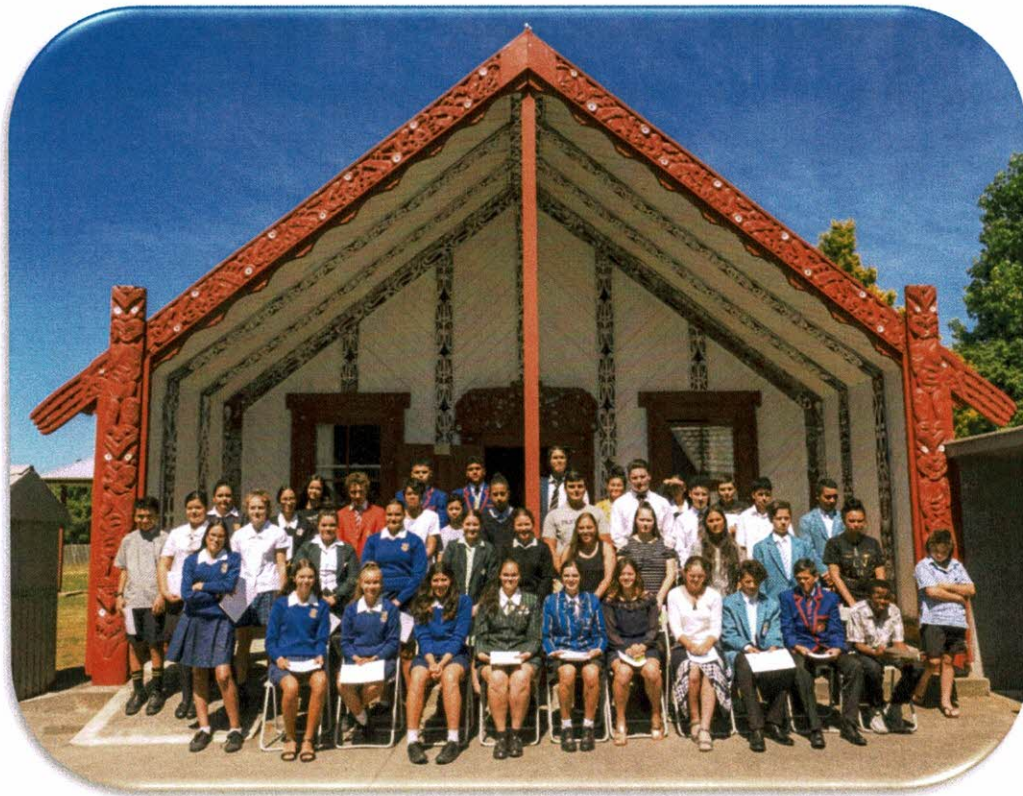




**Papawai & Kaikōkirikiri**  
TRUSTS



Annual Awards Hui 2019

# **Annual Report**

# **2019**

# Annual General Meeting

The Papawai & Kaikōkirikiri Trusts Annual General Meeting will be held

**Tuesday November 19, 2019 at 4:00pm**  
**4 Park Avenue, Masterton**

Charities Registration number: CC33280

## Agenda

4:00pm Karakia  
Mihi whakatau  
Apologies  
AGM Minutes 2018  
Chairperson's Report  
Financial Report  
Appointment of the Auditor  
General Business  
Election of two (2) Tangata Whenua members  
Confirmation of Church member

## Contents

1. Strategic Plan 2015-2020
2. Chairperson's Report
3. Year in Review
4. Board of Trustees
5. Scholarship Recipients
6. Financial Statements
7. Audit Report

# Strategic Plan 2015 - 2020

<p><b>Vision Statement</b>  <i>Ko te Amorangi ki mua; ko te Hāpai ō ki muri.</i>  <i>Te Tūturutanga mahi pono; o te Māori mana motuhake.</i></p>	<p><b>Mission Statement</b>  <i>To uphold the aspirations and expectations of our tīpuna, to enhance the faith and education of our people; by being good kaitiaki of our taonga tuku iho through our business practices.</i></p>
<p><b>Objectives</b>            1.1 Ensure scholarships for attendance at Church and secular schools are provided.</p>	<p><b>Strategies</b></p> <ul style="list-style-type: none"> <li>Continue to provide scholarships for beneficiaries attending Church and secular schools.</li> <li>Review our desired funding between Church schools and secular schools, to ensure it is optimal for our beneficiaries.</li> </ul>
<p><b>GOAL 1</b>            To enhance the Faith, to empower whānau and hapū</p>	<p><b>Actions</b></p> <ul style="list-style-type: none"> <li>Scholarship applications to be provided for Church and secular school attendance options.</li> <li>Review of funding allocation; amount provided versus application numbers.</li> <li>Allow for flexible allocation annually to link with actions associated with the Act.</li> </ul>
	<p><b>When</b>            Ongoing, annual allocation process in November</p>
	<p><b>Who</b>            Education Comm</p>
	<p><b>When</b>            November meeting</p>
	<p><b>Who</b>            Education Comm</p>
	<p><b>When</b>            Ongoing</p>
	<p><b>Who</b>            Education Comm / Office</p>
	<p><b>When</b>            Ongoing</p>
	<p><b>Who</b>            Education Comm / Office</p>
	<p><b>When</b>            July August 2019</p>

