



NGATI WHAKAUE EDUCATION ENDOWMENT TRUST BOARD

Te Toroihi Matauranga



The Art of Remembering – Te Pu o Mahara
Pita Anaru with Leroy Nurkka, Winner of 2018
Rotorua Museum scholarship, sponsored by NWEETB

A
N
N
U
A
L

R
E
P
O
R
T

2
0
1
8



DIRECTORY - July 2018

BOARD MEMBERS	Malcolm Short Pita Anaru Violet Pelham Jane Savage Beatrice Yates Fred Whata Aramoana Mohi Monty Morrison Alec Wilson Bella Tait	(Chairman) (Deputy Chairman)
SECRETARY	Murray Patchell	
ACCOUNTANTS	Deloitte	
AUDITORS	Audit New Zealand	
SOLICITORS	Tompkins Wake	
BANKERS	Bank of New Zealand	
REGISTERED OFFICE	Deloitte Chartered Accountants 2/1176 Amohau Street ROTORUA PO Box 12003 ROTORUA Phone (07) 343 1050 Fax (07) 343 1051	
WEBSITE	www.ngatiwhakaue-eetb.org.nz	

CONTENTS

PAGE	
1.	Directory
2.	Contents
	Board attendance
3.	Chairman's report
6.	Distributions & Statistics
8.	Education Consultant's report
12.	2018 Project Grants
13.	2018
14.	Grant Policies
16.	Annual Accounts to 31.12.17.

BOARD ATTENDANCE 12 MONTHS TO 30th JUNE 2018

MEMBER	MEETINGS ATTENDED					DATE JOINED BOARD
	BOARD	EDUCATION SUBCOMMITTEE	Special EdSub	PROPERTY	INVESTMENT	
Malcolm Short	9/11	1				11-6-96
Pita Anaru	11/11	10/11	1		1/1	11-6-96
Violet Pelham	10/11	10/11				11-6-96
Jane Savage	10/11	11/11	1			12-7-04
Bea Yates	7/11	9/11				13-2-06
Fred Whata	9/11	6/11	1			9-5-09
Aramoana Mohi	9/11	8/11				11-10-10
Alec Wilson	8/11	-				1-7-11
Monty Morrison	9/11	10/11				1-7-11
Greg Allen	6/6	4/5				1-7-14 to 31-12-17
Bella Tait	10/11	9/11				1-7-14

Board members are paid meeting attendance fees
at the following rates:

Board & subcommittee meetings:	
Chairman	\$500.00
Deputy Chair	\$400.00
Board members	\$350.00

2018 CHAIRMAN'S REPORT

The Minister of Education
NZ Government
Wellington

Tena koe Minister

OPERATIONS REPORT

I am delighted to present my 22nd annual report for the Ngati Whakaue Education Endowment Trust Board.

Revenue from rental, interest and dividends was \$2,596,272 for the year ended 31 December 2017 (\$2,617,841 in 2016). After allowance for operational expenses of \$475,746 (\$534,670 in 2016) the net operating surplus before grants was up 1.79% to \$2,120,527 (\$2,083,171 in 2017).

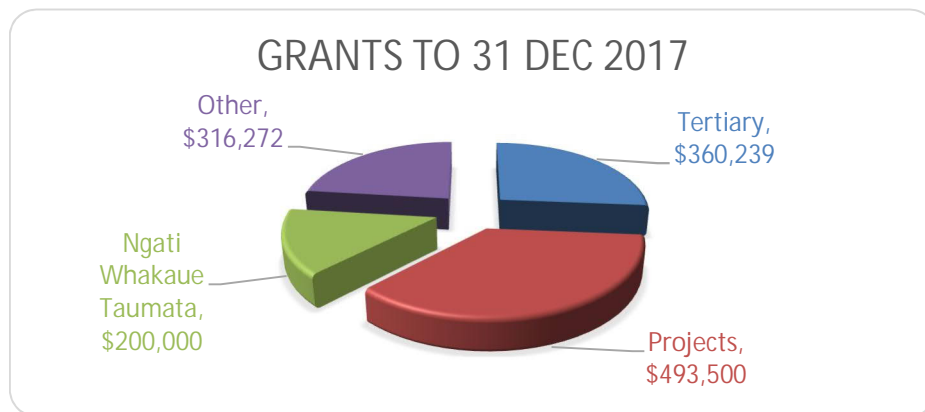


The Board made grants totalling \$1,370,011 (\$1,459,834 in 2016). We have 20 active grant policy areas with the largest supported areas being Tertiary grants to students, numeracy and literacy projects in schools and the Ngati Whakaue Education Taumata initiatives. New policy initiatives include Rotorua Lakes Engineering cadetship, Victoria University joint scholarships, Rotorua Museum WW1 competitions and Maths Whizz. Detailed grants payments are included in the financial accounts at pages 21 and 22.

The total number of Tertiary students supported with grants has declined by 8.7% from 172 in 2017 to 157 in 2018 continuing the trend of less Ngati Whakaue students progressing at Tertiary level.

It is significant to observe that the Boards largest funding area of school projects for numeracy and literacy (\$493,500) has reached out to 854 Ngati Whakaue learners (plus others) who are school identified as needing acceleration in learning in the areas of literacy and numeracy. The ongoing failure of core curricula to address these areas is of concern.

We pass on appreciation to our Education Consultant Jackie Woodland who is doing an excellent job in monitoring the school projects.



The Board has two main asset classes being the leased land and managed investment portfolio (including cash). The Revaluation of land was 30% being an \$8,827,000 increase to \$37,651,000. The investment portfolio (including cash) increased by \$2,601,642 to \$25,259,324. Total net assets increased by \$12,071,540 to \$63,553,222. The Board has no material liabilities.

Including the revaluation of land and investments the Total Comprehensive Revenue for the Year as reported in the financial accounts was \$12,071,540 (\$654,050 in 2016).

Total Comprehensive Revenue \$12,071,540

In 1996 the reserves handed back were \$1.3m. Today the reserves exceed \$25m. This is an average growth rate of 14.95% p.a. over 21 years and given that in the same period the Board has distributed grants of nearly \$21m this is a key indicator of the success of the Endowment since it was returned to Ngati Whakaue control. We continue to adopt a conservative and well structured approach to our financial modelling.

The Board continues to prudently manage its 94 leases. 25 leases have had 21 year rent reviews in the last year. The average increase in rental across the portfolio is 22%. A further 46 leases are due for review in the next year.

As reported last year in 2016 the Rotorua Lakes Council withdrew the 10% discount on land rating valuations for the alienation restriction which had applied for 15 years. Our objection was declined by the Land Valuation Tribunal. That decision was appealed to the High Court and in February 2017 the High Court overturned the LVT decision that disallowed a deduction for the alienation restriction in the Trust's empowering legislation. The Valuer General joined the Rotorua Lakes Council with an appeal of the High Court decision to the Court of Appeal. The Court of Appeal has dismissed that appeal and now the amount of the deduction needs to be determined either by agreement with the council or through the LVT. This has been a costly process but nevertheless an important principle of law to establish that will have a


beneficial financial impact on the Endowment in the future. We thank our advisers for their persistence in seeing this matter to a satisfactory outcome.

Full audited financial statements are included in this report. The audit qualification remains due to the Board policy of not undertaking market valuation of the land due to the nature of the perpetually renewable leases.

The Board constitutes 11 appointed members on 3 yearly cycles. There is currently one vacancy to be filled by the appointing body.

