

**Supplementary Documents for
Ngā Tāngata Tiaki o Whanganui Annual General
Meeting for the period
1 April 2016 to 31 March 2017, incorporating the
Annual General Meeting for
Te Ngakinga o Whanganui Investment Trust**

Raetihi Pā, Raetihi-Ohakune Road
Sunday 24 September 2017
Pōwhiri 11.00 am
AGM start 11.30 am to 1.30 pm

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Agenda



1. Karakia & Whakatau
2. Attendance Register
3. Apologies
4. Minutes of the Meeting held 25 September 2016
 - a) Approve previous minutes as true and correct
5. Annual Report
6. Resolutions
 - b) Approve Consolidated Financial Statements
 - c) Approve Appointment of Auditor
 - d) Approve Trustee Remuneration
7. General Business
8. Karakia Whakamutunga

Ngā Tāngata Tiaki o Whanganui

Minutes of the Annual General Meeting

for the period 1 April 2015 - 31 March 2016

*Held at Rānana (Ruakā) Marae, Rānana, Whanganui River Road
Saturday 25 September 2016, beginning at 11.30 am*

1. **Karakia** Rāwiri Tinirau.
2. **Mihi** Gerrard Albert (Chair).
3. **Present** Refer to the attached Attendance Register.
4. **In Attendance** Kahui Legal (Legal), Spooner, Hood & Redpath Ltd (Accountant), Sewell & Wilson Ltd (Auditor).
5. **Apologies** That the apologies received for the Annual General Meeting 25 September 2016 be accepted (Chair).

6. **Minutes of the Meeting**

The minutes of the meeting were accepted as true and correct.

{MOVED} Rangi Wills {SECOND} Novena McGuckin {CARRIED}.

7. **Annual Report**

The Annual Report for 2016 was presented by the Trust.

8. **Financial Report**

Lee Gray (Interim Manager) presented the financial performance and spoke to the annual audited accounts.

a) Annual Audited Accounts for year ending 31 March 2016

i) THAT the Annual Statement of Financial Position for the year ended 31 March 2016 be accepted.

ii) THAT the Consolidated Financial Statements for the year ended 31 March 2016 be accepted.

{MOVED} Rangi Wills {SECOND} Ken Mair {CARRIED}.

b) Trustee Remuneration

i) THAT the remuneration for the Chairperson be set at \$60,000 gross per annum inclusive of all duties.

ii) THAT the remuneration for the Deputy Chairperson be set at \$45,000 gross per annum inclusive of all duties.

iii) THAT the remuneration for the Trustees (other than the Chairperson and Deputy Chairperson) be set at:

- \$25,000 gross per annum;

- an additional \$9,000 gross per annum for Trustees who are also members of the Audit, Finance & Risk Committee.

{MOVED} Novena McGuckin {SECOND} John Maihi {CARRIED}.

c) Approve the appointment of auditor for 2016-2017

Russell Bell (Chair for the Ngā Tāngata Tiaki o Whanganui Audit, Finance & Risk Committee) reported that the Audit, Finance & Risk Committee has undertaken a process to seek an independent auditor for the purposes of the Trusts 2016-2017 financial year.

The process included seeking expressions of interest and reference checks for those companies.

After careful consideration, the Committee recommended to the Trust that Silks Audit be appointed as the auditor.

i) THAT Silks Audit be appointed as the auditor for Ngā Tāngata Tiaki o Whanganui for the 2016-2017 financial year.

{MOVED} Rangi Wills {SECOND} Raukura Denegri {CARRIED}.

9. General Business

There were no items of general business.

10. Karakia Whakamutunga

As there was no further business, the Chairperson declared the meeting closed at 2.00 pm with a final karakia.