		<ul style="list-style-type: none"> <li>Provide all new scholarship recipients with information on our Faith.</li> </ul>	<ul style="list-style-type: none"> <li>All beneficiaries will be provided with a Māori/English Bible and/or information on the Anglican Faith.</li> <li>Information on the historic purpose of the endowment, and Anglican Faith will be made available on website.</li> </ul>	Ongoing	Office  Office (with assistance, historical and church)
<p><b>GOAL 2</b></p> <p>To make a positive contribution to the education of tamariki, which empowers whānau</p>	<p>2.1 Ensure scholarships are distributed in an efficient and transparent manner, which provides useful support to whānau.</p>	<ul style="list-style-type: none"> <li>Review the purpose and criteria for our scholarships, to determine whether we are providing optimal support to recipients and their whānau.</li> </ul>	<ul style="list-style-type: none"> <li>Survey of scholarship recipients.</li> </ul>	Survey in first-half of each year	Education Comm Education Comm
		<ul style="list-style-type: none"> <li>Review the acceptance / decline procedure to ensure it is a fair process.</li> </ul>	<ul style="list-style-type: none"> <li>Board policy that outlines decision-making processes for acceptance / decline. (Note: the issue is whether the current process is fair and defensible, i.e: taking on unfettered advice from school principals.</li> </ul>	July / August annually	Education Comm
	<p>2.2 Ensure all eligible whānau are aware of our education scholarships, and it is easy for them to apply.</p>	<ul style="list-style-type: none"> <li>Investigate an online application process for scholarships to enable completion of application forms on line.</li> </ul>	<ul style="list-style-type: none"> <li>online application process completed.</li> </ul>	2019 for 2020 Applications	Office
	<ul style="list-style-type: none"> <li>Provide twice a year communications on the activities of the Trust, its purpose, and on the scholarships available.</li> </ul>	<ul style="list-style-type: none"> <li>Media release of scholarships being open.</li> <li>Trust awards ceremony.</li> <li>Use existing award ceremonies to acknowledge/profile PKT i.e: School award ceremonies.</li> </ul>	Ongoing	Education Comm Office	

# Strategic Plan 2015 – 2020

<p><b>Vision Statement</b>  <i>Ko te Amorangi ki mua; ko te Hāpai ō ki muri.</i>  <i>Te Tūturutanga mahi pono; o te Māori mana motuhake.</i></p>	<p><b>Mission Statement</b>  <i>To uphold the aspirations and expectations of our tipuna, to enhance the faith and education of our people; by being good kaitiaki of our taonga tuku iho through our business practices.</i></p>			
<p><b>Objectives</b>            3.1 The Trust remains as a perpetual guardian of our endowment, and our lands are well cared for.</p>	<p><b>Strategies</b></p> <ul style="list-style-type: none"> <li>Review our perpetual interests in land.</li> <li>Seek to put in place appropriate environmental measures for our activities including riparian planting on the rural properties.</li> <li>Encourage compliance of the Health and Safety at Work Act 2015</li> </ul>	<p><b>Actions</b></p> <ul style="list-style-type: none"> <li>Review opportunities as and when they arise.</li> <li>Environmental statement prepared.</li> <li>Hold discussions with environmental managers as and if required. PKT to work with the lessees to maintain best environmental practices.</li> <li>Board acknowledges its obligations are met under PK Trusts Health and Safety Policy.</li> </ul>	<p><b>When</b></p> <p>As required</p>	<p><b>Who</b></p> <p>Property Comm</p>
<p><b>GOAL 3</b></p> <p>To be a good steward of our taonga tuku iho and other assets.</p>	<p>3.2 The Trust derives an acceptable financial return from all assets.</p>	<ul style="list-style-type: none"> <li>Review of commercial lands</li> </ul>	<p>2020</p> <p>Ongoing</p>	<p>Property Comm</p> <p>Board</p>
		<ul style="list-style-type: none"> <li>Develop and implement business strategies for all aspects of our operations, including reviewing current leasehold arrangements to ensure all options are considered.</li> </ul>	<p>Ongoing</p>	<p>Property Comm Baker &amp; Co.</p>
		<ul style="list-style-type: none"> <li>Review of commercial lands.</li> </ul>	<p>Ongoing</p>	<p>Property Comm / Board</p>

<p><b>GOAL 4</b></p> <p>To operate in a manner that upholds the high expectations and aspirations of our tīpuna</p>	<p>4.1 Our operational approach is robust, efficient, effective and consistent.</p>	<ul style="list-style-type: none"> <li>We will operate within a set business plan and budget, and review our performance each quarter. This will include a review of our operational needs to ensure optimal capacity.</li> </ul>	<ul style="list-style-type: none"> <li>Preparation of Annual Business Plan, based on Strategic Actions and Budget allocations.</li> </ul>	<p>Final approved for commencing 1 July 2020</p>	<p>draft in May Year 1</p>	<p>Board FRA Committee</p>
		<ul style="list-style-type: none"> <li>Information and training schedule developed for staff and trustees.</li> </ul>			<p>Ongoing</p>	<p>Board</p>
	<p>4.2 Our legislative framework is fit for purpose and meets the needs of our beneficiaries</p>	<ul style="list-style-type: none"> <li>We will review our legislative framework.</li> </ul>	<ul style="list-style-type: none"> <li>Review annually.</li> </ul>		<p>Ongoing</p>	<p>Board</p>

# Chairperson's Report



Kia ora koutou katoa.