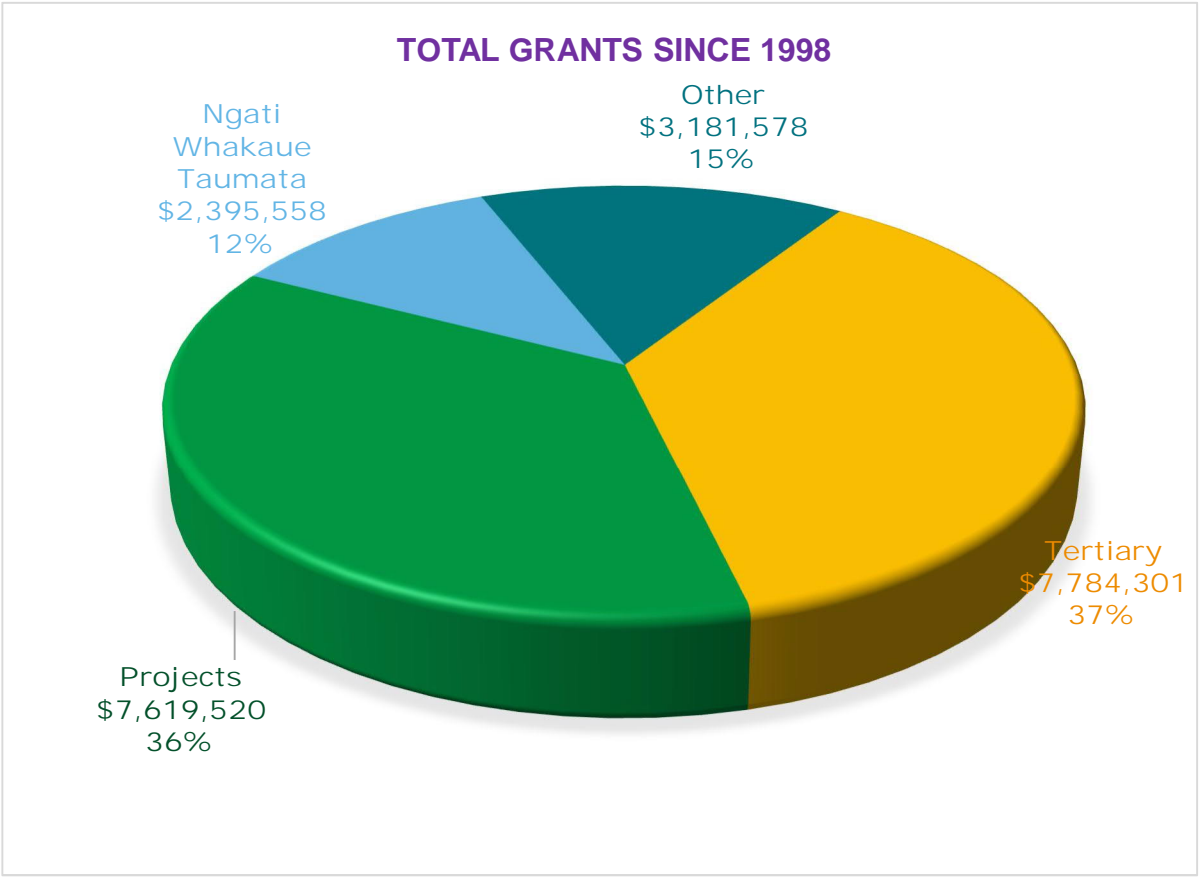
Our team performs responsibly and effectively in a united manner to manage the Endowment. I take this opportunity to congratulate the Board on the outcomes achieved and thank them all for their hard work along with our dedicated management team and consultants contributing to the ongoing success of our valued Taonga.

Nga mihi

A handwritten signature in black ink, appearing to read 'M. Short'.