Attendance Register

25 September 2016

*Held at Rānana (Ruakā) Marae, Rānana, Whanganui River Road
Saturday 25 September 2016, beginning at 11.30 am*

ATTENDANCE:

Mariana Waitai, Amiria Beamsley, Raita Tukia Tomlinson, Sandy Nepia, Gavin Brooks, Christine Hetaraka, Latifa Hetaraka, Joey Allen Jnr, Declan Wiremu Millin, Chris Kumeroa, Koro Bob Gray, John Niko Maihi, Olive Kawana, Rangi Wills, John Haami, Di Ratana, (Pirihira, Sophia, Kotuku and Te Maia Cribb), Melody Te Patu, Nancy Tuaine, Keria Ponga, Bubby Tamakehu, Jo Takarangi-Firmin, Piki Waretini, Rangimarie Hall, Simon Karipa, Brett Te Kene, Carol Tyson Rameka, Mere Wakefield, Tauira Allan, Novena McGuckin, Richard Kingi, Ken Mair, Raukura Denegri, Susan Osborne, Angeline Haami, Meri Haami, Tumanako Haami, Joe H Taiaroa, Joshus Ranginui, Sandi Ranginui, Royce Ponga, Rāwiri Tinirau, Evelyn Broad, Peter Broad, T Puketapu, Buddy Puketapu, Robert Gordon, Chris Tapa, Raymond Tuuta, Kataraina Millin, Charlie Osborne, Charmaine Puru, Tracey Waitokia, Turuhira Mohi, Des Canterbury, Ned Tapa, Cassy Titter, Sheena Maru, Javell Pereka.

Apologies Register

25 September 2016



*Held at Rānana (Ruakā) Marae, Rānana, Whanganui River Road
Saturday 25 September 2016, beginning at 11.30 am*

APOLOGIES:

Soraya Peke, Hokioterangi Ngataierua Tinirau, Jacqueline Ngataierua Tinirau Cash, Anahera Ngataierua Tinirau Cash, Te Urumano Gardiner, J Plumridge, Glenise Edwards, Linda Wood, Daniel Teka, Diana Kawana, Gail Imhoff, Margaret Brimblecombe, Ronald & Maria Perigo, Kaike Kereopa, Leaara Kauika-Stevens, Te Moengarau Hemopo Arahi, Elijah Pue, Tipene Makatea, Ngareta Makatea, Arama Makatea, Neihana Makatea, Dawn Tupe, Beryl Miller, Tipene Te Oro Makatea, Ngāreta Johnston Makatea, Arama Makatea, Neihana Makatea, Graham Bell, Erin Lincoln, Hannah Rainforth & Whānau, Roy Williams & Wānau, Gary Taiaroa, Te Aroha McDonnell, Shar Amner, Kemp Dryden, Rachael Tinirau, Jenny Tamakehu, Hera Smith, Eugene Topine, Laurissa Cooney.

Annual General Meeting

24 September 2017

Notes to Proposed Resolution

Appointment of Auditor

Approve Appointment of Auditor

The Trust recommends to the Annual General Meeting that Silks Audit Chartered Accountants be appointed as the Trust's Auditor for the 2017-2018 financial year.

As a best practice measure, the Trust undertook an RFP (Request for Proposals) process for audit services. Two proposals were received including one from the incumbent Silks Audit. The proposals were assessed against capability, flexibility, professionalism, timeliness and costs and Silks Audit was clearly the preferred option.

Proposed Resolution: THAT Silks Audit Chartered Accountants be appointed as the Trust's Auditor for the 2017-2018 financial year.

Annual General Meeting

24 September 2017

Notes to Proposed Resolution

Trustee Remuneration



Approve Trustee Remuneration

The Trust recommends to the Annual General Meeting that the annual remuneration of the Chairperson, Deputy Chairperson and Trustees be as follows:

Chairperson	\$69,000
Deputy Chairperson	\$51,750
Trustees	\$28,750

The recommendations represent a 15% increase in annual remuneration for the Chairperson, Deputy Chairperson and Trustees in recognition of the increased workload the Trust carries now that settlement is complete, all work streams are engaged and the assets, responsibilities and liabilities formerly carried by the Whanganui River Maori Trust Board, Pākaitore Trust and Te Whiringa Muka Trust now rest with Ngā Tāngata Tiaki. The Trust also recommended that the 15% increase be made conditional on an 'across the board' increase of 10% (part of the base fee) with the remaining 5% (attendance fee) be paid at the end of the financial year based on the rate of attendance at officially convened Trust meetings.

