



NGATI WHAKAUE EDUCATION ENDOWMENT TRUST BOARD

Te Toroihi Matauranga



ANNUAL REPORT

2016



Transition to School



Reading Eggs online programme Maketu



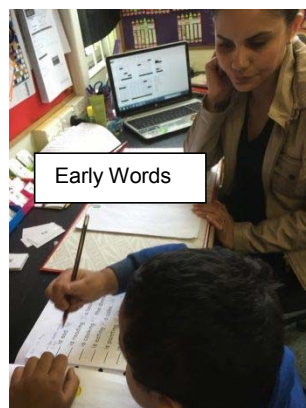
The Adventure Academy



Shared reading and comprehension



Te Putaketanga o Te Arawa



Early Words



DIRECTORY – JULY 2016

BOARD MEMBERS

Malcolm Short (Chairman)
Pita Anaru (Deputy Chairman)
Violet Pelham
Jane Savage
Beatrice Yates
Fred Whata
Aramoana Mohi
Monty Morrison
Alec Wilson
Greg Allen
Bella Tait

SECRETARY

Murray Patchell

ACCOUNTANTS

Deloitte

AUDITORS

Audit New Zealand

SOLICITORS

Tompkins Wake (Richard Pryce)

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

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2016 CHAIRMAN'S REPORT

The Minister of Education
NZ Government
Wellington

Tena koe Minister

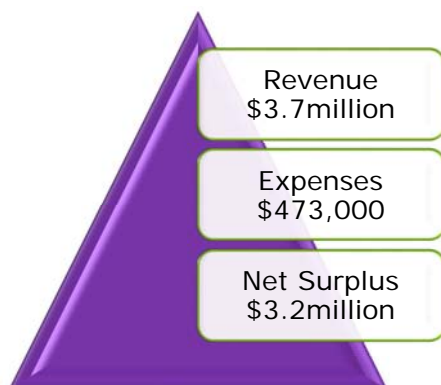
OPERATIONS REPORT

It is with great pride that I present my 20th Annual Report on the operations of the Ngati Whakaue Education Endowment Trust Board.

However I note with concern that new legislative amendments have been imposed on the Board under the Financial Reporting Act without consultation or notification. Ironically we have been endeavouring to make legislative changes for many years without success. Although recently some progress has been made and we are hopeful that the Office of Treaty Settlements will now be able to expedite the changes that will meet the expectations of Ngati Whakaue Iwi.

As a consequence of compliance with the new reporting standards our financial report takes on a new format as a Tier 2 reporting entity under the Public Benefit Entity International Public Sector Accounting Standards. The new obligation to prepare financial statements within 5 months of balance was not met because the deadline was not known and in any event this change creates an unrealistic expectation on Accountants and Auditors. The obligation to provide the annual report to the Minister within 1 month is a tight timeframe and difficult to comply with around the Board processes. We will be seeking a review of these issues in our discussions on legislative amendments.

Revenue from all sources including the fair value changes in investments totalled \$3,696,588 for the year ended 31 December 2015 (\$2,621,833 in 2014). After allowance for operational expenses of \$473,000 the net surplus before grants was \$3,222,987 (\$2,187,042 in 2014).

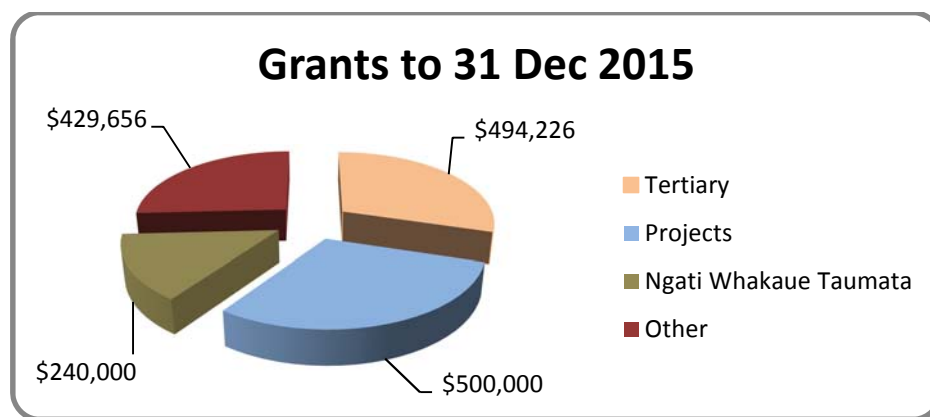


The value of investment reserves grew by 7.69% as at 31 December 2015 (6.7% in 2014) through a combination of income retention and investment growth and is now worth

\$22,003,633. It is necessary to continue to grow reserves to generate additional income to meet growth in demand for grants that cannot be met from land rental alone under 21 year rent reviews. The next major rent review period comes up in December 2017 and that will be the key determiner of the Board's grant making capacity for the next 21 year period.

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 distributed 51.6% of its Net Surplus by way of grants or the equivalent of \$78.13% of its cash income with investment growth excluded. The board has 18 grant policy areas with larger areas being Tertiary support, numeracy and literacy projects in schools and Ngati Whakaue Taumata education initiatives.



A significant change in Tertiary policy occurred this year with the removal of support for first year tertiary students. That funding has been redirected towards Te Reo revitalisation which research shows needs more support. Only 27% of Ngati Whakaue can converse in Te Reo. A major review project is underway to scope how best to deliver support for Te Reo as part of the Identity Development of Ngati Whakaue Iwi members. A strategic review of funding policy during the year identified 4 key themes where grant policies can be clustered for more effective delivery and development of iwi members. The 4 themes are Identity, Contribution, Success and Influence.

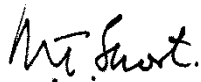


Going forward funding policies will be aligned against the new clusters and outcomes frameworks developed.