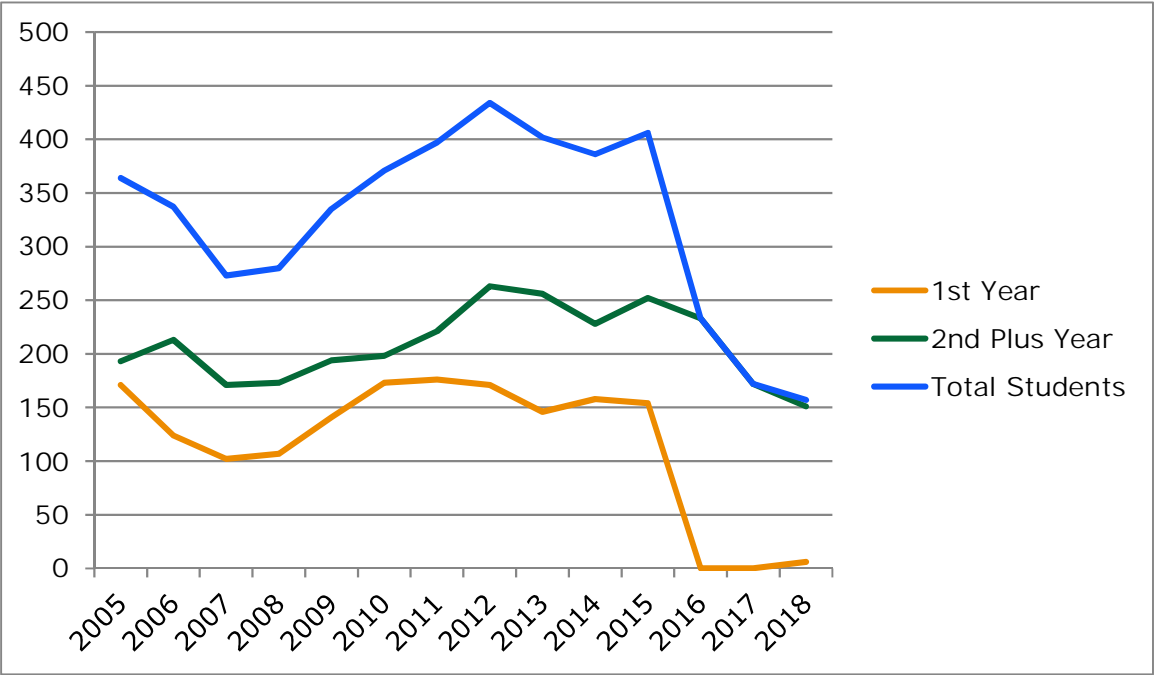
Malcolm Tukino Short, ONZM

CHAIRMAN



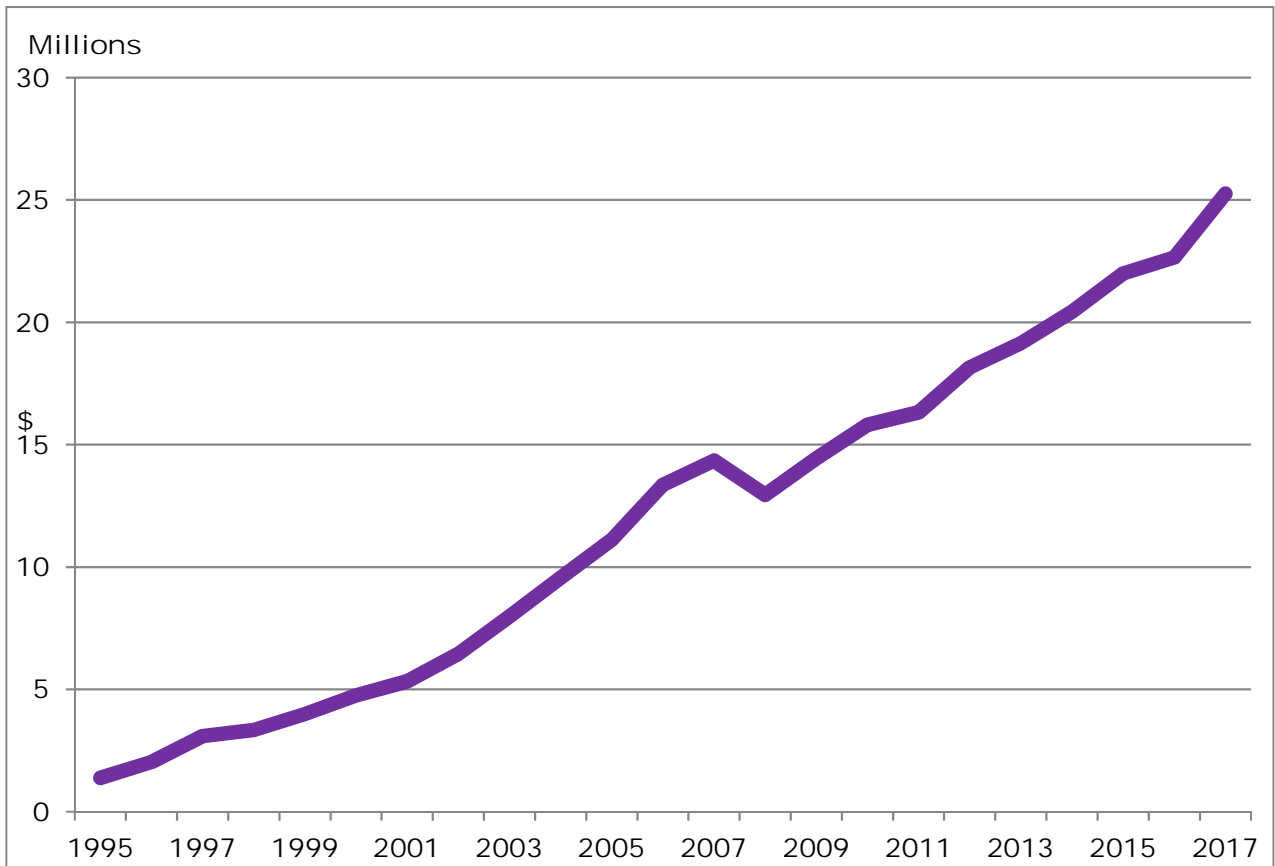
Total Grants Made to 31 December 2017 = \$20,980,957

TERTIARY STUDENTS – YEAR OF STUDY AND TOTAL TREND

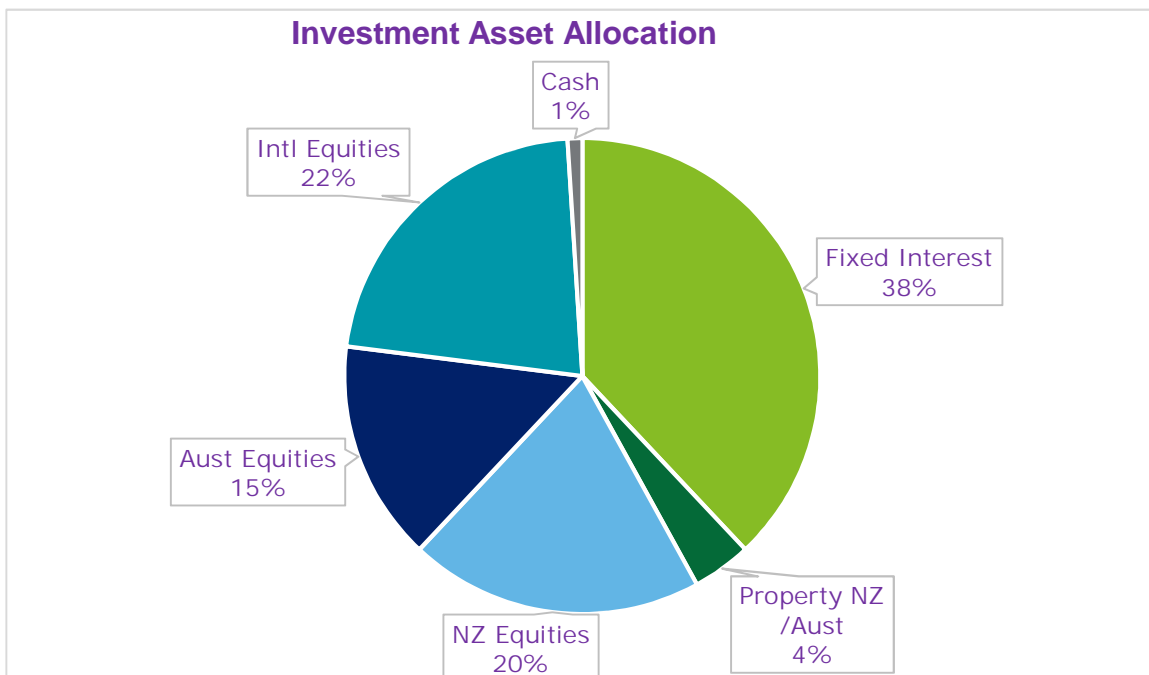


Note: Funding of first year students ceased after 2015 year.

VALUE OF INVESTMENT PORTFOLIO (Excluding Land)



The \$25m investment portfolio is managed by Craigs Investment Partners and has generated an 8.84% average annual return since inception. The current asset allocation is:



EDUCATION CONSULTANT'S ANNUAL REPORT

Projects 2017 -2018

This year's Ngati Whakaue Education Endowment Trust Board (NWEETB) projects have continued to make a significant difference to the achievement of eight hundred and fifty four (854) Ngati Whakaue (NW) learners who are school identified as needing acceleration in learning in the areas of literacy and numeracy. The ninety (90) personnel who include principals, teachers and support staff capably design and implement these projects to ensure they are 'fit for purpose' and enable good learning outcomes for all learners. This year twenty seven schools across the education sectors that is secondary, intermediate and primary were successfully allocated funding from NWEETB. Of these schools twenty five are English medium and two are Māori medium. Twenty three schools focussed on literacy, three focussed on numeracy/literacy and one focused on accelerated mathematics.



Transitioning learners to school from pre-school to beginning school is a crucial part in NW tamariki education. There are approximately sixty pre-school learners who benefit from these programmes.

A requirement from the NWEETB is the completion by schools of a half yearly and end of year milestone report, this being the hard evidence that NWEETB request from schools and consists of both qualitative and quantitative data. This measurement of data is presented as part of the accountability to the board and focusses on the progress of the NW learners in the targeted literacy and numeracy projects throughout the current year. The report is due at the end of the month of June and again at the end of November. The report is a comprehensive document that is submitted to Deloitte the Rotorua office of NWEETB. A standard template is used for the milestone report that includes a variety of questions that has an emphasise on the use of funding and the progress of the NW learners.

The milestone report indicates the organisation and the variety of ways in which the projects are being delivered these being: one on one and small targeted groups or grouping with in the class room. Small groups provide the context for social and cognitive engagement meaning that the group and the individual situations allowed NW learners to engage in learning conversations without the interference from the large classroom. All schools use a range of deliberate strategies to accelerate and sustain improvement. Teachers are committed to trying new things when learner's progress is not satisfactory. The projects that have been developed in the schools over a number of years have enabled optimal learning and development in each school.



Principals like to work with the targeted groups. This is one way of being able to question the learners and to reflect on how they learn.

Māori Principals can communicate with their Māori communities easily because their environment is one where a cultural responsive pedagogy of relations is the norm.

