

The Whanganui Trust

Chairman's Report - 2019

Tēnā koutou Ngā Rangatira

Educational endeavours remain the major focus of the trust, with our shareholders' whānau accounting for the bulk of the overall support provided.

The achievement grades of our applicants continue to be concentrated in the upper quartile with many working towards post-graduate studies and professional careers. This can only be good for the future of our people.

A couple of years ago the trust, along with a handful of other Maori entities around the Motu, entered into a Memorandum of Understanding with Victoria University of Wellington whereby it will match whatever award we make for students attending the University. For these students, it doubles the value of their financial support. There were 8 recipients this year.

Our education awards for the year were as follows:

Morikaunui funded Scholarships

WR Metekingi Post-graduate Scholarship

\$5,000 for one year (*the recipient is entitled to reapply for another year*)

Elizabeth Hooker

Hera Scott-Wells Scholarship

\$1,000 pa for up to 3 years

Hope Tioro

Tamahina Roimata Sheridan

Grace Parkes

Nga Remu Huia Tahuarae

Hoeroa Marumarū Scholarship

\$1,000 pa for up to 3 years

Nicola Walsh

Malachi Ropata

Brittany Taylor

Taine Anthony Julian

The Whanganui Trust Scholarships

\$2,500 each for one year (recipients successfully completing their year are eligible to apply again)

Trust Trade/Agricultural Scholarship

Aaliyah Ranginui

Trust Agri-Business/Land-based Degree Scholarship

Jacob Robson

The Trust also paid out \$28,980 in Education and Year 13 Grants (63 and 6 respectively).

Finally, thank you to my fellow trustees and to the office staff for their contribution to the year's endeavours. Also, to Sue Anderson (for the last time, she is moving away from Whanganui) who makes the recommendations for all the Scholarships.

Kia tau aku pitopito korero ki konei tena koutou tena tatou katoa

Hari Benevides (Ms)

The Whanganui Trust

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For the Year Ended 30 June 2019

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The Whanganui Trust

Entity Information

As at 30 June 2019

The Whanganui Trust is a Discretionary Trust, established by a trust deed dated 26 March 1965.

Entity's Purpose or Mission The support of the educational and cultural aims of the Maori people in the District. Operations are governed by its Rules that aligns to and supports the requirements of the Charities Act.

Address C/o Balance Chartered Accountants
P O Box 670
WHANGANUI

Entity Structure Trustees are the members of the Morikau Incorporation Committee of Management and one Trustee appointed by shareholders at Annual General Meeting.

Trustees Automatically appointed as Morikaunui Incorporation CoM members:
- Hari Benevides (Ms) - Chairperson
- Turama Hawira
- Jimmy Edmonds
- Robert Gray
- William Konui
- Kataraina Millin
- Harvey Bell
- Mariana Waitai (*shareholder appointee*)

Main Sources of Cash and Resources Koha and Grants, and yields from Investments

Main Methods Used to Raise Funds Apart from the above "Main Sources of Cash", the Trust does not fund raise.

Entity's Reliance on Volunteers and Donated Goods or Services
The Trust does not rely on Volunteers and Donated Goods or Services.

The Whanganui Trust

Entity Information (continued)

As at 30 June 2019

GST	Not Registered
Secretary	Harvey Bell
Accountants	Balance Chartered Accountants Limited Chartered Accountants 16 Bell Street, Whanganui
Auditor	Spooner Hood & Redpath Limited Chartered Accountants 162 Wicksteed Street Whanganui
Bankers	Bank of New Zealand Victoria Avenue Whanganui
Solicitors	Tripe Matthews & Feist Level 2, 38-42 Waring Taylor Street Wellington 6011
Registered Charity Number	CC39278

The Whanganui Trust

Approval of Performance Report

For the Year Ended 30 June 2019

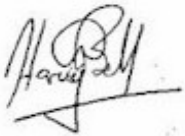
The Trustees are pleased to present the approved Performance Report including the historical Performance Report of The Whanganui Trust for the year ended 30 June 2019.

For and on behalf of the Trustees



Trustees

Date 16 October, 2019



Trustee

Date 16 October, 2019

The Whanganui Trust

Statement of Service Performance

For the Year Ended 30 June 2019

Description of Trust Outcomes

The Whanganui Trust will action the principles of the Mission Statement by:

- assisting participation in education and learning
- fostering self-development
- assisting in Community projects where they have the potential of benefiting Shareholders and Uri
- growing a capital base from which income is derived

	Actual 2019	Actual 2018
Education Purposes & Scholarships Grants given (# of individuals)	71	98
Education Purposes & Scholarships Grants provided (\$ value of funding)	\$33,936	\$33,987
Other Grants (# of grants)	11	14
Other Grants (\$ value of grants)	5,856	\$11,950
Total number of Applications	82	113

These financial statements are to be read in conjunction with the accompanying notes. These statements have been audited.