Factors Considered:

1. Independent advice was sought from EY Tahi who provided a remuneration range for each of the positions;
2. The rates identified by EY Tahi have been formulated based on comparable organisation's assets between \$100m and \$200m;
3. There continues to remain a high workload for the Trust. For example establishment of the Iwi Development Trust and advancing Strategic Projects in addition to the responsibilities inherited from the three transitioned Trusts;
4. Key relationships and the strategic nature of the work is time consuming and highly complex; and
5. Apart from the regular monthly meetings and special meetings, there are numerous additional meetings, hui and events that Trustees will be required to attend in 2017-2018.

Proposed Resolution: THAT the annual remuneration of the Chairperson, Deputy Chairperson and Trustees be as follows:

Chairperson	\$69,000
Deputy Chairperson	\$51,750
Trustees	\$28,750



Te Ngakinga o Whanganui Investment Trust

Chairman's Report

The first financial year of Te Ngakinga o Whanganui Investment Trust (Te Ngakinga) has been a busy one and has seen the Trust putting in place solid building blocks for the future. Over this period, Te Ngakinga received settlement funds by way of a loan from Ngā Tāngata Tiaki o Whanganui Trust to invest on behalf of the iwi. This has been limited to term deposits with major banks, reflecting an agreed conservative strategy between Ngā Tāngata Tiaki o Whanganui and Te Ngakinga.

We have worked in conjunction with Ngā Tāngata Tiaki to develop and agree upon an Investment Framework that expresses Tupua te Kawa in an investment context and lays the foundation for the development of our investment policies.

At the same time, Te Ngakinga appointed an independent Investment Advisor and worked with them and Ngā Tāngata Tiaki to develop a Statement of Investment Policies and Objectives (SIPO). This SIPO will govern the investment activities of Te Ngakinga moving forward and will be made available to iwi members in due course. Initially, the SIPO will see Te Ngakinga investing only in managed funds, but it is expected that, over time, investments will be diversified.

Te Ngakinga will, in the current financial year, finalise the SIPO and work with Ngā Tāngata Tiaki to develop a Direct Investment Policy which will provide a road map for this diversified investment approach and provide us and Ngā Tāngata Tiaki with advice on how to assess particular investment opportunities as they arise. This will be important as with the settlement of Whanganui land claims and the development of iwi investment collectives, there are likely to be many investment opportunities available to us.

I would like to take this opportunity to express my appreciation and thanks to my fellow trustees, Nancy Tuaine and Keria Ponga, who have contributed significantly to the work of the Trust over the last financial year.

Simon Karipa
Chairman, Te Ngakinga O Whanganui Investment Trust

Five Year Strategic Plan 2016-2021

NGĀ UARA
KA WHAKATŌ NGĀ PURAPURA
KA NGAKI I TE MĀRA
KA PUĀWAI NGĀ HUA

PROTECT THE ASSETS OF TE NGAHINGA FOR FUTURE GENERATIONS
TO GROW AND DEVELOP THE ASSETS OF TE NGAHINGA SO THEY PROVIDE FOR TODAY AND TOMORROW
THAT THE IWI HAVE THE BENEFITS OF OUR WORK



This strategic plan aligns with the Five Year Strategic Plan of Ngā Tāngata Tiaki o Whanganui. Te Ngakinga is committed to delivering the strategic directions described in the plan and in doing so meeting its accountability to Ngā Tāngata Tiaki and ngā Iwi o Whanganui. This plan recognises that the Trust is in its establishment phase and is building its investment approach.