Property leases remain fully leased with no significant collection issues with lessees. Some challenges exist for lessees to secure subtenants and this is largely due to a reluctance of lessees to invest money to upgrade their buildings to attract quality tenants. An issue arose in 2015 with rating valuations whereby the Rotorua Lakes Council withdrew the discount on rating valuation due to the alienation restriction on the land. This was in place for some 15 years as a result of the widely reported Mangatu decision. A Land Valuation Tribunal hearing supported the Council position but the Board's legal advice is that the LVT decision is not based on the law and as consequence this has been appealed.

There have been no changes with the 11 Board members who work well together. I thank my fellow Board members for their support and also take this opportunity to convey the Boards appreciation to our team of property management, grant processors and accountants for carrying out the work of the endowment in such a professional and efficient manner.

Nga mihi

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

Malcolm Tukino Short, ONZM

CHAIRMAN

BOARD ATTENDANCE 12 MONTHS TO 30th JUNE 2016

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

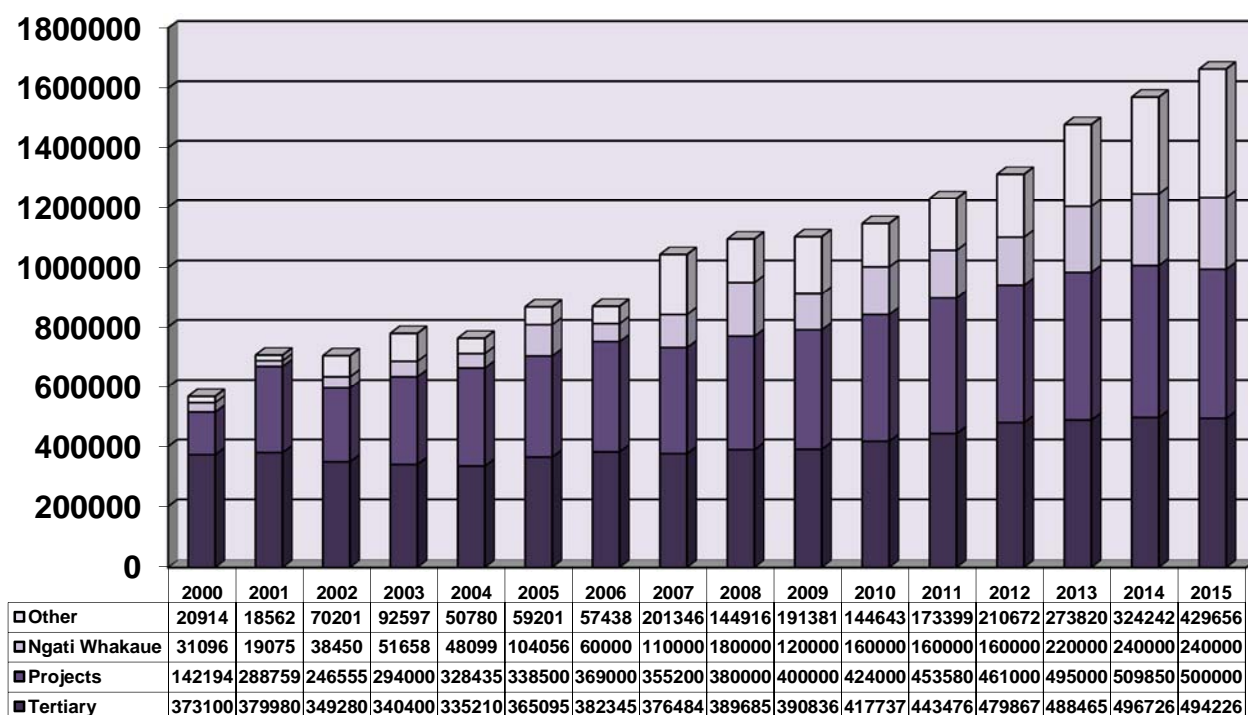
Board members are paid meeting attendance fees at the following rates:

Board and subcommittee meetings:

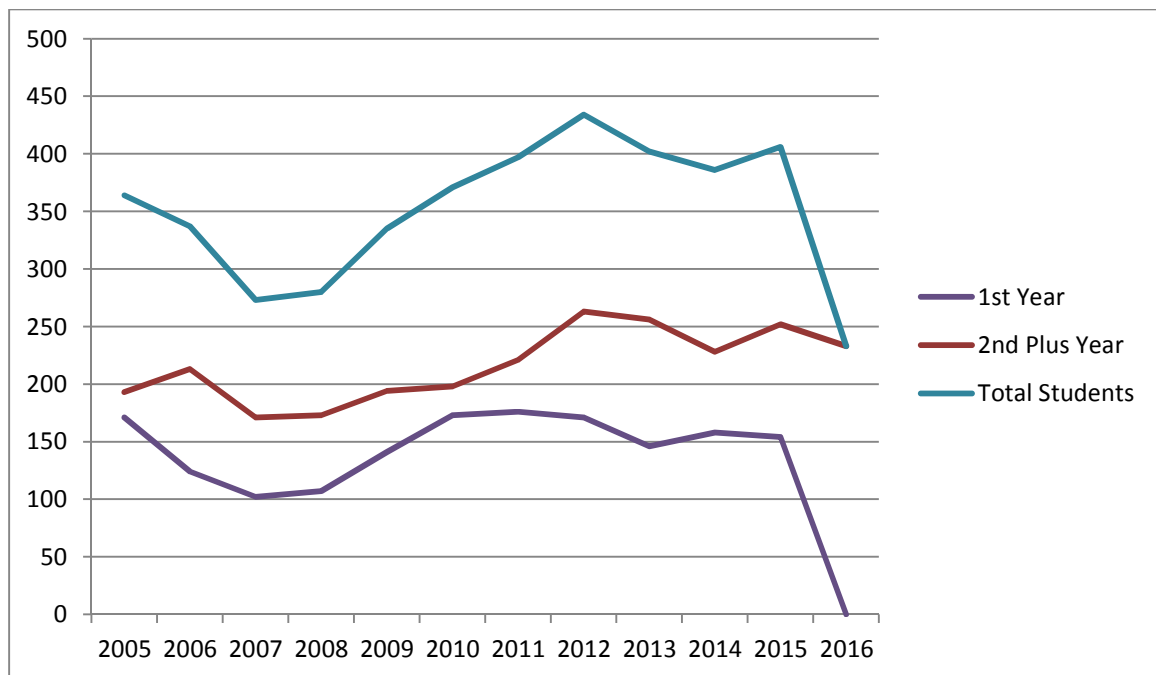
Chairman	\$500.00
Deputy Chair	\$400.00
Board members	\$350.00