There are two key areas that have emerged from the milestone reports along with my observations and conversations with staff.

These are:

1 Relationships and partnerships between stakeholders where the schools are:

- Providing professional development for all staff who implement the projects.
- Focussing on achievement for all NW learners targeted in the programmes.
- Are moving in the direction of ensuring all staff are assessment capable.
- Working on the best ways to engage whanau who have tamariki in the projects.
- Ensuring the transition of learners at all levels is robust and embedded.

2 Challenges to accelerating NW learners where schools are:

- Developing staff's potential.
- Retaining staff who are of NW descent.
- Strengthening attendance policies.

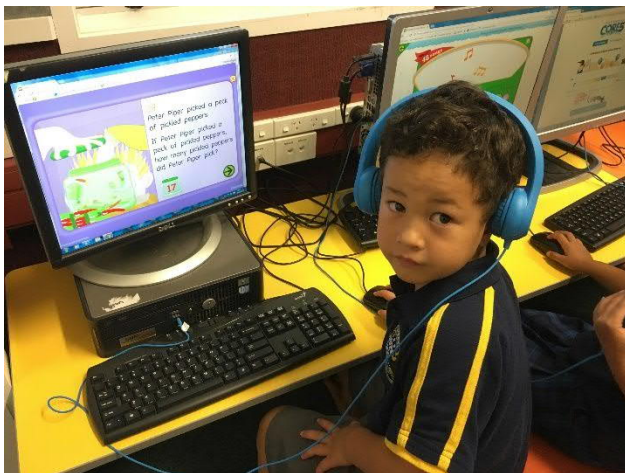
All schools share a common vision in that the projects they have designed will give the opportunity for NW tamariki to succeed. The principals, teachers and support staff know that because NWEETB allow them to develop their own literacy and numeracy projects this trust and evidence must generate positive outcomes.

Working with whanau continues to be a challenge for all schools. Principals recognise this at an early stage and there are numerous ways in which schools work towards engaging whanau. Volunteer whanau play major role in the life of the school and these members of the community extend to the elderly. Not all schools strategies for engaging with whanau are the same but they all share the same goal and that is involving themselves with the learning of their tamariki.



Unique to the schools is the NWEETB funded seminars and sharing workshops facilitated by NWEETB. Members of the Trust, Kaumatua and Kuia share their knowledge in an outstanding professional development initiative specifically for the facilitators and support staff who work with the targeted groups.

There are three online programmes that are implemented in four schools. These are Maths Wizz, Lexia, and Reading Eggs. All schools have provided professional development to ensure staff understand what they are trying to achieve. One facilitator has researched the Lexia programme and has trialled it with whanau before implementing it with selected NW learners. The assessment tools are embedded in these programmes and facilitators are able to track each individual and complete their reports.



The expectation is that the funding contributes to literacy and numeracy programmes that make an impact on the learning of all NW learners.

All schools have a common understanding of what they are trying to achieve and the majority are aware that at least 2 out of 3 learners will enter school below or well below their curriculum level. It is therefore important for teachers to be trained in methodical and structured programmes that will provide scaffolding for the programmes in the classroom.



Whanau are welcome at any time to observe or work with their tamariki. Whanau are also appreciative and grateful for having their tamariki included in these groups.

Even if the response from home is minimal it is still communication from school to home.

The museum bus continues to be a simple and successful initiative that is funded by NWEETB. This has always been a 'point of difference' where it allows all schools to access a valuable resource which has an outstanding focus on the whakapapa and history of Ngati Whakaue. The museum educators keep both the community and members of the NWEETB informed of all current activities.



Funding is a major issue facing schools as they never have enough to meet their needs. The NWEETB play an important role in the distribution of additional funding for the literacy and numeracy projects. More importantly they are totally committed to the descendants of Ngati Whakaue as it is a unique gift from the Ngati Whakaue people.

Principals know how crucial the external funding is to accelerating the learning of NW tamariki. The strategies they continue to develop ensure that this funding is impacting positively.

Jackie Woodland
Education Consultant
MEd Leadership.

PROJECT GRANTS 2018

School	Project Title	GRANT
Aorangi School	A)Ngati Whakaue Pre Entry Programme B)Ngati Whakaue Foundation Programme	\$19,000.00
Glenholme School	Glenholme Literacy and Numeracy in Fortification & Enhancement	\$27,000.00
Horohoro School	New Entrant Learning Initiative NELI	\$10,000.00
John Paul College	Ko Te Arawa te iwi	\$8,000.00
Kaitao Intermediate School	Inclusive Education	\$19,000.00
Kawaha Point	Maori Student Achievement and Enhancement Initiative	\$23,000.00
Lake Rotoma School	Lifting the Lid	\$3,000.00
Maketu School	PR1ME Mathematics	\$10,000.00
Malfroy School	Aratiki Literacy and 'Upene' - Stepping Up - Transition into school programme.	\$20,000.00
Mokoia Intermediate	Me Rata i Te Tatai e Noho Tahī me Nga Panui Pukapuka	\$19,000.00
Ngongotaha Primary School	Whaowhia te kete m?tauranga	\$23,000.00
Owhata Primary School	Ngati Whakaue Pre Entry Transition and Junior Literacy Programmes.	\$21,000.00
Rotokawa School	Rotokawa Literacy and Numeracy support	\$16,000.00
Rotorua Boys High School	Raukura Literacy Project	\$30,000.00
Rotorua Girls High School	Multi Lit	\$30,000.00
Rotorua Intermediate	Literacy Support Program	\$12,000.00
Rotorua Lakes High School	Junior Numeracy Development	\$24,000.00
Rotorua Primary School	Ngati Whakaue Learning Support Centre	\$23,000.00
Selwyn School	Ngati Whakaue Rainbow Reading Programme	\$7,000.00
St Marys School	Manaakitanga	\$17,000.00
St Michaels Rotorua	Transition to School Support Programme	\$12,000.00
Sunset Primary	Te Reo Matau	\$14,000.00
Te Kura Kaupapa Maori o Te Rotoiti	Whakapiki i te reo Matatini	\$5,000.00
Te Kura o te Whakarewarewa	Supporting students with additional needs	\$8,000.00
Te Rangihakahaka Centre for Science and Technology	Te Rangihakahaka	\$5,000.00
Te Wharekura o Ngati Rongomai	Ko te Eke ki Angitu II	\$10,000.00
Western Heights High School	Manaaki Tangata	\$40,000.00
Western Heights Primary	Ara Matauranga - Priority Learners	\$40,000.00
Whangamarino School	Programme 1) Multi Lit Programme 2) One to One Writing Programme 3) Te Huinga Raukura Rumaki (Years 1-3) Programme 4) English Transition Rumaki (Years 7-8)	\$5,000.00
		\$500,000.00



Numicon Maths



Transition from pre-school to starting school.