It is my pleasure to present this annual report for the Papawai Kaikokirikiri Trust board. The Trust has experienced another busy and successful year which included the installation of the Xero accounting package with the help of Amy Kerr and Associates, as well as an upgrade of our Web page and all applications going online.

I must reiterate this success has been reflected in the grants and scholarships this year that were paid out to nga tamariki being over \$109,000.00 for the year.

## **PROPERTY**

**Rural:** Farms continue to be managed and cared for by lessees and Trustees are pleased with their management.

**Hikurangi Farm:** The cottage has required a lot of maintenance with painting and upgrades but also the Trustees had to replace 6 power poles due to their unsafe condition.

Fencing off and planting the waterways through the farm has been ongoing this year – again, Thanks to Don Bell from Carbon Natural for his expertise and advice. Thank you to our lessee the Rose Family for caring for this asset.

**Papawai Farm:** Continues to be leased and managed by the Van der Bosh family – again the Trustees are happy with how they are farming the land. Thank you.

**Tree Planting Day - 13 July:** What a great turn out we had this year – over 50 students and their whanau turned out on the day, young and old with some coming from Hawkes Bay and Wellington. Their travel time taking longer to get here than the time spent planting, but I'm sure they loved the whanaungatanga and being on the whenua. Thank you all so much for your participation the pictures reflect a happy day. Again over 800 trees were planted in less than the 2 hours.

**Akura area:** Thank you Dick Chamberlain and GWRC for leasing and managing this rural land. The Trustees acknowledge you both as well. The bore that was recently put in continues to service these two areas.

**Industrial area:** (Herewini /Ngamutawa Road): we continue to seek tenants for this area with lots of enquires, but nothing getting closed, we will continue to pursue this in the coming year.

## **EDUCATION**

Our Award ceremony was held this year at Papawai Marae on the 26 January – approximately 150 attended, great turnout – our sincere thanks to Papawai Marae for hosting us again.

**145 scholarships** - were paid out totaling \$109,000.00 – of these Boarding students received \$2000.00 each and Day students \$550.00 each.

**NCEA Grants** - 14 students were reimbursed for fees these totaled \$1017.00. This year also saw these fees being removed by government – so the Trust will look to redistribute these monies in other areas.

**Leadership and Development Grant** - six students benefited, and their grants used for Spirit of Adventure, Dance and Drama Academy, Rugby tournament and Business course.

**Web page/Online applications/ Surveys** - An upgrade of the website included all applications being available online and receiving feedback via Survey Monkey, has proved a positive move – we hope this will help streamline the process and make easier for all applicants. We appreciate receiving feedback.

**TRUSTEES 2018** - (to come up for re-election by rotation in year indicated)

### **Church**

Wai Quayle - (2019)

Taiawhio Gemmell - (2020)

Rachael Hawea Kete - (2021)

Reo Walker – (2022)

### **Tangata Whenua**

Dale Coles – (2019)

Andrea Rutene – (2020)

Alex Webster – (2021)

Rex Playle – (2022)

It was with sadness that the Trust received Alex Webster’s resignation in July, so we are in the process of replacing this delegate.

Finally, my sincere thanks to all the parents, students, professional support, especially our Kaitohutohu Whenua and Kaitohutohu Putea, Gary Percy and Alan Sadler for your continued support and the Wairarapa Moana Incorporation over the year.

**Na**

***Archdeacon Waitohiariki Quayle***

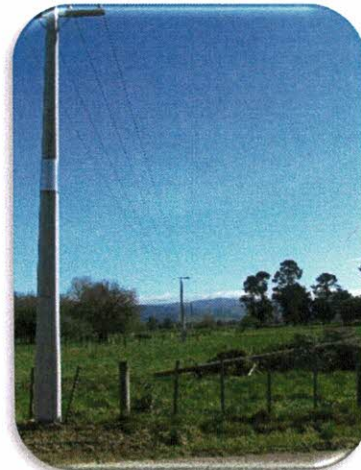
# Year in Review

Operating Surplus	\$123,582	Down 12%
Rental Income	\$326,743	Down 7%
Equity	\$12,537,368	Up slightly
Total Assets	\$12,550,803	Status quo
Total Grants	\$105,495	Up 43%

