants	58,181	67,785
Grants		
Education Assistance	500	2,000
Education Purposes	36,490	35,750
Donations / Koha	9,000	1,800
Tribal Purposes	0	-2,000
Marae Grants	2,375	1,000
Maori Memorial ANZAC Grant	204	0
Sports Grants	2,500	7,000
Community Grants	1,000	0
Kaumatua Home Improvement Grants	4,500	4,606
Whanganui "Awa" School	1,000	1,000
Total Grants Made	57,569	51,156
Net Surplus for Year	\$612	\$16,629

The above Statement of Financial Performance should be read in conjunction with the accompanying notes

THE WHANGANUI TRUST

STATEMENT OF MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011	2010
		\$	\$
Equity at start of the period		681,092	664,463
Net Surplus For Year		612	16,629
Total recognised revenues and expenses for the period		612	16,629
Total Equity at the end of the period		<u>\$681,704</u>	<u>\$681,092</u>

The above Statement of Movements in Equity must be read in conjunction with the accompanying notes

THE WHANGANUI TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
EQUITY		\$681,704	\$681,092
REPRESENTED BY:			
INVESTMENTS			
Investments	3	1,007,877	968,666
Shares	2	17,351	17,351
Fonterra Bonds Due March 2015 @ 7.75%	4	325,000	325,000
NZ Post Group Finance Ltd Due 2039 @ 7.5%		100,000	100,000
Total Investments		1,450,228	1,411,017
LESS TERM LIABILITIES			
Unclaimed Monies - Morikaunui Incorporation		801,914	811,040
Unclaimed Monies - Waharangi 4 Block		2,242	2,242
Total Term Liabilities		804,156	813,282
CURRENT ASSETS			
Bank of NZ Current Account		18,612	29,484
Bank of New Zealand 23 account		62	60
Advance - Hoani Hipango		-	52
Accounts Receivable		54,688	56,842
Withholding Tax		3,055	3,055
Total Current Assets		76,417	89,493
LESS			
CURRENT LIABILITIES			
Accounts Payable		40,785	6,139
Total Current Liabilities		40,785	6,139
WORKING CAPITAL		35,632	83,354
NET ASSETS		\$681,704	\$681,092

For and on behalf of the Trust:

Hari Benevides (Ms)

Chairperson

Dated: 12 Oct 2011

The above Statement of Financial Position should be read in conjunction with the accompanying notes

THE WHANGANUI TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

1. Summary of Significant Accounting Policies

1 a) ENTITY REPORTING:

The Whanganui Trust is a Charitable Trust Incorporated under the Charitable Trust Act 1957.

The Whanganui Trust was registered under the Charities Act 2005 on 30 June 2008. The charity number is: CC39278

The Trust prepares general purpose financial statements in accordance with generally accepted accounting practice.

As the entity is not large and is not publicly accountable, it qualifies for differential reporting. It has taken advantage of all available differential reporting exemptions.

1 b) MEASUREMENT BASE:

These Financial Statements have been prepared on the historical cost basis, with the exception of certain assets being revalued where appropriate

1 c) PARTICULAR ACCOUNTING POLICIES:

The following particular accounting policies which materially affect either the measurement of profits or the financial position have been applied.

Goods and Services Tax (GST):

This entity is not registered for GST and therefore all amounts are shown inclusive of GST.

Accounts Receivable:

Accounts Receivable have been stated at net realisable value. Bad Debts (if any) are written off during the period in which they are identified.

Investments:

Investments are stated at cost.

Income Tax:

As a Charitable Trust the Trust is exempt from Income Tax on grant and investment income as per Sections CW41 and 42 of the Income Tax Act 2007.

1 d) CHANGES TO ACCOUNTING POLICIES:

There have been no changes to accounting policies.

In all material respects these Financial Statements (including supporting notes and schedules) have been prepared in a manner consistent with those of previous years.

1 e) EVENTS SINCE BALANCE DATE:

There have been no significant events since balance date which it is considered would materially alter the information contained within these Financial Statements.

THE WHANGANUI TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011 (continued)

2. Shares

Morikaunui Incorporation - 456.09877 Shares
Atihau Whanganui Incorporation - 3407.38 Shares

2011	2010
10,815	10,815
6,537	6,537
\$17,351	\$17,351

3. Bank Deposits

National Bank Term Deposit 1002 @ 4.5% Due 7 June 2012
BNZ Term Deposit 1005 @ 5.30% Due 27 August 2011

BNZ Term Deposit 1010 @ 5.31% Due 21 July 2011
BNZ Term Deposit 1012 @ 4.8% Due 22 December 2011
BNZ Term Deposit 1013 @ 5.4% Due 24 December 2011

2011	2010
234,968	218,284
151,321	144,845
115,021	109,979
256,568	245,558
250,000	250,000
\$1,007,877	\$968,667

4. Shares

Fonterra Bonds Due March 2015 @ 7.75%

2011	2010
325,000	325,000
\$325,000	\$325,000

5. Trust Equity

Accumulated Equity
Home Improvement Reserve
Home Improvement Income Account
Surplus for the Year

2011	2010
\$	\$
615,902	599,274
61,433	61,433
3,756	3,756
612	16,629
\$681,704	\$681,092

6. Waharangi 4 Block (Unclaimed Royalties)

This account consists of unclaimed Timber Royalties held by the Trust on behalf of Waharangi 4 owners. The owners earlier requested the Trust to distribute the royalty and to retain the unclaimed balance on the same basis as unclaimed dividends.

THE WHANGANUI TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011 (continued)

7. Morikaunui Incorporation Liability

These are sums deposited with the Whanganui Trust by the Morikaunui Incorporation under the terms of the Trust Deed on account of unclaimed dividends. Such unclaimed dividends may be claimed at any time with the sums involved being returned by the Trust.

8. Related Party Information

Related party matters arise with respect to Morikaunui Incorporation in that under the terms of the Trust Deed the Morikaunui Incorporation board members are all Trustees comprising seven of the eight Trustees. The Trust and Morikaunui also have a secretary in common.

From time to time Trustees have and disclose interests in grantee organisations and abstain from those decisions.

9. Capital Commitments

There are no commitments of a capital nature.

10. Contingent Liabilities

There are no contingent liabilities which have not been disclosed.

AUDIT REPORT

TO : THE WHANGANUI TRUST

Report on the Financial Statements

We have audited the financial statements of The Whanganui Trust on pages 2 to 7, which comprise the Statement of Financial Position as at 30 June 2011, the Statement of Financial Performance, and Statement of Movements in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustees' Responsibilities for the Financial Statements

The Trustees are responsible for the preparation of financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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 misstatements.

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 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 of financial statements that give a true and fair view of the matters to which they relate 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.

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DIRECTORS: Douglas Wilson B.C.A., C.A., Peter Redpath B.B.S., C.A.

ASSOCIATE: Grant Benson B.B.S., C.A. CONSULTANT: Michael Sewell F.C.A.

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 Whanganui Trust.

Opinion

In our opinion, the financial statements on pages 2 to 7:

- Comply with generally accepted accounting practice in New Zealand
- Give a true and fair view of the financial position of The Whanganui Trust as at 30 June 2011 and its financial performance for the year ended on that date.

Report on Other Legal and Regulatory Requirements

We have obtained all the information and explanations that we have required.

In our opinion proper accounting records have been kept by The Whanganui Trust as far as appears from an examination of those records.



Sewell & Wilson Ltd

Chartered Accountants

Wanganui

14 October 2011