

Performance Report

Ngāti Te Whiti Whenua Tōpu Trust
For the year ended 31 March 2023

Prepared by BDO Taranaki

Contents

3	Entity Information
5	Approval of Financial Report
6	Statement of Service Performance
7	Statement of Financial Performance
8	Statement of Financial Position
9	Statement of Cash Flows
10	Statement of Accounting Policies
12	Notes to the Performance Report

Entity Information

Ngāti Te Whiti Whenua Tōpu Trust For the year ended 31 March 2023

Legal Name of Entity

Ngāti Te Whiti Whenua Tōpu Trust

Entity Type and Legal Basis

Registered Charitable Trust

Registration Number

CC46331

Entity's Purpose or Mission

The Ngati Te Whiti Whenua Topu Trust seeks to provide for the use, management, and alienation of the lands and any other property or assets of the trust to the best advantage of the beneficiaries. It also seeks to provide education grants to its members, and to provide education.

Entity Structure

Charitable Trust

Main Sources of Entity's Cash and Resources

Ngati Te Whiti Whenua Topu Trust receives the majority of its revenue from the lease of commercial property.

Main Method Used by Entity to Raise Funds

Ngati Te Whiti Whenua Topu Trust is actively applying for grants from other major charitable organisations for assistance with funding of project work.

Entity's Reliance on Volunteers and Donated Goods or Services

The Trust has very little reliance on volunteers and donations.

Physical Address

131 South Road
Spotswood
New Plymouth
4310

Postal Address

PO Box 681
Taranaki Mail Centre
New Plymouth
4340

Accountant

BDO Taranaki Limited
10 Young Street
New Plymouth

Auditor

Silks Audit Chartered Accountants Limited
281-285 Devon Street West
New Plymouth

Approval of Financial Report

Ngāti Te Whiti Whenua Tōpu Trust For the year ended 31 March 2023

The Trustees are pleased to present the approved financial report including the historical financial statements of Ngāti Te Whiti Whenua Tōpu Trust for year ended 31 March 2023.

APPROVED



Trustee

Date 28/09/2023



Trustee

Date 28/09/2023

Statement of Service Performance

Ngāti Te Whiti Whenua Tōpu Trust For the year ended 31 March 2023

Description of Entity's Outcomes

The Trustees intend to achieve the best use of the assets of the Trust for the benefit of the beneficial owners.

The priorities of the Trustees is the land at 1 Bayly Road where the Trust will be the sponsor for the marae and where papakainga housing will be built, both subject to the Trust receiving sufficient funding to do this.

The Trust has:

- (1) Made application re the Proposed District Plan from NPDC to have all of the land at 1 Bayly Road zoned as a Maori Purpose Zone. The Commissioners have recommended that this occurs. Objections can be lodged with the NPDC until the 26 June 2023.
- (2) Received a \$2m grant from the Toi Foundation for the Marae build.
- (3) Created a development plan for all of the land at 1 Bayly Road.
- (4) Determined a fund raising strategy by the Trustees for the building of the marae and this was endorsed by the beneficial owners at a wananga that was held on the 13 March 2022
- (5) The Trust made an application for funding to He Taupae Fund for funding assistance for the technical work and feasibility and resource consent for the papakainga housing at 1 Bayly Road. They have advised that the application will be deferred until the land has been confirmed as being zoned as a Maori Purpose Zone
- (6) The Trustees have committed a further \$250,000 to the marae build.
- (7) The Trust paid for all of the costs for the Hapu Society to hold their Annual General Meeting on the 11 December 2022.

	2023	2022
Description and Quantification of the Entity's Outputs		
Lease income	330,988	290,193
Rental	17,420	14,565
Number of education grants	3	1

Statement of Financial Performance

Ngāti Te Whiti Whenua Tōpu Trust For the year ended 31 March 2023

	NOTES	2023	2022
Revenue			
Donations, fundraising and other similar revenue	1	10,000	10,000
Revenue from providing goods or services	1	383,862	320,004
Interest, dividends and other investment revenue	1	87,484	16,054
Other revenue	1	15,600	21,894
Total Revenue		496,946	367,951
Expenses			
Volunteer and employee related costs	2	68,400	63,620
Costs related to providing goods or service	2	52,780	50,065
Grants and donations made	2	1,241	500
Other expenses	2	86,027	79,561
Total Expenses		208,448	193,746
Surplus for the Year		288,498	174,205