PROJECTS 2017/18



Quick Sixty



Reading and Comprehension



Rainbow Reading one on one



Whakapapa



Oral language
Rumaki

JV SCHOLARSHIP NWEESUDIMA (HOSPITALITY)

PROFESSIONAL DEVELOPMENT DAY



Evan Brown



AWATERE DOUGLAS
SCHOLARSHIP RECIPIENT



GRANT POLICY INDEX

Policy	Policy Number
Group Discretionary Grant To support recognised Educational Organisations to develop, implement and deliver innovative educational programmes that: <ul style="list-style-type: none"> • Are outside mainstream funding sources • Promote vocational and further learning opportunities, and outcomes and personal development of participants. • Encourage group study and participation 	601
Individual Discretionary Grant <ul style="list-style-type: none"> • To further develop the educational and development opportunities for individuals. • Assist individuals in obtaining qualifications and skills/knowledge for vocational purposes. • To engage individuals in educational endeavours that benefit Ngati Whakaue (including research). 	602
Nga Mahi a Rehia (Maori Performing Arts) Grant <ul style="list-style-type: none"> • To support the retention of all forms of Ngati Whakaue Waiata and Haka and consider applications from any Kapahaka Group, School, Marae or hapu. • The Board also supports the development and performance of contemporary song embodied in a Kapahaka performance. • The objective is to recognise collective cultural endeavours of Schools, Marae and hapu/iwi and promote and uphold Ngati Whakaue performing arts and tikanga a Marae. 	603
Taumata Funding Grant <ul style="list-style-type: none"> • To acknowledge the vision of Ngati Whakaue Iwi - "Ngati Whakaue iho ake" and to assist in developing our people towards tribal strength and global success through education. • To set the basis of intended funding arrangements between the Ngati Whakaue Education Endowment (Board) and Ngati Whakaue Education Taumata (Taumata). The Board supports the development of the Ngati Whakaue education strategy as promulgated through the Taumata. The Board is prepared to provide for ongoing funding to the Taumata as set out in this policy statement as part of its statutory obligation to fund the general purpose of education. 	604
Tertiary Grant <ul style="list-style-type: none"> • To provide individual tertiary grants to assist with tertiary education and encourage academic achievement. • To set out procedures for annual tertiary grant applications and checking processes. 	605
Sponsorships <ul style="list-style-type: none"> • To support recognised Providers promote education programmes or outcomes that encourage the recognition and/or raising of educational standards and values within the wider Rotorua Community. 	606
Haane Manahi Memorial Scholarship <ul style="list-style-type: none"> • To acknowledge the significance, efforts and heroism of Lance Sergeant Haane Manahi during the Second World War. • To provide a Scholarship in memory of Lance Sergeant Haane Manahi to assist Ngati Whakaue Students and/or Apprentices undertaking study, or an apprenticeship, cadetship, traineeship that specialises in either forestry, farming, trades or service industries. 	607

Policy	Policy Number
<p>Marae Based Wānanga Grants</p> <ul style="list-style-type: none"> To support ngā hapū o Ngati Whakaue to convene Maraе based Wānanga in order to learn, maintain, uphold, develop and retain te reo me nga tikanga o Ngati Whakaue i raro i te kawa tapū o Te Arawa To provide support for Wānanga that preserve and maintain Ngati Whakaue and Te Arawa cultural continuity. 	608
<p>Project Grant</p> <ul style="list-style-type: none"> To identify under-achievement in the general areas of literacy and numeracy and promote programmes to address these areas targeting junior levels of schooling. 	609
<p>Post-graduate Scholarship</p> <ul style="list-style-type: none"> To provide individual post graduate scholarships to assist with post graduate education and encourage academic achievement. 	610
<p>Whakapapa Policy (2015)</p> <ul style="list-style-type: none"> To ensure that all applicants for the Boards various grants provide accurate information and detail relating to Whakapapa. 	611
<p>Emergency/Disaster Discretionary grant</p> <ul style="list-style-type: none"> On hold. (The purpose of these grants was to support student victims of an emergency/disaster including the 4 Sept 2010 and 22 Feb 2011 Christchurch Earthquakes that have relocated to Rotorua District). 	612
<p>Support of Rangahau (Research) ON HOLD</p> <ul style="list-style-type: none"> The Trust Board's Research Fund has been established to support emerging and established Ngati Whakaue and Te Arawa researchers. 	613
<p>Support of Ngati Whakaue-Te Arawa Writers</p> <ul style="list-style-type: none"> To support, develop and nurture Ngati Whakaue-Te Arawa writers. 	614
<p>Swimming programme sponsorship (RLC - Rotorua Lakes Swim School)</p> <ul style="list-style-type: none"> The aim of Kia Maanu Kia Ora is to increase the safety of Ngati Whakaue children in and around water. 	615
<p>NWEE- Sudima Hotel Joint Hospitality Scholarship</p> <ul style="list-style-type: none"> Ngati Whakaue Education Endowment Trust Board and Sudima Lake Rotorua are Landlord and Tenant respectively of the site known and operated as Sudima Lake Rotorua Hotel. The Board and Sudima wish to develop and promote in partnership opportunities for Ngati Whakaue descendants for vocational development and educational qualifications in the Hospitality Industry. 	616
<p>Hinemoa Swim School sponsorship</p> <ul style="list-style-type: none"> To increase the safety of Ngati Whakaue children in and around water. 	617
<p>Dive Programme Sponsorship (DiveHQ Rotorua)</p> <ul style="list-style-type: none"> To increase the diving capacity of Ngati Whakaue to gather kai moana for our local Maraе 	618
<p>Nga Pumanawa e Waru Education Trust Policy</p> <ul style="list-style-type: none"> To provide terms of reference for the application of the grant approved for Nga Pumanawa e Waru Education Trust (NPEWET). 	620
<p>NWEE and Rotorua Lakes Council Engineering Cadetship</p> <ul style="list-style-type: none"> Ngati Whakaue Education Endowment Trust Board (The Board) and Rotorua Lakes Council have developed an opportunity for Ngati Whakaue descendants for vocational and educational qualifications in Civil Engineering 	621

Financial Report

Ngati Whakaue Education Endowment Trust
For the year ended 31 December 2017

Prepared by Deloitte Rotorua

Contents

2	Audit Report
5	Statement of Comprehensive Revenue and Expense
7	Statement of Changes in Equity
8	Statement of Financial Position
9	Statement of Cash Flows
10	Notes to the Financial Statements

Independent Auditor's Report

To the readers of Ngāti Whakaue Education Endowment Trust's financial statements for the year ended 31 December 2017

The Auditor-General is the auditor of Ngāti Whakaue Education Endowment Trust (the Trust). The Auditor-General has appointed me, Clarence Susan, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Trust on his behalf.

We have audited the financial statements of the Trust on pages 5 to 21, that comprise the statement of financial position as at 31 December 2017, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

Qualified Opinion – Valuation of investment property

In our opinion, except for the matter described in the *Basis for our qualified opinion* section of our report, the financial statements of the Trust on pages 5 to 20:

- present fairly, in all material respects:
 - its financial position as at 31 December 2017; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime.

Our audit was completed on 31 May 2018. This is the date at which our qualified opinion is expressed.

The basis for our qualified opinion is explained below. In addition, we outline the responsibilities of the Trustees and our responsibilities relating to the financial statements, and we explain our independence.

Basis for our qualified opinion

As stated in the accounting policies on page 13, and note 11 on page 16, investment property is revalued every three years and the latest valuation at 1 July 2017 of \$37,651,000 (2016 \$28,824,000) is recorded at the value used for rating purposes.

This is a departure from PBE IPSAS 16 *Investment Property*, which requires investment property measured at fair value to be valued at its fair value at the reporting date and the movement in value recognised in the surplus/deficit. The Board has not quantified the financial effects of this departure from PBE IPSAS 16 and we are unable to determine the amount of the required adjustments.

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of the Trustees for the financial statements

The Trustees are responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Trustees are responsible for such internal control as they 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. The Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees intend to wind-up the Trust or to cease operations, or have no realistic alternative but to do so.

The Trustees' responsibilities arise from the Reserves and Other Lands Disposal Act 1995.