YEAR	DISTRIBUTIONS			
	Tertiary	Projects	Ngati Whakaue education	Other
31.12.98	254,000	424,653	5,136	8,230
31.12.99	332,680	215,294	7,988	7,944
31.12.00	373,100	142,194	31,096	20,914
31.12.01	379,980	288,759	19,075	18,562
31.12.02	349,280	246,555	38,450	70,201
31.12.03	340,400	294,000	51,658	92,597
31.12.04	335,210	328,435	48,099	50,780
31.12.05	365,095	338,500	104,056	59,201
31.12.06	382,345	369,000	60,000	57,438
31.12.07	376,484	355,200	110,000	201,346
31.12.08	389,685	380,000	180,000	144,916
31.12.09	390,836	400,000	120,000	191,381
31.12.10	417,737	424,000	160,000	144,643
31.12.11	443,476	453,580	160,000	173,399
31.12.12	479,867	461,000	160,000	210,672
31.12.13	488,465	495,000	220,000	273,820
31.12.14	496,726	509,850	240,000	324,242
31.12.15	494,226	500,000	240,000	429,656
TOTALS	7,089,592	6,626,020	1,955,558	2,479,942

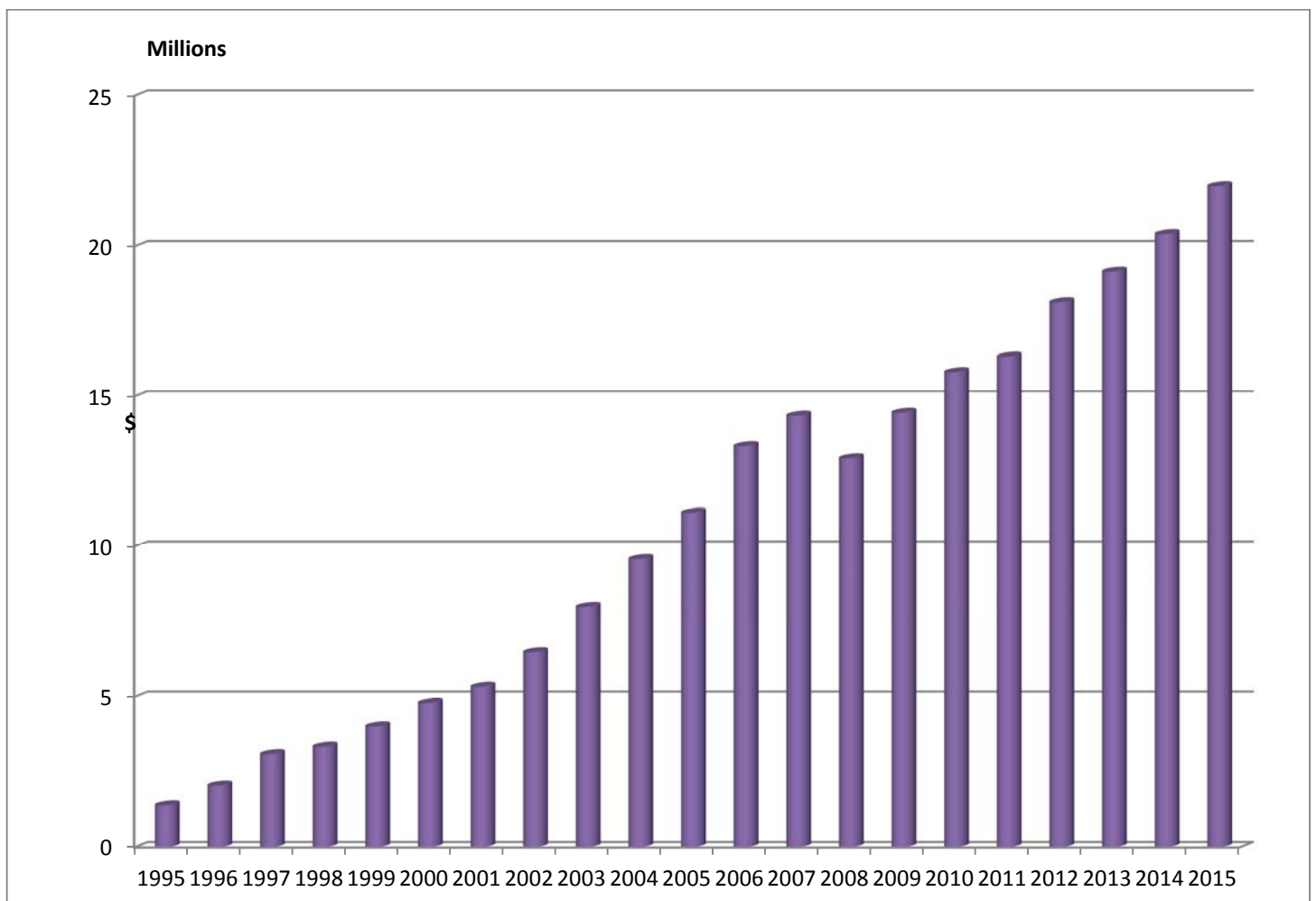
Total Distributions to 31 December 2015 = \$18,151,112



TERTIARY STUDENTS - FIRST YEAR AND TOTAL STUDENTS TREND



VALUE OF INVESTMENTS (Excluding Land)



Education Consultant's Annual Report

Projects 2015-2016

The Ngati Whakaue Education Endowment Trust Board (NWEETB) has been tracking the delivery of Education Grants to schools since 1999. This long term commitment is ideally for long term benefit. The number of grants made to schools in the Rotorua District has increased from 8 in 1999 to 26 at the end of December 2015 and 27 in this present year 2016. The Boards' project grants have continued to impact on the literacy and numeracy achievements of all learners in these projects.