Statement of Financial Position

Ngāti Te Whiti Whenua Tōpu Trust

As at 31 March 2023

	NOTES	31 MAR 2023	31 MAR 2022
Assets			
Current Assets			
Bank accounts and cash	3	111,178	183,651
Debtors and prepayments	3	111,319	13,695
Investments	3	3,158,361	2,829,260
Total Current Assets		3,380,858	3,026,606
Other Current Assets			
Goods and services tax	5	-	6,943
Total Other Current Assets		-	6,943
Non-Current Assets			
Property, Plant and Equipment	4	7,093,100	7,118,300
Investments	3	50,000	50,000
Other non-current assets	3	933,603	929,518
Total Non-Current Assets		8,076,702	8,097,818
Total Assets		11,457,560	11,131,368
Liabilities			
Current Liabilities			
Creditors and accrued expenses	5	68,127	76,739
Goods and services tax	5	15,248	-
Other current liabilities	5	49,030	641
Total Current Liabilities		132,405	77,380
Non-Current Liabilities			
Grants received in advance with conditions		2,016,000	2,000,000
Total Non-Current Liabilities		2,016,000	2,000,000
Total Liabilities		2,148,405	2,077,380
Total Assets less Total Liabilities (Net Assets)		9,309,155	9,053,988
Accumulated Funds			
Accumulated surpluses or (deficits)	6	6,444,102	6,188,935
Reserves	6	2,865,053	2,865,053
Total Accumulated Funds		9,309,155	9,053,988

Statement of Cash Flows

Ngāti Te Whiti Whenua Tōpu Trust For the year ended 31 March 2023 Cash Basis

	NOTES	2023	2022
Statement of Cash Flows			
Cash Flows from Operating Activities			
Cash was received from			
Donations, fundraising and other similar receipts		26,000	2,010,000
Receipts from providing goods or services		326,335	329,520
Interest, dividends and other investment receipts		78,046	14,942
Goods and Services Tax received		22,191	-
Cash was applied to			
Payments to suppliers and employees		(187,136)	(160,454)
Donations or grants paid		(1,241)	(500)
Goods and Services Tax paid		-	(14,905)
Total Cash Flows from Operating Activities		264,195	2,178,603
Cash Flows from Investing and Financing Activities			
Cash was received from			
Receipts from the sale of investments		-	104,645
Cash was applied to			
Payments to acquire property, plant and equipment		(7,567)	(94,558)
Payments to purchase investments		(329,101)	(2,370,023)
Total Cash Flows from Investing and Financing Activities		(336,668)	(2,359,936)
Bank accounts and cash			
Opening cash		183,651	365,057
Closing cash	3	111,178	183,651
Net change in cash for period		(72,473)	(181,405)

Statement of Accounting Policies

Ngāti Te Whiti Whenua Tōpu Trust For the year ended 31 March 2023

Basis of Preparation

The entity has elected to apply 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 equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Tier 2 PBE Accounting Standards Applied

The Trust has adopted PBE IPSAS 12 Property, Plant & Equipment for the recognition and measurement of Land and Buildings.

Historical cost

This Performance Report has been prepared on a historical cost basis, except for certain assets which have been revalued as identified in specific accounting policies below. The Performance Reports are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

Revenue from goods and services

Ngati Te Whiti Whenua Topu Trust receives revenue from the lease of commercial and residential property. Revenue is recognised in the period the goods and services are provided.

Donations, fundraising, and other similar revenue

Grant revenue is recognised when the conditions attached to the grant has been compiled with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.

Interest Received

Interest revenue is recognised as it accrues, using the effective interest method.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Property, Plant and Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, except for land & buildings. Land & buildings (other than vested land) have been revalued using the ratings valuation dated 1 September 2019. Council ratings valuations were updated in August 2022 however the Trustees are seeking further information for more accurate buildings valuations before the movements are included in the financial statements. Vested land has been recorded at the vested value by the Maori Land Court as at 01/09/2004. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is donated to the entity, its cost is measured at its current value as at the date of acquisition.