Land for Lease



New Power Poles for Hikurangi



Tree Planting at Papawai Farm



# Board of Trustees

*Back row L-R:* Andrea Rutene, Gary Percy, Alex Webster, Rachael Hawea-Kete  
*Front row L-R:* Reomoana Walker, Taiawhio Gemmell (Deputy Chair), Waitohiariki Quayle (Chair), Dale Coles



Inserts:



Rex Playle  
Board member



Colleen Wright  
Secretary - Manager

# 2019 Secondary School Scholarship Recipients

Kauri Greer	Samuel Draper	Grace Carroll
Paraniha Reiri-Tuiomanufili	Caedman Hawkins	Alex Julian
Anna Mason	Phaelyn Hawkins	Harriette Klingender
Katrina Watkins	Keden Whichman	Raymond Rimene
Autumn karatau-Te Kuru	Wyntah Karatau-Te Kuru	Rongomatane Hurirama
Amaru Haeata	Lincoln Allen-Jury	Billie-Rae Parkes
Meziah Rimene	Taylor Topp	Ngaroimata MacDonald
Tukotahi Tiakitai	Potiki Kawana	Tiaki Freeman
Erin McKinley	Kingston TeMiha-Gage	Jordon Nepe Apatu
Paige Taiaroa	Mylan Araia	Staazi Araia
Zeniff Marsh	Makaia Nicholls	Lela Pitau
Fern Pitau	Pounama Mackay	Kaahurere Mackay
Priya Singh	Camryn Caffell	Veronique Petterson
Ishayah Topia-Balsley	Raycena Baron	Emma Millar
Kaia carter-Flitten	Charlie Karaitiana	Jack Karaitiana
Avahlon Te Tau	Carnella Rautu	Rileigh Barns-Rodway
Rawinia Holmes	Pikamai Broughton	D'Johnae Taurima
Stevie Ngatai	Seth Ngatai	Jonee Ahipene
Anahera Manaena-fell	Te Rangihua Henare	Hinerauaharangi Henare-Taiapa
Nikora Manaena	Tiopera Ihaia	Oscar Kitto
Le Bron Jackson	Santana Dean	Taylor Riwai-Couch
Whakhonore Mita	Taiawhio Gemmell	Natariki Gemmell
Emily greenfield	Arahnaga Manaena	Claire Grace
Hana Pakai	Arnika Ratima-Brighthouse	Sian Wheeler
Tamatea Paku	William Sargent	Aja Walker
Tahlia Reiri-Te Rito	Kayjahnah Thompson	James Grace
Zack Henson	Paranihia Tamakehu	Lauren Perry
Morehu Puhara-kemp	Perehina Edmonds	Toria Edwards
Te Huia Tilyard	Herne Tilyard	C-J Graham
Langdale Graham	Jade Kelly-Ranger	Elyse Paku-Kerr
Alexandra Waitere	Merekara Rupapere	Nga-Huia Rimene
Jerome Lintern	Aaliyah Savaliga	Hahnel Karaitiana
Meadow Carroll	Kingston Kawana	Eliana Hing
Peter Hing	Wikitoria Rimene	Jessy-Ray Martin
Iverson Vainikolo-Savaliga	Kravitz Paku	Tremaine Paku
Aranga Brown	Ahere Epps	Chanel Hemi
Boaz Hing	Wiremu Rupapere	Billie-Rae Rimene
Toi A Te Anahera Prime	Davao Prime	Josh Smith
Shkhan Wilson	Jade Walker	Taizak Walker
Isabella Walker	Tamaiki Kaiwai	Vinnie Paratene
Ella Fenwick	Bailie Sims	Cadey Sims
Kaia Mita	Judith Reiri	Hinewhakaruhiakiterangi Manaena
Kawana Rongonui	Rarauia Waikare	Tommy Travers
Matariki Riwai-Couch	Taurawhero Poutu	Mihiroa Fox
Logan Nai Nai	Anahera Rimene-Te Tau	Anniko Quinn-McLean
Matua Davidson	Maioha Riwai-Couch	Texas Taueki

## 2019 N C E A Grants

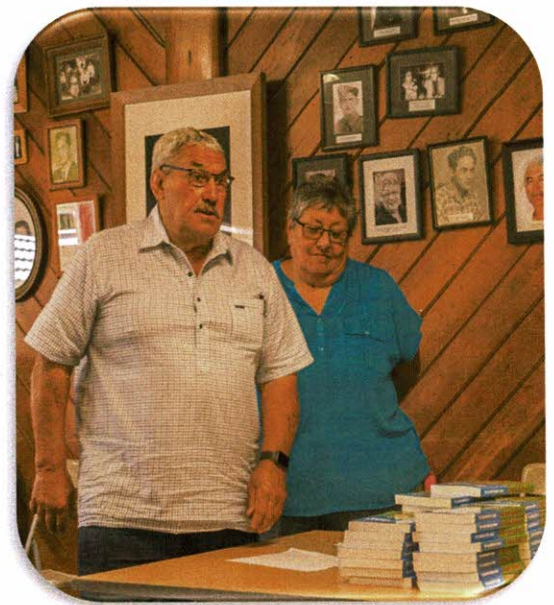
14 N C E A Grants were awarded in 2018. The intention is to support our whānau with the cost incurred in studying towards their National Certificate in Educational Achievement (NCEA).