The Board accepts applications for this external funding from schools and educational institutions in the Rotorua Educational District and the surrounding town of Maketu. The schools are a mixture of Decile 1-3 schools that means they draw clientele from the lower socioeconomic areas of the community.

It is the schools business to design projects that encompass the objectives in the New Zealand Curriculum Document in literacy or numeracy with a thrust on junior levels of schooling. Schools will provide the ultimate learning opportunities for all descendants of Ngati Whakaue who are targeted underachievers in these areas and who are included in these projects.

In 2015-2016 the schools that were successful in securing external funding from NWEETB were delivering a range of initiatives. These are, literacy/ literacy mathematics/mathematics/ and Te Reo in both areas of literacy and numeracy.



Transition and foundation programmes not only prepare learners for school but help in transitioning to intermediate and high school.



This year there is one Kura Kaupapa, two Kura, and one mainstream school that implement programmes in Te Reo.

The major challenge for all schools is to ensure that these projects have outcomes of equality and excellence, when working with a diverse group of underachieving learners.

All schools involved in these projects are required to submit a detailed milestone report to the NWEETB at mid-year (June) and at the end of the year (November). These milestones are the resource that give the NWEETB information about the projects, and enables

the board through the education consultant, to monitor the data that measures the progress of all learners.

The evidence of the data collected clearly shows that most learners involved in these projects are underachieving by an average of 2-3 years. Today the collection and analysing of data is shared by the team of facilitators, teachers and support staff involved, and the targeting of learners for these groups is usually selected from the previous data the year or term before.

Although there is a limited range of assessment tools, the ones used are nationally referenced and others selected are identified, trialled and 'fit for the purpose.' Many schools use the same programmes. Facilitators and support staff attend the professional learning, and use the appropriate resources associated with these programmes. Each school uses a range of strategies and design them to suit the learning needs of the learners involved.

The ongoing funding of the museum bus is a successful and simple initiative that links the surrounding schools to excellent programmes and exhibitions. Organised by a very professional and able team of Education Officers, these programmes connect with the learner's language, culture and identity. This bus is used extensively and is a 'Point of Difference' for schools and learners.



All schools in the projects find engaging with whanau an ongoing challenge and all make reference to this in their milestone report. Most schools continue to consolidate small steps towards improving their knowledge, and understanding their Maori communities. The building of good relationships is the key. This works in three ways; 'learner at the heart', whanau, and school.

Strategies used to improve engagement are, monitoring attendance, hui, ensuring homework is completed and signed, bringing the learning into the home by good connectivity and the use of devices, e-portfolios, active and focussed student lead conferences and written reports. Informal discussions with whanau and the wider community are about inclusion, building whanau confidence, and engagement in learning. This is evident in every

school. Some making more impact than others.

Principals have expectations and continue to recognise learners on entry with high needs in oral language and basic preparation for school. They are addressing this in different ways. Transition classes focus on pre-school learners and new entrants who are encouraged to learn the very basics of skills required for school. This includes the initial sounds, basic words in isolation, holding a pencil correctly, following instructions, and oral language skills. This is also an easy way for whanau to attend class, and to take part in their child's learning without feeling threatened.



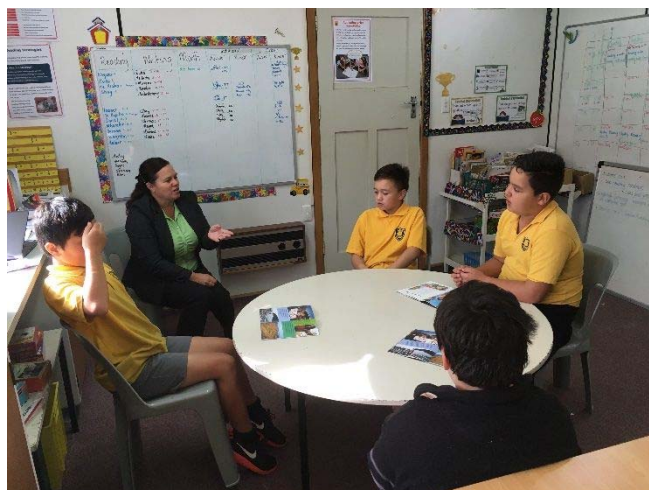
One school has all their innovative learning initiatives in one purpose built space. The full programme works in progression with the trained staff. It is paramount the learning from these programmes is transferred into the classroom.

Facilitators and support staff, responsible for implementing the projects, are aware of projects in other schools and there has been enthusiasm, sharing, exchanging of good ideas, dialogue and observations happening amongst the schools. It reflects support and encourages collegiality. This is a spin off from intense and worthwhile professional learning provided by NWEETB and indicates the openness to new learning.

There are three schools that implemented online programmes throughout 2015-2016. Staff are more efficient with using technology and have been trained to collate the online data, analyse it, present it, and use it to inform their practice.

The milestone reports submitted in 2015 are a snapshot of the variety of ways in which the data is collected. They show qualitative and quantitative data and measure the shifts in achievement. They also provided a comparative study of how Ngati Whakaue learners progress in comparison to others.