Depreciation is charged on a straight line or diminishing value basis over the useful life of the asset, except for land. Land is not depreciated. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Buildings 2%

Building fit out 6%-12%

Office equipment 16%-50%

Furniture & fittings 10%-13%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

The Trust has elected to adopt Tier 2 IPSAS 17 Property, Plant & Equipment for valuing land (other than vested land) and buildings.

Intangible Assets

Externally acquired intangible assets that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised on a straight-line basis in the Statement of Financial Performance over their estimated useful lives, from the date that they are available for use. The estimated useful lives for the current and comparative periods are as follows:

Website 5 years

Land video 10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate

Investment

Investments are stated at cost.

Income Tax

Ngati Te Whiti Whenua Topu Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Notes to the Performance Report

Ngāti Te Whiti Whenua Tōpu Trust For the year ended 31 March 2023

	2023	2022
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Grant income	10,000	10,000
Total Donations, fundraising and other similar revenue	10,000	10,000
Revenue from providing goods or services		
Lease income	330,988	290,750
Reimbursement of expenses - leased premises	35,454	14,688
Residential rental income	17,420	14,565
Total Revenue from providing goods or services	383,862	320,004
Interest, dividends and other investment revenue		
Interest received	83,359	11,970
Investment income	4,125	4,083
Total Interest, dividends and other investment revenue	87,484	16,054
Other revenue		
Sundry Income	15,600	21,894
Total Other revenue	15,600	21,894
	2023	2022

2. Analysis of Expenses

Volunteer and employee related costs		
Management services	59,400	58,220
Trustee payments	9,000	5,400
Total Volunteer and employee related costs	68,400	63,620
Costs related to providing goods or services		
Insurance	35,344	35,296
Legal fees	586	4,337
Power	-	1,001
Rates	4,543	4,159
Repairs and maintenance	12,165	5,208
Rubbish and cleaning	142	64
Total Costs related to providing goods or services	52,780	50,065
Grants and donations made		
Education grants	1,241	500
Total Grants and donations made	1,241	500
Other expenses		
Accounting - additional services	4,869	5,792
Accounting - compliance	7,446	2,250
AGM expenses	9,516	13,797

Amortisation of intangible assets	401	401
Audit fees	5,205	5,145
Bank charges	16	16
Courier & postage	200	187
Depreciation	28,008	25,719
Interest	59	120
Loss on disposal	675	-
Marketing and branding	573	460
Office expenses	22,708	18,338
Penalties - Inland Revenue	-	416
Professional and consulting fees	1,455	-
Stationery and printing	220	347
Subscriptions	915	2,498
Telecommunications	1,481	1,905
Valuation expenses	2,280	2,170
Total Other expenses	86,027	79,561
	2023	2022

3. Analysis of Assets

Bank accounts and cash

Friends of Ngamotu Marae	20,509	7,861
Premier Cheque (Income)	90,668	175,790
Total Bank accounts and cash	111,178	183,651

Debtors and prepayments

Accounts receivable

Accounts Receivable	101,881	10,085
Sundry Accounts receivable	9,438	3,610
Total Accounts receivable	111,319	13,695

Total Debtors and prepayments

	111,319	13,695
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Investments

TSB term deposit	3,158,361	2,829,260
Total Investments	3,158,361	2,829,260

	2023	2022
Investments		
Property Investments - Centuria Funds Management	50,000	50,000
Total Investments	50,000	50,000
Other non-current assets		
Intangible assets	1,493	1,893
Marae Development Costs - work in progress	932,110	927,625
Total Other non-current assets	933,603	929,518

2023 2022

4. Fixed Assets and Depreciation**Land**

Opening carrying value	1,083,145	1,083,145
Closing carrying value	1,083,145	1,083,145

Land (revaluation)

Opening carrying value	2,053,855	2,053,855
Purchases	-	-
Closing carrying value	2,053,855	2,053,855

Vested Land

Opening carrying value	2,940,000	2,940,000
Closing carrying value	2,940,000	2,940,000

Buildings

Opening carrying value	301,174	228,961
Purchases	1,169	79,565
Current year depreciation & impairment	(9,289)	(7,352)
Closing carrying value	293,055	301,174

Buildings (revaluation)

Opening carrying value	731,838	748,416
Purchases	-	-
Current year depreciation & impairment	(16,578)	(16,578)
Closing carrying value	715,259	731,838