Responsibilities of the auditor 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We 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.

- We 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 Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- We 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 Trust'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 Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Our responsibilities arise from the Public Audit Act 2001.

Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.



Clarence Susan
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand

Statement of Comprehensive Revenue and Expense

Ngati Whakaue Education Endowment Trust
For the year ended 31 December 2017

	NOTES	2017	2016
Revenue			
Rental Revenue	6	1,653,451	1,591,808
Dividends Received		359,643	470,326
Interest Received		507,803	463,989
PIE Revenue		75,376	91,718
Total Revenue		2,596,272	2,617,841
Administration Expenses			
Advertising		8,240	8,705
Arbitration Costs		-	620
Audit Fees	7	12,921	12,573
Bank Charges		267	327
Consultancy Fees		-	31,460
Education Consultant		34,735	32,613
Education Grant Expenses		45,996	40,169
Entertainment		2,416	1,652
General Expenses		1,452	1,427
Insurance		6,704	5,422
Legal Costs		16,946	79,882
Portfolio Management Fee		81,024	82,055
Printing, Stationery and Postage		8,604	7,539
Property Management		50,701	22,870
Website Maintenance		30,692	30,298
Secretarial & Accounting		82,094	97,632
Travel Expenses		1,976	-
Trustees Fees & Expenses		74,259	77,750
Valuation Fees		16,720	1,675
Total Administration Expenses		475,746	534,670
Net Surplus before Grants		2,120,527	2,083,171
Grants			
Nga Pumanawa		-	25,000
Ngati Whakaue Education Taumata		200,000	240,000
Tertiary Education Grants		360,239	334,470
Project Grants		493,500	500,000
Haane Manahi Scholarship		12,314	3,257
Discretionary Grants		111,157	203,562
Joint Hospitality Scholarship		13,946	-
Maths Whizz		1,993	-
Swimsation		39,221	37,118

This statement should be read in conjunction with the Notes to the Financial Statements.

	NOTES	2017	2016
Ngati Whakaue Authors		46,968	56,432
Rotorua Young Achievers Awards		5,000	5,000
Te Aka Mauri		40,000	-
Whakaue Whakanuia		20,000	-
RLC Cadetship		6,976	-
Nga Mahi A Rehia (KapaHaka) Grants		4,000	28,500
Sponsorship		14,699	15,496
Rangahau (Research) Grant		-	11,000
Total Grants		1,370,011	1,459,834
Surplus for the year		750,515	623,338
Other Gains/(losses)			
Fair Value change in Investments		2,368,900	127,143
Net Gain/(Loss) on Disposal of Shares		44,088	(94,031)
Realised foreign currency gains and losses		11,697	(76,440)
Net Gain / (Loss) on Revaluation of Investment Property	11	8,827,000	-
Total Other Gains/(losses)		11,251,685	(43,328)
Surplus/(Deficit) for the year		12,002,201	580,010
Other Comprehensive Revenue			
Fair Value change - Available for Sale Reserve	13	69,339	74,040
Total Other Comprehensive Revenue		69,339	74,040
Total Comprehensive Revenue for the year		12,071,540	654,050

This statement should be read in conjunction with the Notes to the Financial Statements.

Statement of Changes in Equity

Ngati Whakaue Education Endowment Trust

For the year ended 31 December 2017

	2017	2016
Equity		
Opening Balance	51,481,683	50,827,633
Surplus/(Deficit) for the year	12,002,201	580,010
Increase/(Decrease) in Available for Sale Reserve	69,339	74,040
Total Equity	63,553,222	51,481,683

This statement should be read in conjunction with the Notes to the Financial Statements.



Statement of Financial Position

Ngati Whakaue Education Endowment Trust

As at 31 December 2017

	NOTES	31 DEC 2017	31 DEC 2016
Assets			
Current Assets			
Cash and Cash Equivalents	8	507,003	2,794,639
Trade Receivables from exchange transactions	9	96,847	98,438
Prepayments		4,722	4,781
Goods and services tax		34,327	39,549
Total Current Assets		642,898	2,937,408
Non-Current Assets			
Investments	10	25,471,787	20,099,749
Investment properties	11	37,651,000	28,824,000
Total Non-Current Assets		63,122,787	48,923,749
Total Assets		63,765,685	51,861,156
Liabilities			
Current Liabilities			
Trade payables under exchange transactions		33,331	102,143
Rents Received in Advance		179,132	277,331
Total Current Liabilities		212,463	379,474
Total Liabilities		212,463	379,474
Total Assets less Total Liabilities (Net Assets)		63,553,222	51,481,682
Equity			
Capital	12	22,418,108	22,418,108
Available for Sale Reserve	13	210,539	141,200
Retained Earnings	14	40,924,575	28,922,374
Total Equity		63,553,222	51,481,682

Malcolm Short

Malcolm Short

Chairman

Date 31/5/18

Alec Wilson

Alec Wilson

Board Member

Date 31/5/18

This statement should be read in conjunction with the Notes to the Financial Statements.

Statement of Cash Flows

Ngati Whakaue Education Endowment Trust For the year ended 31 December 2017

	2017	2016
Statement of Cash Flows		
Net change in cash for period		
Cash Flows from Operating Activities		
Cash was provided from:		
Cash Receipts from Operating Activities	1,556,843	1,649,571
Interest Received	507,803	463,989
Dividends Received	435,019	562,044
GST Received	5,222	-
Total Cash was provided from:	2,504,887	2,675,604
Cash was applied to:		
Payments to Suppliers and Employees	(625,522)	(678,386)
GST Paid	-	(35,285)
Payments of Grants	(1,370,011)	(1,339,833)
Total Cash was applied to:	(1,995,533)	(2,053,504)
Total Cash Flows from Operating Activities	509,354	622,100
Cash Flows from Investing Activities		
Purchase of Investments	(7,507,533)	(5,366,787)
Sale of investments	4,710,542	4,919,664
Total Cash Flows from Investing Activities	(2,796,991)	(447,123)
Total Net change in cash for period	(2,287,637)	174,977
Cash Balances		
Cash and Cash Equivalents at beginning of period	2,794,639	2,619,622
Net change in cash for period	(2,287,637)	174,977
Cash and Cash Equivalents at end of period	507,003	2,794,639

This statement should be read in conjunction to the Notes to the Financial Statements



Notes to the Financial Statements

Ngati Whakaue Education Endowment Trust For the year ended 31 December 2017

1. Reporting entity

The Ngati Whakaue Education Endowment Trust Board ("The Trust") is a Charity registered under the Charities Act 2005 and established under the Reserves and Other Land Disposals Act 1995. The Trust is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013).

2. Basis of preparation

(a) Statement of compliance

The Trust's financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with *Public Benefit Entity International Public Sector Accounting Standards* ("PBE IPSAS") and other applicable Financial Reporting Standards, as appropriate for Tier 2 Public Sector public benefit entities, for which all reduced disclosure regime exemptions, have been adopted.

The Trust qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure.

These financial statements were authorised for issue by the Ngati Whakaue Education Endowment Trust board on 31st May 2018.

(b) Measurement basis

The Trust's financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position, which are measured at fair value:

- Available for sale financial instruments
- Fair Value through surplus or deficit financial instruments
- Investment property

(c) Functional and presentation currency

The financial statements are presented in New Zealand dollars. There has been no change in the functional currency of the Trust or any significant foreign operations of the Trust during the year.

3. Use of judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



4. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Trust except as explained in *Note 5* which addresses changes in accounting policies.