Throughout 2015-2016 the external funding from NWEETB has allowed **694 Ngati Whakaue learners** to be provided with a focussed range of learning opportunities that has supported them



in their success. The evidence from the reporting confirms that the daily goal setting and the affirmations from the facilitators and their teams has ensured that the learners remained on the literacy and numeracy programmes for longer periods of time thus enabling learners to make worthwhile and embedded progress.

All schools involved in the projects strive for the same outcomes and that is lifting the levels of achievement for all underachieving learners targeted in the programmes.

In my view Principals, facilitators and support staff who are charged with implementing these specific literacy and numeracy projects funded by the NWEETB are determined to achieve equitable and achievable progress and value the outcomes for each learner in the yearly time frame allowed.

Funding is used appropriately and this shows that NWEETB have made a successful investment.

Jacqueline Woodland
B Tchg, PGrad Dip Ed Leadership.
Education Consultant.

2016 PROJECT GRANTS

School / Organisation	Project Title	GRANT APPROVED
Aorangi School	A) Ngati Whakaue Pre-Entry Class B) Ngati Whakaue Literacy & Numeracy Programme	\$19,000.00
Glenholme School	GLiFE- Glenholme Literacy in Fortification & Enhancement	\$27,000.00
Horohoro School	New Entrant Learning Initiative (NELI)	\$12,000.00
John Paul College	Ngati Whakaue Kaiawhina Maori	\$7,000.00
Kaitao Middle School	Adventure	\$20,000.00
Kawaha Point	Maori Student Achievement and Enhancement Initiative	\$28,000.00
Lake Rotoma School	Lifting the Lid	\$5,000.00
Maketu School	Ngati Whakaue Literacy Programme NWLP	\$9,000.00
Malfroy School	Aratiki Literacy and Transition to School	\$18,000.00
Mokoia Intermediate	Me Rata i Te Tatai e Noho Tahi me Nga Panui Pukapuka	\$20,000.00
Ngongotaha Primary School	•He pūāwai Te Reo	\$24,000.00
Owhata Primary School	Ngati Whakaue Junior Literacy & Pre Entry/Transition Programme	\$20,000.00
Rotokawa School	Tautoko Whakapuawai	\$15,000.00
Rotorua Boys High School	Raukura Literacy Project	\$30,000.00
Rotorua Girls High School	Literacy Mentoring Programme	\$30,000.00
Rotorua Intermediate	Literacy Programme	\$13,000.00
Rotorua Lakes High School	Junior Numeracy Development	\$20,000.00
Rotorua Primary School	Reading and Comprehension	\$24,000.00
Selwyn School	Ngati Whakaue Literacy Programme.	\$18,000.00
St Marys School	Manaakitanga Year 3	\$14,000.00
St Michaels Rotorua	Transition to School Support Programme	\$11,000.00
Sunset Primary	Ma te Tuhituhinga ka Angitu-Success through literacy	\$15,000.00
Te Kura Kaupapa Maori o Te Rotoiti	Whakapiki i te reo Matatini	\$5,000.00
Te Kura o te Whakarewarewa	Kia mau, kia tau	\$8,000.00
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)	\$8,000.00
		\$500,000.00



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

Marae Based Wananga Grants <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
Project Grant <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
Post-graduate Scholarship <ul style="list-style-type: none"> To provide individual post graduate scholarships to assist with post graduate education and encourage academic achievement. 	610
Whakapapa Policy <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
Emergency/Disaster Discretionary grant <ul style="list-style-type: none"> On hold. (The purpose of these grants is 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
Support of Rangahau (Research) <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
Support of Ngati Whakaue-Te Arawa Writers <ul style="list-style-type: none"> To support, develop and nurture Ngati Whakaue-Te Arawa writers. 	614
Swimming programme sponsorship (RDC Rotorua Lakes Swim School) <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
NWEE- Sudima Hotel Joint Hospitality Scholarship <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
Hinemoa Swim School sponsorship <ul style="list-style-type: none"> To increase the safety of Ngati Whakaue children in and around water. 	617
Dive Programme Sponsorship (DiveHQ Rotorua) <ul style="list-style-type: none"> To increase the diving capacity of Ngati Whakaue to gather kai moana for our local Maraе 	618

Financial Report

Ngati Whakaue Education Endowment Trust
For the year ended 31 December 2015

Prepared by Deloitte

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5	Statement of Comprehensive Revenue and Expense
6	Statement of Changes in Equity
7	Statement of Financial Position
8	Statement of Cash Flows
9	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 2015

The Auditor-General is the auditor of Ngāti Whakaue Education Endowment Trust (the Trust Board). 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 Board on her behalf. We have audited the financial statements of the Trust Board on pages 5 to 17 that comprise the statement of financial position as at 31 December 2015, 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

As stated in the accounting policies on page 13, investment property is revalued every three years and the latest valuation at 1 July 2014 of \$28,824,000 (2014 \$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.

In our opinion, except for the effects of the matter outlined above, the financial statements of the Trust Board:

- present fairly, in all material respects:
 - its financial position as at 31 December 2015; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime.

Our audit was completed on 7 July 2016. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities, and explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements. We are unable to determine whether there are material misstatements because the scope of our work was limited in relation to the valuation of investment property, as we referred to in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Trust Board's financial statements 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 Board's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board;
- the adequacy of the disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also, we did not evaluate the security and controls over the electronic publication of the financial statements.

We did not receive all information and explanations we required although believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our qualified opinion.

Responsibilities of the Board

The Board is responsible for the preparation and fair presentation of financial statements for the Trust Board that comply with generally accepted accounting practice in New Zealand.