YEAR ONE - Establish		YEAR TWO/THREE - Stabilise		YEAR FOUR/FIVE - Grow	
STRATEGIC FOCUS	OBJECTIVE - <i>Specific outcomes sought</i>	KEY PERFORMANCE INDICATORS - <i>Indicators that monitor success</i>			
Alignment with Ngā Tāngata Tiaki Group	<ul style="list-style-type: none">- Align Te Ngakinga strategy and plans with the strategic objectives determined by Ngā Tāngata Tiaki o Whanganui- Establish and maintain policies and procedures that ensure Te Ngakinga meets its legal and financial accountabilities- Operate in a manner which positively contributes to the success of Ngā Tāngata Tiaki Group	<ul style="list-style-type: none">- Letter of Expectation (LOE) between Ngā Tāngata Tiaki and Te Ngakinga executed- Te Ngakinga Strategic Plan approved by Ngā Tāngata Tiaki- Te Ngakinga Annual Plans and budgets approved by Ngā Tāngata Tiaki- Te Ngakinga meets periodically with Ngā Tāngata Tiaki and other Ngā Tāngata Tiaki Group members to discuss strategy and goals- Ngā Tāngata Tiaki approves Te Ngakinga Statement of Investment Objectives and Policies (SIPO), including any transitional SIPO- Te Ngakinga and its Board seen as a positive contributor to the Ngā Tāngata Tiaki Group by other members of the Ngā Tāngata Tiaki Group			
	Growth and Prosperity	<ul style="list-style-type: none">- Identify, outline and realise the economic return criteria set by Ngā Tāngata Tiaki- Contribute towards iwi having the knowledge, capability and opportunity to ensure that iwi assets are managed prudently and grow to provide for current priorities and future prosperity	<ul style="list-style-type: none">- Te Ngakinga meets its investment targets as determined in the LoE in accordance with its SIPO and meets its budget- Te Ngakinga developed, along with Ngā Tāngata Tiaki, appropriate structures and processes to assess investment opportunities as they arise (including environmental impacts)- Te Ngakinga assesses investment opportunities from within the iwi against relevant investment criteria and processes- Where appropriate, Te Ngakinga assists in the development of investment capability and understanding within the iwi		
Relationship (internal)	<ul style="list-style-type: none">- Liaise with existing and other future Whanganui iwi post-settlement entities about potential investment opportunities arising from their Treaty of Waitangi settlements- Liaise with other Whanganui iwi commercial entities about future development opportunities of mutual benefit	<ul style="list-style-type: none">- Periodic meetings with relevant entities, including development of relationship protocols- Periodic meetings with relevant entities (e.g. Atihau-Whanganui Inc, Morikaunui Inc)			
Relationship (external)	<ul style="list-style-type: none">- Develop relationships with similar investment entities, including in particular other iwi investment entities and existing Māori enterprises or collectives- Develop networks with investment entities of national significance to provide access to potential future investment opportunities that comply with Te Ngakinga's investment strategies and growth objectives	<ul style="list-style-type: none">- Participate in relevant iwi collective discussions around existing and future investment opportunities- Build relationships with entities of national significance and key personnel in those entities			
Environmental Scanning	<ul style="list-style-type: none">- Te Ngakinga to keep abreast of investment development opportunities, including our own rohe	<ul style="list-style-type: none">- Build relationships (and where appropriate accords) with local and national investment organisations			

Annual Plan 2016-2017

Mouri Ora, Mouri Awa, Mouri Tangata
The health and wellbeing of the Awa, the health and wellbeing of the Iwi.

In order to support the Five Year Strategic Focus, this Annual Plan focuses on proficient, effective and excellent delivery over 2016-2018 of outputs necessary to meet objectives relating to:

- The establishment of Te Ngakanga o Whanganui Investment Trust along with the development of appropriate strategic, policy and operational frameworks;
- The receipt of assets from Ngā Tāngata Tiaki o Whanganui and where directed, assets from other pre-settlement Whanganui entities; and
- The establishment and nurturing of the relationships between Te Ngakanga o Whanganui Investment Trust and other members of the Ngā Tāngata Tiaki Group.