Rongomātane	Huirama
Alex Arahia	Julian
Khann James Ronara	Walker
Mihi	Te Tau
Zeniff	Marsh
Judith	Reiri
Henewhakaruhiakiterangi	Manaena
Tommy	Travers
Matua (Tommy)	Davidson
Kaia	Mita
Kingston	Te Miha Gage
Isabella	Walker
Carnella	Rautu
Arnika	Ratima-Brighthouse

*13 May 2019*

*The Minister of Education announced that families of secondary students will no longer have to pay fees to enter NCEA and New Zealand Scholarship.*

# 2019 Scholarship Awards Hui



## 2019 Scholarship Awards Hui



**Papawai and Kaikokirikiri  
Trusts Board**

**Performance Report**

**For the Year Ended 30 June 2019**

# **Papawai & Kaikokirikiri Trusts Board**

## **Performance Report for the Year Ended 30 June 2019**

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**Papawai & Kaikōkiri Trusts Board**  
**Entity Information ( Unaudited )**  
**For the Year ended 30th June 2019**

**Legal name of entity**

Papawai & Kaikōkiri Trusts Board.

**Type of entity and legal basis**

Established under the Papawai & Kaikōkiri Trusts Act 1943. Registered as a charitable entity (registration number CC33280) under the Charities Act 2005.

**Entity's purpose or mission statement**

To enhance the Faith, to empower whānau and hapū; to make a positive contribution to the education of tamariki, which empowers whānau; to be a good steward of our taonga tuku iho and other assets; and to operate in a manner that upholds the high expectations and aspirations of our tīpuna.

**Entity structure and governance**

The Trust Board consists of eight members. The Trust has an audit, risk and finance committee. On the Trust Board:

Chairperson	Waitohiariki Quayle
Vice Chairperson	Taiawhio Tame Gemmell
Trustee	Alexander Haddon Webster
Trustee	Rachael Hawea-Kete
Trustee	Reomoana Walker
Trustee	Rex Basil Playle
Trustee	Andrea Rutene
Trustee	Dale Lorraine Coles

**Main sources of cash and resources**

The trust receives its income from leasing its lands and interest received from bank term investments.

**Main methods used by the entity to raise funds**

The trust is not an active fundraiser. It operates using its own funds derived from the leasing of its lands.

**The entity's reliance on volunteers and donated goods or services**

The trust does not actively seek volunteer help or goods in kind to assist in its operation.

**Papawai & Kaikokirikiri Trusts Board**  
**Statement of Service Performance ( Unaudited )**  
**For the Year ended 30th June 2019**

**Description of the Entity's Outcomes\*:**

The Trust's goal is to make a positive contribution to the education of our tamariki by providing financial assistance at post primary level, promoting educational achievement and developing leadership skills which empowers whānau and enables them to become outstanding role models contributing positively to their communities.

<i>Description and Quantification (to the extent practicable) of the Entity's Outputs:*</i>	<i>Actual*</i>	<i>Budget</i>	<i>Actual*</i>
	<i>This Year</i>	<i>This Year</i>	<i>Last Year</i>
<i>Provision of Educational Scholarships and Grants (NCEA)</i>	154	140	133
<i>Scholarships Awards Hui Scholarship recipients , trustees and whānau invited to attend</i>	150	130	120
<i>Eco-system Restoration Plan - Tree Planting programme Scholarship recipients , trustees and whānau invited to attend</i>	45	30	20
<i>Survey of Scholarship Recipients Bulk mail-out to all successful annual scholarship recipients</i>	135	120	71

**Additional Output Measures:**

The Trust has had an Ecosystem Restoration plan developed for its land at Papawai. Year 3 of the five-year programme comprises planting a wetland mix of grasses and sedges, grading into shrubs and small trees in deeper soils along the 130-metre margin, allowing a width ranging from 8 to 20 metres. 900 trees planted. Also, as part of the riparian plans, year one of Parkvale stream and tributaries at Hikurangi, saw the planting of 1300 native species. The Trust also planted two other areas now designated streams, Makakaweka Stream and Makoura Stream at Ngaumutawa Road with a total of 900 native trees, grasses, sedges and shrub mix of plants.