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

The Board is 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. The Board is also responsible for the publication of the financial statements, whether in printed or electronic form.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from the Public Audit Act 2001.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

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



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 2015

Account	Notes	2015	2014
Revenue			
Rental Revenue	6	1,682,425	1,669,965
Dividends Received		346,496	308,211
Interest Received		514,529	587,261
PIE Revenue		59,724	97,284
Fair Value change in Investments		1,259,219	-
Net Gain/(Loss) on Disposal of Shares		(265,682)	(44,951)
Realised foreign currency gains and losses		99,876	4,062
Total Revenue		3,696,588	2,621,833
Administration Expenses			
Advertising		9,262	8,539
Audit Fees	7	25,005	12,444
Bank Charges		241	209
Consultancy Fees		9,710	23,408
Education Consultant		42,914	40,251
Education Grant Expenses		39,423	47,222
Entertainment		1,718	1,490
General Expenses		5,038	2,077
Insurance		5,137	1,010
Interest		3	3
Legal Costs		15,780	3,238
Portfolio Management Fee		94,591	86,476
Printing, Stationery and Postage		10,019	9,337
Property Management		23,166	19,247
Website Maintenance		14,503	30,965
Secretarial & Accounting		88,814	66,821
Trustees Fees & Expenses		80,459	80,293
Valuation Fees		7,819	1,760
Total Administration Expenses		473,601	434,791
Net Surplus/(Deficit) before Grants		3,222,987	2,187,042
Grants			
Ngati Whakaue Education Taumata		240,000	240,000
Tertiary Education Grants		494,226	496,726
Project Grants		500,000	509,850
Haane Manahi Scholarship		15,138	4,000
Discretionary Grants		178,208	60,621
Emergency Disaster Grants		10,000	-
Swimsation		31,423	43,042
Writers Grants		65,000	96,200
Rotorua Young Achievers Awards		5,000	5,000
Kapahaka Grants		11,000	7,000
Sponsorship		44,545	41,778
Rangahau (Research) Grant		49,300	44,000
Postgraduate Scholarships		20,043	22,601
Total Grants		1,663,882	1,570,817
Surplus/(Deficit) for the year		1,559,105	616,224
Other Comprehensive Revenue			
Fair Value change - Available for Sale Reserve		12,505	-
Total Other Comprehensive Revenue		12,505	-
Total Comprehensive Revenue for the year		1,571,610	616,224

Statement of Changes in Equity

Ngati Whakaue Education Endowment Trust
For the year ended 31 December 2015

Account	2015	2014
Equity		
Opening Balance	49,256,023	52,978,170
Surplus/(Deficit) for the year	1,559,105	616,224
Increase/(Decrease) in Available for Sale Reserve	12,505	(4,338,371)
Total Equity	50,827,633	49,256,023

Statement of Financial Position

Ngati Whakaue Education Endowment Trust

As at 31 December 2015

Account	Notes	31 Dec 2015	31 Dec 2014
Assets			
Current Assets			
Cash and Cash Equivalents	8	2,619,662	2,732,923
Trade receivables from exchange transactions	9	97,902	146,353
Prepayments		4,783	4,500
Total Current Assets		2,722,347	2,883,776
Non-Current Assets			
Investments	10	19,539,190	17,744,130
Investment properties	11	28,824,000	28,824,000
Total Non-Current Assets		48,363,190	46,568,130
Total Assets		51,085,537	49,451,906
Liabilities			
Current Liabilities			
Trade payables under exchange transactions		43,136	19,906
Goods and services tax		(4,264)	25,506
Rents Received in Advance		219,032	150,472
Total Current Liabilities		257,904	195,883
Total Liabilities		257,904	195,883
Total Assets less Total Liabilities (Net Assets)		50,827,633	49,256,023
Equity			
Capital	12	22,418,108	22,418,108
Available for Sale Reserve	13	67,160	54,655
Retained Earnings	14	28,342,364	26,783,259
Total Equity		50,827,633	49,256,023



Malcolm Short
Chairman

Date 7/7/16



Alec Wilson
Board Member

Date 7/7/16

Statement of Cash Flows

Ngati Whakaue Education Endowment Trust

For the year ended 31 December 2015

Account	2015	2014
Net change in cash for period		
Cash Flows from Operating Expenses		
Cash was provided from:		
Cash Receipts from Operating Activities	1,943,281	1,657,173
Interest Received	530,285	570,441
Dividends Received	346,496	308,211
GST Received		2,178
Total Cash was provided from:	2,820,062	2,538,003
Cash was applied to:		
Payments to Suppliers and Employees	(450,651)	(507,165)
Interest Paid	(3)	-
GST Paid	(29,768)	-
Payments of Grants	(1,663,882)	(1,570,818)
Total Cash was applied to:	(2,144,304)	(2,077,983)
Total Cash Flows from Operating Expenses	675,758	460,020
Cash Flows from Investing Activities		
Purchase of Investments	(873,060)	(798,765)
Sale of Investments	84,041	412,488
Total Cash Flows from Investing Activities	(789,019)	(386,277)
Cash Flows from Financing Activities		
-	-	-
Total Cash Flows from Financing Activities	-	-
Total Net change in cash for period	(113,261)	73,743
Cash Balances		
Cash and Cash Equivalents at beginning of period	2,732,923	2,659,180
Net change in cash for period	(113,261)	73,743
Cash and Cash Equivalents at end of period	2,619,662	2,732,923

Notes to the Financial Statements

Ngati Whakaue Education Endowment Trust For the year ended 31 December 2015

1. Reporting entity

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).

This is the Trust's first set of financial statements presented in accordance with PBE Standards. Upon transition to PBE Standards the Trust has applied a number of the transitional provisions afforded in FRS-47. These are detailed in Note 18.

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 7 July 2016.

(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 6, 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 measured 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 met 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 Trusts 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 an 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 sub-committee 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 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 2014, 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.