PROJECT	DESCRIPTION	INDICATORS
Transitional Arrangements	<div>- Transitional regime implemented by Te Ngakanga</div>	<div>- By December 2016:<div><div>- the transitional SIPO is agreed with Ngā Tāngata Tiaki</div><div>- the Letter of Expectation is confirmed</div><div>- Te Ngakanga has appointed its Investment Advisor</div><div>- Te Ngakanga Strategic Plan, Annual Plan and budget is signed off by Ngā Tāngata Tiaki</div></div></div> <div>- By December 2016, relevant loan documentation relating to initial tranche of cash to be received by Te Ngakanga is executed with Ngā Tāngata Tiaki</div> <div>- By December 2016, initial tranche of cash received from Ngā Tāngata Tiaki is invested in accordance with the agreed transitional SIPO</div> <div>- By March 2017:<div><div>- Te Ngakanga has met its investment objectives pursuant to the transitional SIPO</div><div>- full SIPO is agreed between Ngā Tāngata Tiaki and Te Ngakanga</div><div>- contract for services with Ngā Tāngata Tiaki is agreed for provision of services to Te Ngakanga</div></div></div>
Alignment with Ngā Tāngata Tiaki Group	<div>- Te Ngakanga works in a complimentary manner with all other members of the Ngā Tāngata Tiaki Group and in accordance with all planning documentation approved by Ngā Tāngata Tiaki</div>	<div>- Ongoing, Te Ngakanga will meet its reporting and planning obligations with Ngā Tāngata Tiaki</div> <div>- By June 2017, Te Ngakanga, has met with:<div><div>- Ngā Tāngata Tiaki to inform its strategic and annual planning round for the year</div><div>- The Community Development Trust to better understand its role and strategic objectives</div></div></div>
Growth and Prosperity	<div>- Te Ngakanga receives all assets that are to be transferred from Ngā Tāngata Tiaki, at an appropriate market value</div> <div>- Te Ngakanga implements its SIPO</div> <div>- Direct asset investment assessment approach implemented</div> <div>- Assisting iwi members investment knowledge</div>	<div>- By February 2017, Ngā Tāngata Tiaki has informed Te Ngakanga of all assets it wishes Te Ngakanga to manage and Te Ngakanga has agreed to manage them with agreed market valuations and any conditions attaching to their use</div> <div>- By April 2017, Te Ngakanga has begun implementation of its investments in accordance with its SIPO</div> <div>- By June 2017, Te Ngakanga has approved a direct asset investment strategy that is approved by Ngā Tāngata Tiaki</div> <div>- By June 2017, Te Ngakanga has provided for publication an article outlining who Te Ngakanga is; its role and an introductory paper on investment fundamentals in layman's terms - to be published in any relevant Ngā Tāngata Tiaki publication</div>
Relationship (internal & external)	<div>- Relationship building with other Whanganui Iwi settlement entities</div> <div>- Relationship with other Whanganui Iwi commercial entities Investment network development</div>	<div>- By June 2017, introductory meetings with at least two Whanganui Iwi entities have taken place</div> <div>- By June 2017, introductory meetings with at least two Whanganui Iwi commercial entities have taken place</div> <div>- By July 2017, Te Ngakanga has an investment network development plan, identifying the entities with which to develop a relationship and have begun implementation of the plan</div>
Environmental Scanning	<div>- Develop and maintain appropriate commercial and investment networks</div>	<div>- By September 2017, Te Ngakanga trustees have developed Te Ngakanga's profile within the Manawātū - Whanganui area as potential local investor</div>



Te Ngakinga o Whanganui Investment Trust

Financial Statements for the
Year Ended 31 March 2017



Deloitte Rotorua



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Directory

Nature of Business	To receive, use and administer the Trust Funds exclusively for Charitable Purposes
Date of Formation	23 May 2016
Charities Number	CC53926
Contact Person	Simon Karipa
Contact Details	simon.karipa@teohu.maori.nz 357 Victoria Ave Whanganui
Registered Office	357 Victoria Ave Whanganui
Trustees	Nancy Tuaine Simon Karipa Keria Ponga
Bankers	BNZ Bank 84 The Square Palmerston North ANZ Bank 87 Victoria Ave Wanganui
IRD Number	121-511-231
Settlers	Nga Tangata Tiaki o Whanganui
Tax Status	Exempt

Approval of Financial Statements

The Trustees are pleased to present the approved Financial Statements for the year ended 31 March 2017.