The significant accounting policies of the Trust are detailed below:

- (a) Revenue
- (b) Financial instruments
- (c) Impairment of non-derivative financial assets
- (d) Investment property
- (e) Impairment
- (f) Goods and Services Tax
- (g) Income Tax

(a) Revenue

Revenue is recognised when the amount of revenue can be measure reliably and it is probable that economic benefits will flow to the Trust, and measured at the fair value of consideration received or receivable.

The following specific recognition criteria in relation to the Trusts revenue streams must also be before revenue is recognised:

Rental Revenue

Rental revenue from investment property is recognised in surplus or deficit on a straight-line basis over the term of the lease.

Dividends

Revenue from dividends is recognised when the Trust's right to receive payment is established, and the amount can be reliably measured.

Interest Revenue

Interest revenue is recognised as it accrues in surplus or deficit, using the effective interest method.

PIE Revenue

PIE revenue is recognised when the Trust's right to receive payment is established, and the amount can be reliably measured.

(b) Financial Instruments

The Trust initially recognises financial instruments when the Trust becomes a party to the contractual provisions of the instrument.

The Trust derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Trust is recognised as a separate asset.

The Trust also derecognises financial assets when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

The Trust classifies financial assets into the following categories: *at fair value through profit and loss* and *available-for-sale*.

Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument and is specifically detailed in the accounting policies below.

Fair value through surplus or deficit

A financial instrument is classified as *fair value through surplus or deficit* if it is:

Designated at initial recognition: If the Trust manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Trust's documented risk management or investment strategy.

The Trust's Investment strategy is to maximise the total sustainable income that can be provided by investments over the long term, subject to a prudent level of portfolio risk with particular emphasis on providing sufficient cash on annual basis to enable the Trust to fulfill its responsibilities and cover its operating costs.

The board of trustees have agreed on a balanced risk profile, an asset allocation and the range for which the investment manager is required to operate within. Trading of investments is authorised by the Investment subcommittee prior to any undertaking of investment activities.

Those *fair value through surplus or deficit* instruments sub-classified as *designated at initial recognition* comprise of fixed interest securities and Equity Securities.

Financial instruments classified as *fair value through surplus or deficits* are subsequently measured at fair value with gains or losses being recognised in surplus or deficit.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets.

Available-for-sale financial assets are subsequently measured at fair value with gains or losses recognised in other comprehensive revenue and expense and presented in the *AFS fair value reserve* within net assets/equity, less impairment.

Upon de-recognition, the accumulated gain or loss within net assets/equity is reclassified to surplus or deficit.

Available-for-sale financial assets comprise of equity securities not traded on national and internal stock exchanges.

(c) Impairment of non-derivative financial asset

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a counterparty, restructuring of an amount due to the Trust on terms that the Trust would not consider otherwise, indications that a counterparty or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Trust, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an equity security classified as an *available-for-sale* financial asset, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets classified as available-for-sale

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in net assets/equity to surplus or deficit.

The cumulative loss that is reclassified from net assets/equity to surplus or deficit is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in surplus or deficit.

Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired *available-for-sale* debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed, with the amount of the reversal recognised in surplus or deficit. However, any subsequent recovery in the fair value of an impaired *available-for-sale* equity security is recognised in other comprehensive revenue and expense.

(d) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Recognition and measurement

Investment property is measured at the Rateable Value dated 1 July 2017, as valued by Landmass Technology Ltd and subsequently revalued every 3 years. The board considers this to be an indication of fair value. The net value is likely to be higher although this has not been quantified. This is not in compliance with PBE IPSAS 16 – Investment Property which requires Investment Properties to be included at Fair Value at the entities balance date.

(e) Impairment of non-financial assets

The carrying amounts of the Trust's non-financial assets, other than investment property, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses are recognised in surplus or deficit. Impairment losses an impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(f) Goods and Services Tax (GST)

These financial statements have been prepared on a GST exclusive basis. Any GST due or recoverable at balance date is included as either a current asset or current liability.

(g) Income Tax

Ngati Whakaue Education Endowment Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

5. Changes in accounting policy

There have been no changes in accounting policies during the year. All policies have been applied consistently throughout the year.

	2017	2016
6. Rental Revenue		
Consent Fees	2,478	522
Rental Received	1,650,973	1,591,286
Total Rental Revenue	1,653,451	1,591,808

	2017	2016
7. Audit Fees		
Audit Fees	12,921	12,573
Total Audit Fees	12,921	12,573

2017 Audit Fees have been accrued.

	2017	2016
8. Cash and Cash Equivalents		
BNZ - Call Account	5,217	162,831
BNZ - Current Account	76,824	286,694
BNZ TD - Mat. 19/02/2017 @3.70%	-	731,803
ANZ TD - Mat 17/7/18 @ 3.15%	-	508,477
ASB TD Mat. 28/03/17 @2.95%	-	537,745
Craigs Call Account	424,962	567,089
Total Cash and Cash Equivalents	507,003	2,794,639

There are no restrictions over any of the cash and cash equivalent balances held by the Trust.

	2017	2016
9. Trade Receivables		
Accounts Receivable	25,224	13,429
Accrued Interest	71,623	85,009
Total Trade Receivables	96,847	98,438
	2017	2016

10. Investments**Financial Assets at fair value through profit and loss**

Debt Securities - New Zealand	7,897,583	7,435,781
Debt Securities - Australia	103,060	96,260
Equity Securities - New Zealand	5,141,035	4,623,847
Equity Securities - Australia	3,955,577	3,157,735
Equity Securities - UK	1,321,018	1,041,811
Equity Securities - USA	4,185,624	2,963,007
Total Financial Assets at fair value through profit and loss	22,603,897	19,318,441

Available for Sale Financial Assets

Equity Securities - New Zealand	824,314	615,684
Equity Securities - Australia	92,418	165,624
Total Available for Sale Financial Assets	916,732	781,308

Financial Assets Held to Maturity

ANZ Term Deposits	1,951,158	-
Total Financial Assets Held to Maturity	1,951,158	-

Total Investments	25,471,787	20,099,749
--------------------------	-------------------	-------------------

Per annum annual interest rate ranges applicable to debt securities

	2017	2016
Debt Securities - New Zealand	2.87% - 7.25%	2.88% - 7.25%
Debt Securities - Australia	5.15%	5.15%

Contractual Maturities of debt securities

	2017	2016
Debt Securities - New Zealand	1 Month - 384 Months	1 Month - 118 Months
Debt Securities - Australia	332 Months	322 Months

	2017	2016
11. Investment Properties		
Opening Balance	28,824,000	28,824,000
Revaluation per Rating Valuation 1 Jul 17	8,827,000	-
Total Investment Properties	37,651,000	28,824,000

Change in Fair Value

The fair value of investment properties is determined by the Rating Valuation completed every 3 years by Landmass Technology. The latest valuation was completed at 1 July 2017.

At balance date the Rating valuations completed at 1 July 2017 and 1 July 2014 are being objected to. The Trust is seeking a 15% reduction in the rating valuations issued at 1 July 2017 and 1 July 2014.

With no resolution sought on the original 1 July 2014 objection, the board and Rotorua District Council were referred to the Land Valuation Tribunal to provide direction. On the 2 May 2016 the Land Valuation Tribunal issued its reserved on the objection lodged by the board against the Rotorua District Council rating valuation assessments for valuations 1 July 2014. The decision is that the objections by the board have been declined. The board resolved to appeal the decision and have the decision reconsidered. On 2 February 2017 the Board was successful in overturning the decision of the Land Valuation Tribunal which supported the Council that the rating valuations of the Board land could not be discounted notwithstanding the inability for the Board to sell the land. The High Court having come to a decision that a discount was justified was not prepared to make the valuation to assess the amount of the discount.