**Additional Information:**

*"It was fantastic to see so many students and whanau members participating (awards Hui). Although it is the last year that our daughter Emma will attend as she is year 13, we are grateful for the continued support from the trusts over the years and the activities that both our children have been able to engage in as a result of the scholarships. Please let the Trusts know that Emma was voted in as captain/house leader this year and is one of two leaders of the Taiohi Tu Committee at school."*

*"I wish to thank you for your scholarship that you have given me. I am so grateful for other support; it will help me and my family a great deal."*

*"I am really enjoying Rathkeale and all the opportunities it has brought me. I have represented in the national athletics in Dunedin last November and came sixth in my age group for shotput. I hope to pursue this and do better this year. I love my cultural group and playing rugby for Wairarapa Bush and hope to make the Hurricanes squad. My passion is children and youth and hope to become a great teacher when I graduate, and your support will help me achieve my goals."*

**Papawai & Kaikokirikiri Trusts Board**  
**Statement of Financial Performance**  
**For the Year ended 30th June 2019**

	2019 \$	2018 \$
<b>Revenue</b>		
<b>Revenue from providing goods or services</b>		
Rent Received	326,743	308,928
Lease Recoveries	29,024	24,937
Capital Development costs recovered	9,196	-
Riparian Management	14,093	-
Sundry Income	<u>2,643</u>	<u>-</u>
	381,699	333,865
<b>Interest, dividends and other investment revenue</b>		
Interest Received	19,777	18,880
Rebates Received	<u>33</u>	<u>-</u>
	19,810	18,880
<b>Total Revenue</b>	<u>401,509</u>	<u>352,745</u>
<b>Expenses</b>		
Property expenses (Note 1)	176,171	101,925
Administration expenses (Note 2)	<u>43,804</u>	<u>82,775</u>
Costs related to providing goods or services	219,975	184,700
Volunteers & employee related costs (Note 3)	<u>58,006</u>	<u>27,789</u>
	277,981	212,489
<b>Surplus before Grants and Donations</b>	<u>123,528</u>	<u>140,256</u>
Scholarships paid	105,491	62,852
<b>Surplus</b>	<u>18,037</u>	<u>77,404</u>
Investment Properties Change in Fair Value (Note 5)	-	970,047
<b>Net Surplus for the Year</b>	<u><u>18,037</u></u>	<u><u>1,047,451</u></u>




*The statement of accounting policies and notes to the financial statements form part of and should be read in conjunction with these financial statements*


**Papawai & Kaikokirikiri Trusts Board**  
**Statement of Financial Position**  
**As at 30th June 2019**

	2019 \$	2018 \$
<b>Current Assets</b>		
ANZ Cheque account	5,774	2,997
ANZ Call account	210,562	124,026
ANZ Education account	1,716	15,286
GST refundable	2,262	3,520
Prepayments	6,827	-
Accrued Interest Income	16,749	17,800
Accounts Receivable	26,575	28,287
<b>Total Current Assets</b>	270,465	191,916
<b>Investments</b> (Note 4)	499,032	571,355
<b>Investment Property</b> (Note 5)	11,763,828	11,763,828
<b>Plant &amp; Equipment</b> (Note 6)	17,478	23,443
<b>Total Assets</b>	12,550,803	12,550,542
<b>Current Liabilities</b>		
Accounts Payable	12,280	30,710
Provision for Annual Leave	1,155	502
<b>Total Liabilities</b>	13,435	31,212
<b>Net Assets less Liabilities</b>	12,537,368	12,519,330
<b>Accumulated Funds</b> (Note 12)	12,537,368	12,519,330

For and on behalf of the Board:

  
 W. Quayle – Chairperson

2.10.2019  
 Date

  
 Paiawhio Gemmell - Vice Chairperson

03/10/19  
 Date

*The statement of accounting policies and notes to the financial statements form part of and should be read in conjunction with these financial statements*



**Papawai & Kaikokirikiri Trusts Board**  
**Statement of Cash Flows**  
**For the Year ended 30th June 2019**

	2019	2018
	\$	\$
<b>Cashflows from Operating Activities</b>		
<i>Cash was provided from</i>		
Receipts from providing goods or services	383,221	320,365
Interest Received	20,828	11,917
	404,049	332,282
<i>Cash was disbursed to</i>		
Operating Expenses	291,475	185,171
Scholarships	105,491	62,852
GST (net)	1,386	6,869
	398,352	254,892
<b>Net Cash provided from/(used in) Operating Activities</b>	<b>5,697</b>	<b>77,390</b>
<b>Cashflows from Investing Activities</b>		
<i>Cash was provided from</i>		
Investments	75,000	-
	75,000	-
<i>Cash was disbursed to</i>		
Investments	2,677	180,000
Fixed Assets purchased	2,277	28,088
	4,954	208,088
<b>Net Cash provided from/(used in) Investing Activities</b>	<b>70,046</b>	<b>(208,088)</b>
Net Increase/(decrease) in cash held	75,743	(130,698)
Opening cash brought forward	142,309	273,007
Closing cash carried forward	<b>218,052</b>	<b>142,309</b>
 Cash is made up of:		
ANZ Cheque Account	5,774	2,997
ANZ Call Account	210,562	124,026
ANZ Education Account	1,716	15,286
	<b>218,052</b>	<b>142,309</b>

*The statement of accounting policies and notes to the financial statements form part of and should be read in conjunction with these financial statements*



**Papawai & Kaikokirikiri Trusts Board**  
**Statement of Accounting Policies**  
**For the Year ended 30th June 2019**

**GENERAL ACCOUNTING POLICIES:**

**Reporting Entity**

The reporting entity was established under the Papawai and Kaikokirikiri Trusts Act 1943 and is registered with the Charities Commission effective from 30 June 2008.