The Whanganui Trust

Statement of Financial Performance

For the Year Ended 30 June 2019

	Note	Actual 2019 \$	Actual 2018 \$
Revenue			
Donations, fundraising and other similar revenue	2	12,500	12,500
Interest & Dividends	3	89,608	87,777
Total Revenue		102,108	100,277
Less Expenses			
Costs related to providing goods and services	4	23,753	21,592
Grants and donations	5	39,792	45,937
Other expenses	6	4,082	4,077
Total Expenses		67,627	71,606
Surplus		34,481	28,671

These financial statements are to be read in conjunction with the accompanying notes. These statements have been audited.

The Whanganui Trust

Statement of Financial Position

As at 30 June 2019

	Note	2019 \$	2018 \$
Accumulated Funds			
Trust Capital	7	914,830	880,349
Total Accumulated Funds		914,830	880,349
Represented by:			
Current Assets			
Bank of New Zealand - Current Account		4,547	3,401
Bank of New Zealand - 23 Account		99,024	48,146
Accrued Interest Receivable		5,279	17,201
Morikaunui Incorporation - Advance		1,573,000	1,573,000
Term Deposits	8	155,640	150,000
Other Current Assets	9	54,799	23,761
Total Current Assets		1,892,289	1,815,509
Non-Current Assets			
Term Investments	10	117,351	117,351
Total Assets		2,009,640	1,932,860
Non-Current Liabilities			
Unclaimed Monies - Morikaunui Incorporation		1,094,810	1,052,511
Total Liabilities		1,094,810	1,052,511
Net Assets		914,830	880,349

These financial statements are to be read in conjunction with the accompanying notes. These statements have been audited.

The Whanganui Trust

Statement of Cash Flows

For the Year Ended 30 June 2019

Note	2019	2018
	\$	\$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and other similar revenue	-	12,500
Interest, dividends and other investments	95,890	83,068
	95,890	95,568
Cash was applied to:		
Payments to suppliers and employees	27,835	25,894
Donations and grants paid	39,792	46,747
	67,627	72,641
Net Cash Flows from Operating Activities	28,263	22,927
Cash Flows from Investing and Financing Activities		
Cash was received from:		
Morikaunui Incorporation (2018 unclaimed Dividends)	23,761	-
Cash was applied to:		
Advance to Morikaunui Incorporation	-	44,942
Net Cash Flows from Investing and Financing Activities	23,761	(44,942)
Net Increase/(Decrease) in Cash Held	52,024	(22,015)
Cash at the Beginning of the Year	51,547	73,562
Cash at the End of the Year	103,571	51,547
This is represented by:		
Cash & Bank Balances	103,571	51,547

These financial statements are to be read in conjunction with the accompanying notes. These statements have been audited.

1 Statement of Accounting Policies

Statement of Compliance and Basis of Preparation

The Whanganui Trust is eligible to apply Tier 3 PBE Accounting Requirements : PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit), on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. The trust has elected to report in accordance with PBE SFR-A (NFP). All transactions in the Performance Report are reported using the accrual basis of accounting.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the trust, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars. All values are rounded to the nearest \$.

The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied:

(a) Revenue Recognition

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.

(b) Expenses

Expenses have been classified by their business function.

(c) Trade Receivables

Trade Receivables are recognised at estimated realisable value.

(d) Income Tax

The Trust has charitable status and is exempt from income tax.

(e) Investments

Investments (including Shares and Bonds) are valued at cost.

(f) Goods and Services Taxation (GST)

The amounts recorded in the performance report are inclusive of GST (if any). The trust is not registered for GST.

(g) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous performance report.

The Whanganui Trust

Notes to and forming part of the Performance Report (continued)

For the Year Ended 30 June 2019

	2019	2018
2 Donations, fundraising and other similar revenue	\$	\$
Morikaunui Tribal Purposes Grant	12,500	12,500
Total Donations, fundraising and other similar revenue	12,500	12,500
3 Interest & Dividends	\$	\$
Dividends Received	3,583	3,242
Interest Received	86,025	84,535
Total Interest & Dividends	89,608	87,777
4 Costs related to providing goods and services	\$	\$
Accountancy & Administration	13,737	12,291
Committee Expenses	2,432	1,072
General Expenses	1,042	912
Secretarial Fees	6,000	6,000
Shareholder Meeting Expenses	542	1,317
Total Costs related to providing goods and services	23,753	21,592
5 Grants and donations	\$	\$
Community Grants	-	3,100
Donations, Koha & General Grants	5,856	8,850
Education Purposes	33,936	33,987
Total Grants and donations	39,792	45,937
6 Other expenses	\$	\$
Audit Fee	4,082	4,077
Total Other expenses	4,082	4,077

These financial statements have been audited.

