

TE WHAITI NUI A TOI TRUST

**2019 OCTOBER
NEWSLETTER**



Kia ora tatou whanau,

We are not holding an AGM this year but are providing this update on Trust activities.

TRUSTEE APPOINTMENT AND TRUST ORDER VARIATION

At a hearing of the Maori Land Court on 4th February 2019 the election of Peter White to replace Whare Akuhata was confirmed. The four Trustees are Anaru Te Amo, Doug Rewi, Renee Rewi and Peter White. Also the Court approved the variations to the Trust ordered endorsed at the 2018 AGM to widen the Trust powers to form companies and invest in accordance with the Trustee Act.

FORESTRY

Recently our forest lessee Crown Forestry appointed NZ Forest Managers based in Taupo as managers of the Forest. This change was necessary due to the untimely death last year of Euan MacKenzie from Fortus Forestry. We have met with the new Managers and given their resourcing and experience should do a good job.

In another change Sam Keenan has been appointed General Manager of Crown Forestry replacing Warwick Foran who has retired. We have begun working more closely with the forestry managers as we move towards progressive hand over of the forest in the coming years. The first of the second rotation harvesting that was planted after the Cyclone Bola damage in 1988 will occur in 4 to 5 years' time. This area is about 180ha and will represent the Trusts first stage of ownership of the trees that will be handed back over the remainder of the lease up until final expiry in 2038. The total land area in the lease is 1972 ha of which 1210 ha is in planted trees. Current lease rental is \$158,074 p.a. This will reduce as forestry is progressively handed back, fully planted with new trees.

Owners are reminded that for health and safety reasons there is no authorised access to the forest area. Fire and injury are constant dangers that we must be aware of. Security is regularly monitored by NZ Forest Managers in conjunction with NZ police.

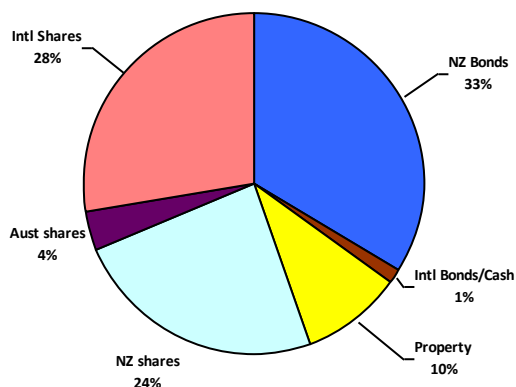
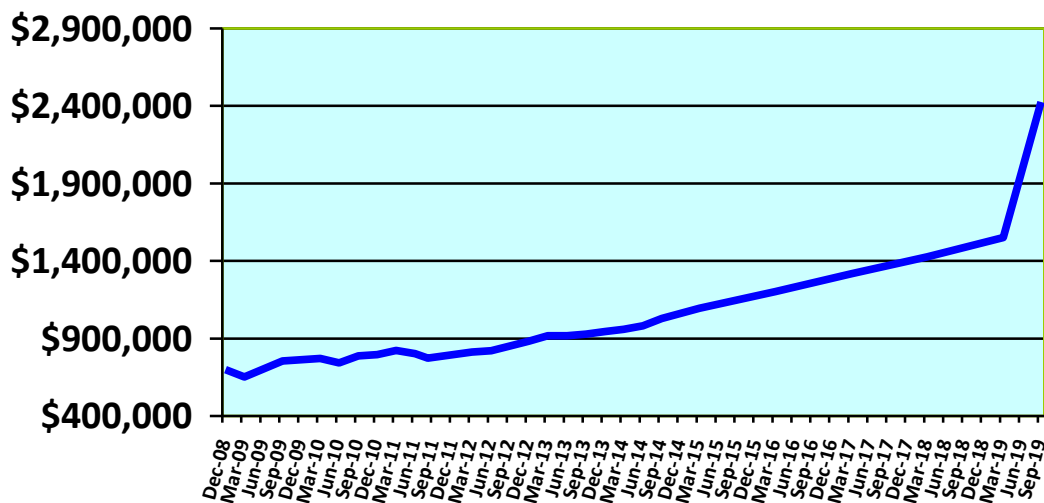
As advised at last year's AGM we sold our carbon credits for \$1.5m. Since then \$750,000 has been placed into our investment portfolio managed by Brent Sheather and the remaining \$750,000 has been held on term deposit pending consideration of direct investment opportunities. We are continuing to review opportunities in that area that will help grow the Trust.