The High court decision was then referred to the valuer general to provide guidance on the discount. On observation of the case the valuer general and Rotorua District Council have lodged an appeal with the court of appeal against the high court judgement. The court of appeal hearing was held on the 20th March 2018 with a decision received on the 9th of May 2018. As the board was successful in the appeal the board is entitled to costs and disbursements yet to be determined.

No contingent rents were recognised as revenue throughout the period.

	2017	2016
12. Capital		
Capital is established using the Government Valuations for land as at 01/09/1996	21,033,000	21,033,000
Funds held by Public Trustee as at 03/10/1995	1,385,108	1,385,108
Closing Balance	22,418,108	22,418,108

	2017	2016
13. Available for Sale Reserve		
Opening Balance	141,200	67,160
Current Year Revaluations	69,339	74,040
Closing Balance	210,539	141,200

2017 2016

14. Retained Earnings

Opening Balance	28,922,374	28,342,364
Net Surplus/(Deficit)	12,002,201	580,010
Closing Balance	40,924,575	28,922,374

15. Financial Instruments

The tables below show the carrying amount of the trusts financial assets and liabilities

(i) Financial Assets

2017 Asset per the Statement of Financial Position	FVTSD	Held to Maturity	Loans and Receivables	Available for Sale
Cash and Cash Equivalents			507,003	
Trade Receivables			96,847	
Financial Assets at fair value through profit and loss				
Debt Securities - New Zealand	7,897,583			
Debt Securities - Australia	103,060			
Equity Securities - New Zealand	5,141,037			
Equity Securities - Australia	3,955,577			
Equity Securities - UK	1,321,018			
Equity Securities - USA	4,185,624			
Equity Securities - International	-			
Available for Sale Financial Assets				
Equity Securities - New Zealand				824,314
Equity Securities - Australia				92,419
Held to Maturity Financial Assets				
ANZ Term Deposits		1,951,158		
Total	22,603,899	1,951,158	603,850	916,732



2016		FVTSD	Held to Maturity	Loans and Receivables	Available for Sale
Asset per the Statement of Financial Position					
Cash and Cash Equivalents				2,794,639	
Trade Receivables				98,438	
Financial Assets at fair value through profit and loss					
Debt Securities - New Zealand		7,435,781			
Debt Securities - Australia		96,260			
Equity Securities - New Zealand		4,623,845			
Equity Securities - Australia		3,157,735			
Equity Securities - UK		1,140,811			
Equity Securities - USA		2,963,007			
Equity Securities - International		-			
Available for Sale Financial Assets					
Equity Securities - New Zealand					615,684
Equity Securities - Australia					165,623
Total		19,318,439	-	2,893,077	781,307

(ii) Financial Liabilities

	2017			2016		
	At amortised cost	Fair value through profit or loss	Total	At amortised cost	Fair value through profit or loss	Total
Trade & other payables	33,331	-	33,331	102,143	-	102,143
Rent Received in Advance	179,132	-	179,132	277,331	-	277,331
	212,463	-	212,463	379,474	-	379,474

(ii) Fair Values

Fair value determination for financial instruments subsequently measured at fair value are as follows:

Financial Assets at fair value through profit or loss*(a) Debt securities(listed) and Equity securities (listed)*

Fair values are based on the quoted market price in the active market of the security at reporting date.

Available for Sale Financial Assets*(b) Equity securities (non-listed)*

Available for Sale Financial Assets and the basis for fair value comprise of the following;

Fair values based on the sale transaction occurring for the security at or around balance date less any impairment;

- Pohutukawa Private Equity II LTD PP Staple
- Pohutukawa Private Equity Ltd Stapled
- Pohutukawa Private Equity V Fund PP LP
- Willis Bond Capital Partners Ltd pp
- Oriens Capital

Fair Values are based on cost less any impairment;

- New Zealand Social Infrastructure Fund
- Maui Capital
- PartsTrader Markets Ltd.
- New Zealand King Salmon Investment

Co-InvestorNo 3 Pipe Fund is an Australian Unit Trust and the values are provided on a regular basis by the company.

16. Related Party Transactions**Key Management personnel remuneration**

Members of the governing body are paid set meeting fees for each meeting attended. Details and amounts of these are as follows:

	Main Committee	Education Sub-Committee	Investment Sub-Committee
Chairman	\$ 500	\$ 500	\$ 500
Deputy Chairman	\$ 400	\$ 400	\$ 400
Board Members	\$ 350	\$ 350	\$ 350

The governing body comprises of 10 members (10 FTE) (2016: 11 FTE) with total remuneration paid of \$74,259 (2016: \$77,750). Each board member is recognised at 1 FTE.

The following Board members are appointed by schools which have received grants during the year as scheduled:

Board Member	School	This Year	Last Year
Jane McQuilkan	John Paul College	\$7,000	\$ 3,500
Aramoana Mohi	Rotorua Girls High School	\$31,000	\$ 15,000
Beatrice Yates	Rotorua Lakes High School	\$23,000	\$ 13,000
Fred Whata	Rotorua Boys High School	\$29,000	\$ 15,000
Violet Pelham-Waerea	Western Heights High School	\$41,000	\$ 20,000

Beatrice Yates is a Trustee of Nga Pumanawa E Waru and the Rotorua Energy Charitable Trust. Last year a grant of \$25,000 was made to Nga Pumanawa e Waru. (Nil this year).

This year a grant of \$5,000 (Last year: \$5,000) was paid towards the Rotorua Young Achievers which is an initiative run by the Rotorua Energy Charitable Trust.

During the year Bella Tait was appointed as a Trustee to Te Taumata o Ngati Whakaue Trust. The Ngati Whakaue Education Endowment Trust has approved and paid \$200,000 in grants. (Last year: \$240,000)

17. Commitments and Contingencies

At balance date the Trust has the following Grant and Scholarship Commitments:

- Haani Manahi Scholarships \$8,700 (2016: \$8,500)
- Post Graduate Tertiary Scholarships \$Nil (2016: \$Nil)
- Research Grants \$3,000 (2016: \$14,300)
- Writer's Grants \$56,750 (2016: \$103,718)
- NWE/Sudima JV Scholarship \$7,000 (2016: \$14,000)
- Cadet RLC JV Scholarship \$15,000 (2016: \$Nil)
- DiveHQ sponsorship \$4,537 (2016: \$4,537)
- Te Taumata O Ngati Whakaue \$80,000 (2016: \$120,000)

At balance date there was a contingent liability of \$500,000 for the payment of project grants (Last year: \$500,000).

At balance date the endowment was committed to the following venture capital funds with outstanding commitments:

- Kowhai Private Equity \$225,000
- Maui Capital Indigo Fund Stapled PP \$21,000
- Oriens Capital Ltp Partnership Fund PP \$412,500
- Pohutakawa V Fund PP \$64,000
- App NZD Public Infrastructure Partners Fund \$212,000
- Co Investor No 3 Pipe \$42,000

18. Events After the Balance Date

On the 20th March the Court of Appeal held a hearing in relation to the rating valuation objection. (Refer Note 11 for further details). The courts judgement was received on the 9th May 2018 which dismissed the appeal of the Valuer General and Rotorua District Council.

Other than the above there have been no events requiring disclosure subsequent to balance date.



NGATI WHAKAUE EDUCATION ENDOWMENT TRUST BOARD

Te Toroihi Matauranga