The Whanganui Trust

Notes to and forming part of the Performance Report (continued)

For the Year Ended 30 June 2019

	2019	2018
7 Trust Capital	\$	\$
Opening Balance	880,350	849,698
Plus:		
Net Surplus	34,481	28,671
Waharangi 4 Block	-	2,242
	<u>34,481</u>	<u>30,913</u>
Less:		
Dividend Reconciliation	-	261
Total Trust Capital	<u>914,831</u>	<u>880,350</u>
8 Current Investments	\$	\$
Term Deposits		
BNZ - TD 1015 @3.76% due 21/07/2019	155,640	150,000
Total Current Investments	<u>155,640</u>	<u>150,000</u>
9 Other Current Assets	\$	\$
Morikaunui Incorporation - Current Account	12,500	500
Morikaunui Incorporation - Unclaimed	42,299	23,261
Dividends (current yr)		
Total Other Current Assets	<u>54,799</u>	<u>23,761</u>
10 Term Investments	\$	\$
Fixed Interest Investments		
NZ Post Group Finance Ltd - Bonds@ 6.35% due 15Nov39	100,000	100,000
Shares		
Atihau Whanganui Incorporation - 3407.38 Shares	6,536	6,536
Morikaunui Incorporation - 456.09877 Shares	10,815	10,815
Total	<u>17,351</u>	<u>17,351</u>
Total Term Investments	<u>117,351</u>	<u>117,351</u>

These financial statements have been audited.

The Whanganui Trust

Notes to and forming part of the Performance Report (continued)

For the Year Ended 30 June 2019

	2019	2018
11 Related Party Transactions with Morikaunui Incorporation	\$	\$
Donations Received	12,500	12,500
Interest Received	72,849	73,421
Total Related Party Transactions with Morikaunui Incorporation	85,349	85,921

	2019	2018
12 Related Party Assets or (Liabilities)	\$	\$
Other Receivables from Morikaunui Incorporation	54,799	23,761
Advance to Morikaunui Incorporation	1,573,000	1,573,000
Unclaimed Dividends to Shareholders	(1,094,810)	(1,052,510)
Total Related Party Assets or (Liabilities)	532,989	544,251

13 Related Party Information

Morikaunui Incorporation is the settlor of The Whanganui Trust (the Trust). Under the terms of the Trust Deed six appointed trustees are also members of the Morikaunui Incorporation board and the Trust holds shares in the Incorporation.

Distributions are made from the Incorporation to the Trust annually as disclosed in the Statement of Financial Performance.

Unclaimed dividends owing to Incorporation's shareholders are held in trust by the Trust as term liabilities. The advance to Morikaunui Incorporation is unsecured and repayable on demand.

From time to time Trustees have and disclose interests in, or a relationship with individual applicants and/or grantee organisations and abstain from those decisions.

14 Commitments

The trust has no commitments as at 30 June 2019, (2018 Nil).

15 Contingent Liabilities and Guarantees

The trust has no contingent liabilities and no guarantees as at 30 June 2019. (2018: Contingent Liabilities Nil. Guarantees Nil.)

16 Events Occurring After Balance Date

There were no events that have occurred after the balance date that would have a significant impact on the Performance Report. (Last Year - Nil).

INDEPENDENT AUDITOR'S REPORT

To the Trustees of The Whanganui Trust

Opinion

We have audited the accompanying performance report of The Whanganui Trust, which comprise the statement of financial position as at 30 June 2019, the statement of financial performance and statement of cash flows for the year then ended, the statement of accounting policies and other explanatory information.

In our opinion, the accompanying performance report presents fairly, in all material respects, the financial position of The Whanganui Trust as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with the requirements of Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), issued in New Zealand by the New Zealand Accounting Standards Board, relevant to reporting financial position, financial performance and cash flows.

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 in the Auditor's Responsibilities for the Audit of the Performance Report section of our report. We are independent of The Whanganui 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 Whanganui Trust.

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.

Other Information

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

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

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

Trustees' Responsibility for the Performance Report

The Trustees are responsible on behalf of the entity for determining that the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) framework is acceptable in the entity's circumstances and, for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) The preparation and fair presentation of the performance report which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and
- (c) For such internal control as the Trustees determine is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

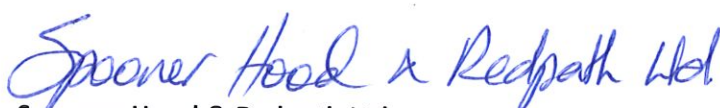
In preparing the performance report, the Trustees are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to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

Auditor's 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.

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/audit-report-8/>



Spooner Hood & Redpath Ltd

Whanganui

16 October 2019