APPROVED

For and on behalf of the Settlers



Trustee



Trustee

11 September 2017

Date

Statement of Comprehensive Revenue and Expense

For the Year Ended 31 March 2017

	Notes	2017 \$NZ
Revenue from Exchange Transactions		
Interest		24,296
Total Revenue		24,296
Expenses		
Administration Expenses	3	28,669
Interest Expenses		18,725
Trustee Remuneration	5	49,500
Total Expenses		96,894
Net Surplus/(Deficit) for the Year		(72,598)
Other Gains/(Losses)		-
Total Surplus/(Deficit) for the Year		(72,598)
Other Comprehensive Revenue and Expenses		-
Total Comprehensive Revenue and Expenses for the year		(72,598)

Statement of Changes in Net Assets

For the Year Ended 31 March 2017

	Contributed Capital	Accumulated Comprehensive Revenue and Expense	Total
	\$NZD	\$NZD	\$NZD
Opening Balance 23 May 2016	-	-	-
Capital Contributions	10	-	10
Surplus/Deficit for the Year	-	(72,598)	(72,598)
Other Comprehensive Income	-	-	-
Closing Equity 31 March 2017	10	(72,598)	(72,588)

Statement of Financial Position

As at 31 March 2017

	Notes	2017 \$NZ
Current Assets		
Cash and Cash Equivalents	4	28,500,000
Receivables from Exchange Transactions		24,296
Total Current Assets		28,524,296
Total Assets		28,524,296
Current Liabilities		
Accounts Payable		18,724
Total Current Liabilities		18,724
Non-Current Liabilities		
Loans	5	28,500,000
Advance – Nga Tangata Tiaki o Whanganui	5	78,159
Total Non-Current Liabilities		28,578,159
Total Liabilities		28,596,883
Net Assets		(72,588)
Equity		
Trust Capital		10
Accumulated Comprehensive Revenue and Expense		(72,598)
Total Net assets Attributable to the Owners of the Controlling Entity		(72,588)

Statement of Cash Flows

For the Year Ended 31 March 2017

	Notes	2017 \$NZ
Cash Flows from Operating Activities		
Cash Paid to Suppliers		-
Net Cash Flows from Operating Activities		-
Cash Flows from Investing Activities		
Disposals / (Purchases) of Fixed Assets		-
Net Cash Flows from Investing Activities		-
Cash Flows from Financing Activities		
Funds Introduced from Finance Activities		28,500,000
Net Cash Flows from Financing Activities		28,500,000
Net Increase/(decrease) in cash and cash equivalents		28,500,000
Cash and Cash Equivalents at 23 May 2016		-
Cash and Cash Equivalents at 31 March 2017	4	28,500,000

Notes to Financial Statements

1. Statement of Accounting Policies

Reporting Entity

Te Ngakinga o Whanganui Investment Trust is a Charitable Trust formed 23 May 2016.

Te Ngakinga o Whanganui Investment Trust (the "Trust") is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013).

Statement of Compliance

The Financial Statements for the Trust have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

The Trust has under \$30m of expenses and is not publically accountable. They have elected to report under Tier 2.

Measurement Basis

The Financial Statements have been prepared on the historical cost basis except for assets and liabilities that have been measured at fair value. The accrual basis of accounting has been used unless otherwise stated.

Going Concern

This is the Trust's first reporting period and the expenses relate to initial establishment of the Trust, resulting in a negative equity balance at balance date. Nga Tangata Tiaki o Whanganui as parent of the Trust have confirmed financial support for the Trust into the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

Functional and Presentation Currency

These financial Statements are presented in New Zealand dollars (NZD). There has been no change in functional currency of the Trust during the year.

Comparatives

There will be no comparatives for the Trust as this is its first year of establishment.

Use of Estimates and Judgements

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets,

liabilities, income and expenses. Actual results may differ from these estimates.

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

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial Statements are disclosed where applicable in the relevant notes to the Financial Statements.

Judgements made by management in the application of the PBE Standards RDR that have significant effects on the Financial Statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the notes to the Financial Statements.

2. Significant Accounting Policies

The significant accounting policies adopted by the Trust noted below have been consistently applied to all periods presented in these Financial Statements.

Revenue

Revenue is measured at the fair value of the consideration received. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer and when the right to receive payment is established.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Goods and Services Tax

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

Financial Instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities accounted for as

available for sale financial assets, trade receivables, cash and cash equivalents, short term borrowings and trade payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through Statement of Comprehensive Revenue and Expense, any directly attributable transaction costs.

Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Trust's contractual rights to the cash flows from the financial assets expire or if the Trust transfers the financial asset to another party without retaining control or substantially removing all the risks and rewards of the asset. Purchases and sales of financial assets are accounted for at trade date i.e. the date that the Trust commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Trust's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Trust's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of cash flows.

Loans

Loans are classified as other non-derivative financial instruments and are stated at amortised cost.

Advances

Advances are classified as other non-derivative financial instruments and are stated at cost.

Trade Receivables

Trade receivables classified as other non-derivative financial instruments are stated at amortised cost using the effective interest method, less any impairment losses for amounts that have a significant risk of non-collection. When a receivable is identified as being non-collectible it is expensed immediately in profit and loss.

Trade Payables

Trade payables are classified as other non-derivative financial instruments and are stated at amortised cost.

Impairment

The carrying amounts of the Trust's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount, Impairment losses directly

reduce the carrying amount of assets and are recognised in the Statement of Comprehensive Revenue and Expense.

Determination of Fair Value

A number of the Trust's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

3. Admin Expenses

Admin Expenses includes the following expenses:

	2017 \$NZ
Accountancy	2,000
General Expenses	546
Professional Fees	25,135
Travel Expenses	989
Total Admin Expenses	28,669

4. Cash and Cash Equivalents

	2017 \$NZ
ANZ Term Deposits	28,500,000
Total Cash and Cash Equivalents	28,500,000

5. Related Party Loans & Advances

Nga Tangata Tiaki o Whanganui (NTT)

Loans (\$28,500,000) and Advances (\$78,159) presented in the Statement of Financial Position as per the Trust Deed. The term of the loan is 30 years and is repayable on demand. The interest rate will be calculated based on the one year swap rate at 31 December of the preceding year.

Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which is comprised of the Board of Trustees.

	2017 \$NZ
Nancy Tuaine	13,750
Simon Karipa	22,000
Keria Ponga	13,750
Total Remuneration	49,500

6. Financial Instruments

The carrying amount of financial assets and liabilities in each of the financial instrument categories are as follows:

	2017 \$NZ
Loans and Receivables	
Cash and Cash Equivalents	28,500,000
Receivables from Exchange Transactions	24,296
Total Loans and Receivables	28,524,296
Financial Liabilities at Amortised Cost	
Loans and Advances	28,578,159
Total Financial Liabilities at Amortised Cost	28,578,159

7. Contingent Assets & Liabilities

There were no known material contingent liabilities or assets to disclose at balance date.

8. Capital and Other Commitments

There were no known material capital or other commitments to disclose at balance date.

9. Events subsequent to balance date

Subsequent to balance date, NTT advanced a further \$50,574,242 to the Trust as part of the original Loan. A new loan agreement with NTT was entered into with \$4,600,000 advanced on 13 June 2017. There were no additional material events subsequent to balance date to disclose.

INDEPENDENT AUDITORS REPORT

To the Trustees of Te Ngakinga o Whanganui Investment Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Te Ngakinga o Whanganui Investment Trust on pages 5 to 12, which comprise the statement of financial position as at 31 March 2017, and the statement of comprehensive revenue and expense, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Te Ngakinga o Whanganui Investment Trust as at 31 March 2017, and its financial performance and its cash flows for the year then ended in accordance with Tier 2 Not-For-Profit PBE Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we have considered the adequacy of the going concern assumption in the preparation of the financial statements as stated under note 1 on page 9 and the Trust's ongoing financial support from the parent entity, Nga Tangata Tiaki o Whanganui Trust, will continue to provide financial support to the Trust in the foreseeable future. Our opinion is not modified in respect of this matter.

Trustees Responsibilities for the Financial Statements

Those charged with governance are responsible on behalf of the Trust for the preparation and fair presentation of the financial statements in accordance with Tier 2 Not-For-Profit PBE Reduced Disclosure Regime, and for such internal control as those charged with governance 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, those charged with governance are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditors Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at:

https://www.xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx

Restriction on Distribution or Use

This report is made solely to the trustees, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Cameron Town
Silks Audit Chartered Accountants Ltd
Whanganui, New Zealand

Date: 11 September 2017

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