6. Rental Revenue	2015	2014
Consent Fees	1,826	783
Rental Received	1,680,599	1,669,078
Sundry Revenue	-	105
Total Rental Income	1,682,425	1,669,965

7. Audit Fees	2015	2014
Audit Fees	25,005	12,444
Total Audit Fees	25,005	12,444

2015 Audit Fees include the 2014 Audit Fee paid during the year of \$12,242 plus the 2015 Audit Fee accrued of \$12,763 (Last year payment: \$12,444).

8. Cash and Cash Equivalents	2015	2014
BNZ - Call Account	722	337,535
BNZ - Current Account	231,367	90,464
BNZ - Term Deposit	717,804	300,000
ANZ - Term Deposit	913,910	-
ASB - Term Deposit	517,300	1,617,378
Craigs Call Account	238,559	387,546
Total Cash and Cash Equivalents	2,619,662	2,732,923

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

9. Trade Receivables	2015	2014
Accounts Receivable	15,149	47,845
Accrued Interest	82,752	98,508
Total Trade Receivables	97,902	146,353

10. Investments	2015	2014
Financial Assets at fair value through profit and loss		
Debt Securities - New Zealand	6,837,865	6,734,844
Debt Securities - Australia	153,226	156,857
Equity Securities - New Zealand	4,881,030	4,256,151
Equity Securities - Australia	3,350,544	2,646,957
Equity Securities - UK	1,649,322	1,608,865
Equity Securities - USA	1,862,261	1,495,193
Equity Securities - International	110,533	143,592
Total Financial Assets at fair value through profit and loss	18,844,781	17,042,459
Available for Sale Financial Assets		
Equity Securities - New Zealand	524,384	527,884
Equity Securities - Australia	170,025	173,787
Total Available for Sale Financial Assets	694,409	701,671
Total Investments	19,539,190	17,744,130
Per annum annual interest rate ranges applicable to debt securities	2015	2014
Debt Securities - New Zealand	2.00% - 7.65%	2.00% - 8.68%
Debt Securities - Australia	7.50%	7.50%

Contractual Maturities of debt securities
Debt Securities - New Zealand
Debt Securities - Australia

2015	2014
1 Month - 108 Months	1 Month - 118 Months
12 Months	24 Months

11. Investment Properties

Opening Balance (1 January)
Increase/(Decrease) in Investment Properties
Closing Balance (31 December)

2015	2014
28,824,000	33,824,000
-	(5,000,000)
28,824,000	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 2014.

At Balance date (and last year) the Rating Valuations are being objected to. The Trust is seeking a 15% reduction in the rating valuations issued at 1 July 2014. On 2 May 2016 the Land Valuation Tribunal issued its reserved judgement on the objection lodged by the board against the Rotorua District Council rating valuation assessments. The decision is that the objections by the board have been declined. The board resolved to appeal the decision and have the decision reconsidered. The length of this objection and appeal process is unknown.

No contingent rents were recognised as revenue throughout the period.

All leases are in perpetuity and are 21 year leases. 22 of these leases have 7 yearly rental reviews, 72 have 21 year rental reviews.

12. Capital

Capital is established using the Government valuations for land as at 01/09/1996
Funds held by Public Trustee as at 03/10/1995
Closing Balance

2015	2014
21,033,000	21,033,000
1,385,108	1,385,108
22,418,108	22,418,108

13. Available for Sale Reserve

Opening Balance
Current Year Revaluations
Decrease in Land Valuation
Movements in Reserve due to application of PBE standards
Closing Balance

2015	2014
54,655	15,857,047
12,505	661,640
-	(5,000,000)
-	(11,464,032)
67,160	54,655

14. Retained Earnings

Opening Balance
Net Surplus/(Deficit)
Movement in Reserve due to application of PBE standards
Closing Balance

2015	2014
26,783,259	13,224,112
1,559,105	616,224
-	12,942,923
28,342,364	26,783,259

15. Financial Instruments

(i) Classification and fair values of financial instruments

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

Financial Assets

2015 Asset per the Statement of Financial Position	FVTSD	Held to Maturity	Loans and Receivables	Available for Sale
Cash and Cash Equivalents			2,619,662	
Trade Receivable			97,902	
Investments				
<i>Financial Assets at fair value through profit and loss</i>				
Debt Securities - New Zealand	6,837,865			
Debt Securities - Australia	153,226			
Equity Securities - New Zealand	4,881,030			
Equity Securities - Australia	3,350,544			
Equity Securities - UK	1,649,322			
Equity Securities - USA	1,862,261			
Equity Securities - International	110,533			
<i>Available for Sale Assets</i>				
Equity Securities - New Zealand				524,384
Equity Securities - Australia				170,025
Total	18,844,781	-	2,717,564	694,409

2014 Asset per the Statement of Financial Position	FVTSD	Held to Maturity	Loans and Receivables	Available for Sale
Cash and Cash Equivalents			2,732,923	
Trade Receivable			146,353	
Investments				
<i>through profit and loss</i>				
Debt Securities - New Zealand	6,734,844			
Debt Securities - Australia	156,857			
Equity Securities - New Zealand	4,256,151			
Equity Securities - Australia	2,646,957			
Equity Securities - UK	1,608,865			
Equity Securities - USA	1,495,193			
Equity Securities - International	143,592			
<i>Available for Sale Assets</i>				
Equity Securities - New Zealand				527,884
Equity Securities - Australia				173,787
Total	17,042,459	-	2,879,276	701,671

Financial Liabilities

2015 Liabilities per the Statement of Financial Position	FVTSD	Amortised Cost
Trade Payables	-	43,136
Rents Received in Advance	-	219,032
Total	-	262,168

2014 Liabilities per the Statement of Financial Position	FVTSD	Amortised Cost
Trade Payables	-	19,906
Rents Received in Advance	-	150,472
Total	-	170,378

(ii) Fair Values

Financial Assets at fair value through profit or loss

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

(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:

- Pohutukawa Private Equity, Pohutukawa Private Equity 2 and Willis Bond Capital Partners Ltd. Fair values are based on the sale transaction occurring for the security at or around balance date less any impairment.
- New Zealand Social Infrastructure Fund, Maui Capital and PartsTrader Markets Ltd. Fair Values are based on cost less any impairment.