**Basis of Preparation**

Papawai and Kaikokirikiri Trusts Board has elected to apply PBE SFR-A (NPF) 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. Reliance is placed on the fact that the Trust is a going concern. Accrual accounting is used to match revenues earned and expenses incurred.

**Specific Accounting Policies**

The following specific accounting policies which materially affect the measurement of earnings and the financial position have been applied:

- a Accounts Receivable  
Accounts receivable are stated at expected realisable value.
  
- b Investment Properties  
The Trust has elected to adopt IPSAS 16 for the valuation of its Investment Properties using the fair value model. The Board have chosen to deviate from the requirements of IPSAS 16 and use Government Valuations as the basis for the fair value assessment and to revalue the Investment Properties on a 3 yearly cycle rather than annually as required. The Board consider that any changes in value from an annual valuation will not be material to the users of the financial statements and therefore there is no benefit from the costs incurred for those valuations.
  
- c Plant & Equipment  
Plant are recognised at cost less accumulated depreciation. Depreciation is recognised on a straight line basis over the assets estimated useful lives. The depreciation rate applied to plant is 12% SL and office equipment to 40% SL.
  
- d Goods and Services Tax  
These accounts have been prepared on a G.S.T. exclusive basis except for Accounts Receivable and Accounts Payable which are stated inclusive of G.S.T.

**Papawai & Kaikokirikiri Trusts Board**  
**Statement of Accounting Policies**  
**For the Year ended 30th June 2019**

**Particular Accounting Policies (continued)**

e Taxation

Papawai and Kaikokirikiri Trusts Board is a registered charitable entity under the Charities Act 2005, and accordingly is exempt from income tax under sections CW41 and CW42 of the Income Tax Act 2007.

f Bank accounts & Cash

Bank accounts and Cash comprise of petty cash, cheque and saving accounts and deposits held at call.

g Investments

Investments are term deposits and shares held by the Trust.

h Changes In Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used throughout the period.

**Papawai & Kaikokirikiri Trusts Board**  
**Notes to the Financial Statements**  
**For the Year ended 30th June 2019**

	2019	2018
	\$	\$
<b>1 Property expenses</b>		
Consultancy	9,983	9,148
Depreciation	7,034	6,875
Ecosystem Restoration Programme	36,512	8,394
Electricity & Heating	1,451	1,073
Insurance	9,889	11,594
Legal Fees	2,209	6,600
Rates	40,045	39,580
R&M Buildings	45,185	16,823
R&M Plant & Equipment	22,703	678
Water Consents & Usage	1,160	1,160
	<u>176,171</u>	<u>101,925</u>
<b>2 Administration expenses</b>		
Accountancy	2,350	2,280
Audit fees	2,750	2,750
Advertising	1,546	2,078
Bank fees	123	65
Computer Expenses	2,319	-
Consultancy	500	900
Core Services	2,179	41,538
Depreciation	1,208	202
Equipment Lease	3,290	2,867
Rent & Outgoings	17,914	13,872
Overheads	-	6,832
Entertainment	1,712	2,360
General Office	1,859	957
Printing, Stationery & Photocopying	3,521	3,094
Scholarship expenses	1,461	982
Trustees Travel	1,072	1,998
	<u>43,804</u>	<u>82,775</u>
<b>3 Volunteer and employee related costs</b>		
Meeting expenses	532	611
Staff Wages	31,077	6,280
Trustees Honorarium	25,200	19,020
Trustee Development	1,197	1,878
	<u>58,006</u>	<u>27,789</u>

*The statement of accounting policies and notes to the financial statements form part of and should be read in conjunction with these financial statements*

**Papawai & Kaikokirikiri Trusts Board**  
**Notes to the Financial Statements**  
**For the Year ended 30th June 2019**

4 INVESTMENTS	2019 \$	2018 \$
ANZ Term Deposit 3.35% 24-09-18	0	75,000
ANZ Term Deposit 3.55% 22-12-20	78,710	78,710
ANZ Term Deposit 3.45% 01-03-21	62,660	60,000
ANZ Term Deposit 3.15% 22-06-21	78,710	78,710
ANZ Term Deposit 3.70% 23-09-19	60,000	60,000
ANZ Term Deposit 3.80% 23-12-19	78,710	78,710
ANZ Term Deposit 3.80% 23-03-20	60,000	60,000
ANZ Term Deposit 3.70% 22-06-20	78,710	78,710
Farmlands Co-operative Society Ltd - 1,532 shares	1,532	1,515
	<u>499,032</u>	<u>571,355</u>

**5 INVESTMENT PROPERTY**

This Year

	Opening Carrying Amount	Change in Fair Value	Purchases	Sales / Disposals	Impairment	Closing Carrying Amount
Land	9,544,000	-	-		-	9,544,000
Buildings	2,192,000	-				2,192,000
Improvements	27,828		-		-	27,828
<b>Total</b>	<u>11,763,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,763,828</u>

Last Year

	Opening Carrying Amount	Change in Fair Value	Purchases	Sales / Disposals	Impairment	Closing Carrying Amount
Land	8,800,449	743,551	-		-	9,544,000 *1
Buildings	1,965,504	226,496				2,192,000 *1
Improvements			27,828			27,828
<b>Total</b>	<u>10,765,953</u>	<u>970,047</u>	<u>27,828</u>	<u>-</u>	<u>-</u>	<u>11,763,828</u>

\*1 The Government Valuation at September 2017 of \$11,736,000 plus improvements less disposals since, is considered to be a fair proxy for fair value.  
This has been updated in line with the Specific Accounting Policies, "Investment Policies", on page 6.