INVESTMENTS

The Trusts investment portfolio is currently worth \$2,426,076. This portfolio has provided an annual average return of 9.52% since it was started in 2008 with an initial investment of \$700,000 and including the additional \$750,000 invested this year. Currently the investment markets are volatile being highly sensitive to world events. Interest rates are at historic low levels. It is important to maintain a diversified investment portfolio to spread the risk. Our portfolio is invested

in a range of equities and bonds in New Zealand, Australia and Internationally. The asset allocation for the portfolio is shown in the pie chart. The Trust also holds \$750,000 available for potential investment in direct investments addition to working capital reserves. No suitable direct investments have been identified to date.

Investment Portfolio



FINANCIAL RESULTS

2019 SUMMARY

Income and Expenditure	2018	2019
Revenue	228,511	292,516
Expenses	116,583	98,903
Operating Surplus	111,928	193,613
Investment increase	71,314	80,544
Net Surplus	183,242	274,157
Tax	17,370	27,385
Net Surplus After Tax	165,872	246,772
Owners Grants	38,613	39,048
Net Surplus after Grants	\$127,259	\$207,724

Income is from Forestry Rental (\$155,049 in 2019 and \$152,709 in 2018) and interest and dividends (\$104,917 in 2019 and \$59,901 in 2018). Due to lower costs and additional interest received on the funds invested from the sale of carbon credits the Net Surplus after Owners Grants increased from \$127,259 in 2018 to \$207,724 in 2019.

The Trust accounts are independently audited by BDO Rotorua, Chartered Accountants.

Assets	2018	2019
Bank accounts	344,748	1,980,863
Investment Portfolio	1,428,009	1,552,650
NZ Carbon Credits	1,553,652	-
Land	2,449,890	2,449,856
	\$5,776,299	\$5,983,368
Less Liabilities		
Taxation and prepayments	42,936	42,835
Unclaimed Dividends	54,676	54,122
Net Assets	\$5,678,688	\$5,886,412

Copies of the financial statements can be viewed through the website www.rotorua.deloitte.co.nz or contact the office for a copy.

2020 EDUCATION GRANTS

Owners or their descendants who are studying at tertiary institutions may apply for education grants from February 2020. Grants are only available to students in their 2nd or subsequent year of full time study. Applications can only be made online through the website www.rotorua.deloitte.co.nz.

but only when applications open in February 2020

Applications for education grants must be submitted to the Secretary by:

4pm Thursday 30th April 2020



2019 EDUCATION GRANTS

This year we received 19 education grant applications. 5 applications were rejected for the following reasons:

- i. The applicant was unable to whakapapa to a shareholder in the Trust
- ii. The applicant did not supply all supporting information requested in the form.

Students must take care to complete their forms carefully and supply all information to avoid disappointment.

14 applications were approved and each of the following students received \$500.00.

First Name	Last Name	Institution	Course
Paiaka	Graham	University of Canterbury	Bachelor of Engineering
Katarina	TuruHeretaunga	Te Wananga O Aotearoa	Bachelor of Education
Wharepakau	Akuhata	Te Wananga O Raukawa	Bachelor of Te Reo Maori
Marley	Akurangi	Toi Ohomai Institute of Technology	Bachelor of Early Childhood
Kararainna	Hare	Unitec New Zealand	Bachelor of Sport & Leisure
Maia	Lingman	University of Otago	Bachelor of Science
Matilda	Te Heuheu	Te Wananga O Aotearoa	Bachelor of Social Science
Te Rima	Walker	University of Waikato	Bachelor of Business

First Name	Last Name	Institution	Course
Tauhe	Apihai	Te Whare Wananga O Awanuiarangi	Matauranga Maori
Mereana	Graham	University of Otago	Post Grad Certificate in Public Health
Jaedyn	Hahipene	Victoria University of Wellington	Bachelor of Commerce
Turuhira	Hotene	University of Auckland	Bachelor of Commerce
Alice	Madsen	University of Auckland	Bachelor of Law
Te Awanui	Waaka	University of Otago	Bachelor of Pharmacy

OWNERS GRANTS

The Trustees have approved an owner's grant that will shortly be paid to owners who have supplied their address and bank account number to the Trust. Grants are paid in bands relative to shareholdings and the minimum payment is \$50 per owner. This policy ensures that all owners, no matter the size of their shareholding, receive a financial benefit of some significance. This grant is taxable but has Maori Authority tax credits attached.

If you have not supplied your details and claimed your grant then you may still do so as we will accept payment requests up until 30th November 2019. Grant payments cannot be claimed for prior years, you can only claim in the current year. If you know of owners or whanau who have not supplied their addresses or bank accounts to the office then please encourage them to contact the office. Also if they have not done their successions then encourage them to contact the Maori Land Court and get it done.

Tena koutou katoa



Anaru Te Amo

Chairman
October 2019

OFFICE

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