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 11 members (11 FTE) with total remuneration paid of \$80,459 (2014: \$80,293)
Each board member is recognised as 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	\$ 1,000
Aramoana Mohi	Rotorua Girls High School	\$ 44,000	\$ 37,000
Beatrice Yates	Rotorua Lakes High School	\$ 26,000	\$ 27,000
Violet Pelham	Western Heights High School	\$ 41,000	\$ 42,000
Fred Whata	Rotorua Boys High School	\$ 30,000	\$ 35,850

Beatrice Yates is a Trustee of the Ngati Whakaue Education Endowment Trust and has also been a recipient of writers grant payments. During the year writers grant expenditure of \$26,000 (2014: \$18,000) was paid to Beatrice Yates.
Beatrice Yates also received a \$2,000 Discretionary Grant for a book launch.

17. Commitments and Contingencies

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

- Haani Manahi Scholarships \$9,400 (2014: Nil)
- Post Graduate Tertiary Scholarships \$5,000 (2014: Nil)
- Research Grants \$25,300 (2014: Nil)
- Writer's Grants \$109,172 (2014: \$130,200)

At balance date there was a contingent liability of \$500,000 for the payment of project grants (Last year: \$250,000).

18. Transition from NZ GAAP to PBE IPSAS Standards

	Old GAAP								PBE IPSAS (RDR)
	31-Dec-14	Adj 1	Adj 2	Adj 3	Adj 4	Adj 5	Adj 6	Adj 7	31-Dec-14
Current Assets									
Cash and Cash Equivalents	2,345,377			387,546					2,732,923
Trade Receivables	70,452				75,901				146,353
Prepayments	4,500								4,500
	2,420,329								2,883,776
Non Current Assets									
Property, Plant and Equipment	12		(12)						-
Investments	18,207,577			(387,546)	(75,901)				17,744,130
Investment Property	28,824,000								28,824,000
	47,031,589								46,568,130
Current Liabilities									
Accounts Payable	19,906								19,906
GST Holding Account	25,506								25,506
Rents Received in Advance	150,472								150,472
	195,884								195,884
Equity									
Capital	22,418,108								22,418,108
Capital Reserves	1,478,903					(1,478,903)			-
Available for Sale Reserve	11,518,687	(9,279,496)					(2,220,751)	36,215	54,655
Retained Earnings	13,840,336	9,279,496	(12)			1,478,903	2,220,751	(36,215)	26,783,259
	49,256,034								49,256,022

Effect of PBE IPSAS standards adoption

Adjustment 1

- Land that was previously classified as Property, Plant and Equipment has been reclassified as Investment Property in the 2015 Financial Statements and is now accounted for under PBE IPSAS 16.
- All historical revaluations of Land previously recorded to the Asset Revaluation Reserve have now been transferred and recognised in Retained Earnings as per the requirements under PBE IPSAS 16.
- This has resulted in a decrease in the Asset Revaluation Reserve of \$9,279,496 as at 31 December 2014 and a corresponding increase in Retained Earnings of \$9,279,496 as at 31 December 2014.

Adjustment 2

- Property, Plant and Equipment with a carrying amount of \$12 has been derecognised upon transition to PBE IPSAS standards as it is no longer a material asset to the Trust.
- This has resulted in a nil carrying amount for Property, Plant and Equipment and a decrease in Retained Earnings by \$12 as at 31 December 2014.

Adjustment 3 and 4

- As at 31 December 2014 Craigs Investments had a carrying amount of \$18,207,577. The cash amount of \$387,546 has been reclassified from Investments to Cash and Cash Equivalents.
- Accrued Interest of \$75,901 has also been reclassified from Investments to Aged Receivables.
- This has resulted in an increase in Cash and Cash Equivalents of \$387,546, an increase in Aged Receivables of \$75,901 and a decrease in Investments of \$463,447 as at 31 December 2015.

Adjustment 5

- Upon transition to PBE IPSAS standards the Trust has elected to reclassify Capital Reserves to Retained Earnings.
- This has resulted in an increase to Retained Earnings of \$1,478,903 and a decrease to Capital Reserves of \$1,478,903 leaving a remaining balance of Capital Reserves as nil.

Adjustment 6 and 7

- Upon transition to PBE IPSAS standards Investments are now categorised as either Investments held for trading or Investments held for sale.
- Historical revaluations in Investments held for trading that were previously recorded to the Asset Revaluation Reserve have now been reclassified to Retained Earnings.
- Historical impairments in Investments held for sale that were previously recorded to the Asset Revaluation Reserve have now been reclassified to Retained Earnings.
- This has resulted in an increase to Retained Earnings of \$2,184,536 and a corresponding decrease to the Asset Revaluation Reserve (now called Available for Sale Reserve) of \$2,184,536.

19. Events After the Balance Date

There have been no events requiring disclosure subsequent to balance date.

20. Legislation

On 1 April 2014, Section 10 of the Reserves and Other Lands Disposal Act 1995 was amended by Section 125 of the Financial Reporting (Amendments to Other Enactments) Act 2013. The change in legislation requires the Ngati Whakaue Education Endowment Trust Board to prepare financial statements within 5 months after year end of the financial year. Prior to this amendment, Section 10 of the Reserves and Other Lands Disposal Act 1995 required the board to prepare financial statements before 1 July in each year. The board has not been made aware of these legislative changes until subsequent to 31 May 2016. These financial statements were authorised for issue on 7 July 2016 and do not comply with the current statutory timeframes.



NGATI WHAKAUE EDUCATION ENDOWMENT TRUST BOARD

Te Toroihi Matauranga