**Papawai & Kaikokirikiri Trusts Board**  
**Notes to the Financial Statements**  
**For the Year ended 30th June 2019**

**6 PLANT & EQUIPMENT**

This Year					
Asset Class	Opening Carrying Amount	Purchases	Sales / Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
P&E - Property	20,624	2,277		7,034	15,867
P&E - Admin	2,819	-		1,208	1,611
<b>Total</b>	<b>23,443</b>	<b>2,277</b>	<b>-</b>	<b>8,242</b>	<b>17,478</b>

Last Year					
Asset Class	Opening Carrying Amount	Purchases	Sales / Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
P&E - Property	27,499			6,875	20,624
P&E - Admin	-	3,021		202	2,819
<b>Total</b>	<b>27,499</b>	<b>3,021</b>	<b>-</b>	<b>7,077</b>	<b>23,443</b>

**7 RELATED PARTY TRANSACTIONS**

**Description of relationship**

Transactions with trustees

**Description of transaction**

Trustees were paid for attending meetings

	2019	2018
	25,200	19,020

**8 EVENTS AFTER BALANCE DATE**

There were no events that have occurred after balance date that would have a material impact on the Performance Report (2018: nil).

**9 CAPITAL COMMITMENTS**

There are no capital commitments as at year end (2018: nil).

**10 OPERATING COMMITMENTS**

Operating Commitments as at year end reflect the Rental Lease and use of equipment & utilities of \$19,346 for 2019-20. (2018; \$40,640).

**11 CONTINGENT LIABILITIES & GUARANTEES**

As at balance date there were no Contingent Liabilities or Guarantees (2018: nil).

**Papawai & Kaikokirikiri Trusts Board**  
**Notes to the Financial Statements**  
**For the Year ended 30th June 2019**

Note 12 ACCUMULATED FUNDS	2019	2018
	\$	\$
<b>ACCUMULATED FUNDS</b>		
Opening Equity	12,519,331	11,471,879
Surplus/Deficit	18,037	1,047,451
Closing Equity	12,537,368	12,519,330
 <b>Made up of:</b>		
<b><u>General Reserves</u></b>		
Opening Balance	2,879,973	2,810,716
Surplus/Deficit	18,037	1,047,451
Transfer to Investment Property Reserve Fund	0	(970,047)
Transfer to Scholarship Fund	(92,000)	(71,000)
Transfer in From Scholarship Fund	105,491	62,852
Closing Balance	2,911,501	2,879,972
 <b><u>Scholarship Fund</u></b>		
Opening Balance	62,093	53,945
Transfer from General Reserve Fund	92,000	71,000
Scholarships paid out	(105,491)	(62,852)
Closing Balance	48,602	62,093
 <b><u>Investment Property Reserve Fund</u></b>		
Opening Balance	9,577,265	8,607,218
Transfer from General Fund Reserve	0	970,047
Closing Balance	9,577,265	9,577,265
 <b>TOTAL RESERVES</b>	 <b>12,537,368</b>	 <b>12,519,330</b>

**INDEPENDENT AUDITOR'S REPORT*****To the Trustees of the Papawai and Kaikokirikiri Trusts Board*****Report on the Financial Statements****Qualified Opinion**

We have audited the accompanying financial statements of Papawai and Kaikokirikiri Trusts Board on pages 3 to 11, 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, and the statement of accounting policies and notes to the performance report.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly the financial position of Papawai and Kaikokirikiri Trusts Board as at 30 June 2019 and its financial performance and cash flows for the year ended on that date 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 Qualified Opinion**

As disclosed on page 6, the Trust has not revalued its Investment Properties on an annual basis as required by PBE IPSAS 16, to determine the fair value of the Land and Buildings at balance date. Instead the Trust has used the Government Valuation which is on a three year cycle as the basis for determining fair value. We were unable to determine whether any adjustments to the fair value of the Investment Properties were necessary as at balance date and consequently no adjustments have been made.

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 entity 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 qualified opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Papawai and Kaikokirikiri Trusts Board.

**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 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. 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.

### **The Trustees' Responsibility for the Financial Statements**

The Trustees are responsible for determining that the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) framework is acceptable in the entity's circumstances and, 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 are 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 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 has no realistic alternative but to do so.

### **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. We also:

- identify and assess the risks of material misstatement of the financial statements, 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.
- conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees 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 financial statements 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.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

We communicate with the Trustees 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.

*CKS Audit*

**CKS Audit**  
4 October 2019