Office Equipment

Opening carrying value	2,289	2,514
Purchases	2,314	827
Disposals	(675)	-
Current year depreciation & impairment	(1,486)	(1,052)
Closing carrying value	2,440	2,289

Furniture and Fittings

Opening carrying value	6,000	6,736
Purchases	-	-
Current year depreciation and impairment	(655)	(736)
Closing carrying value	5,345	6,000

Total	7,093,100	7,118,300
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2023 2022

5. Analysis of Liabilities**Creditors and accrued expenses****Accounts payable**

Accounts Payable	13,577	30,820
Sundry accounts payable	54,550	45,920
Total Accounts payable	68,127	76,739

Goods and Services Tax

	2023	2022
GST	15,248	(6,943)
Total Goods and Services Tax	15,248	(6,943)
Other current liabilities		
Income in Advance	49,030	641
Total Other current liabilities	49,030	641
Total Creditors and accrued expenses	132,405	70,437
	2023	2022

6. Accumulated Funds

Accumulated Funds		
Opening Balance	6,188,935	6,014,729
Prior year adjustment	(33,331)	-
Accumulated surpluses or (deficits)	288,498	174,205
Total Accumulated Funds	6,444,102	6,188,935
Revaluation reserves		
Revaluation reserves		
Land revaluation reserve	2,053,855	2,053,855
Building revaluation reserve	811,198	811,198
Total Revaluation reserves	2,865,053	2,865,053
Total Revaluation reserves	2,865,053	2,865,053
Total Accumulated Funds	9,309,155	9,053,988

Prior Year Adjustment

A prior period adjustment has been recorded to recognise lease income in advance of \$33,331 received from the New Plymouth District Council (NPDC) that was not recognised at the time the lease was first recognised. 2022 income in advance was understated by 33,331 and surplus and equity was over stated by \$33,331 which has been corrected as an adjustment to 2023 opening retained earnings.

7. Commitments

The Trust has incurred \$932,110 (2022: \$927,625) to date on the Marae development upgrade. The Trust is still working on trying to achieve the funding needed to build the marae. The Trust has received a grant from Oranga Marae for \$14,600 on the 03 May 2023 for Stage One which is the creation of a marae development plan. Once this is completed and Oranga Marae accept it, the Trust can apply for Stage Two grant called Technical Feasibility Report and once this meets the satisfaction of Oranga Marae the Trust can apply for a capital grant. The Trustees are of the view that the expenditure incurred can be classified as continued work in progress until the funding can be investigated. The Resource Management consent is in place until 21 May 2025. The Trust is endeavoring to find the funds from all available funding agencies. The Trust received a grant of \$2,000,000 from Toi Foundation during the year to be used for construction expenditure, this is required to be spent by 14 December 2023.

8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2023 (2022: \$33,600).

	2023	2022
9. Related Parties		
Purchases		
Pauline Lockett (Advisory Trustee) receives a management fee as Administration Manager of the Trust	57,733	56,553
Accounts payable		
Pauline Lockett (Advisory Trustee) receives a management fee as Administration Manager of the Trust	-	1,667

10. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

INDEPENDENT AUDITORS REPORT

To the Trustees of the Ngāti Te Whiti Whenua Tōpu Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ngāti Te Whiti Whenua Tōpu Trust (the Trust) on pages 2 to 17, which comprise the statement of financial position as at 31 March 2023, and the statement of financial performance and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described under the Basis for Qualified Opinion section, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 31 March 2023, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit).

Basis for Qualified Opinion

As disclosed in accounting policy on page 11 to the financial statements, the land and buildings are revalued to the latest government value (“Quotable Value”). The latest revaluation was completed in on 1 September 2019. The next revaluation was expected to be carried out for the financial reporting period ending 31 March 2023. Council ratings valuations were updated in August 2022 however the Trustees are seeking further information for more accurate buildings valuations before the movements are included in the financial statements. Therefore we cannot determine the revaluation movement amounts to be recorded.

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 Financial Statements section of our report. We are independent of the 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 the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 Trust.

Other information

The Trustees is responsible on behalf of the Trust 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.

Trustees' Responsibilities for the Financial Statements

The Trustees are responsible on behalf of the Trust for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit), 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.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust for assessing the Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditors 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.

A further description of the auditors responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>



Mark Fraser
Silks Audit Chartered Accountants Ltd
Whanganui, New Zealand
Date: 28 September 2023