



NGATI WHAKAUE EDUCATION ENDOWMENT TRUST BOARD

Te Toroihi Matauranga



ANNUAL REPORT

2024

Including annual accounts to 31 December 2023





DIRECTORY - August 2024

BOARD MEMBERS

Malcolm Short (Chairman)
Alec Wilson
Violet Pelham
Monty Morrison
Fred Whata
Colin Bennett
Aramoana Mohi
Herby Ngawhika
Wai Morrison
Marleina Nelson
Ally Gibbons

**UEKAHA
DEVELOPMENT
LIMITED (Directors)**

Malcolm Short (Chairman)
Alec Wilson
Colin Bennett
Murray Patchell

SECRETARY

Murray Patchell
Karamea Professional Services Ltd

ACCOUNTANTS

Deloitte

AUDITORS

William Buck Audit (NZ) Limited

SOLICITORS

HOBEC

BANKERS

Bank of New Zealand

REGISTERED OFFICE

Deloitte
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ROTORUA

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BOARD ATTENDANCE 12 MONTHS TO 31 December 2023

MEMBER	MEETINGS ATTENDED				DATE JOINED BOARD
	BOARD	EDUCATION SUBCOMMITTEE	PROPERTY	UEKAHA DEVELOPMENT LTD	
Malcolm Short	13/13	-	8/8	8/8	11-6-96
Violet Pelham	13/13	11/11	-	-	11-6-96
Fred Whata	13/13	10/11	-	-	9-5-09
Aramoana Mohi	13/13	11/11	-	-	11-10-10
Alec Wilson	13/13	-	8/8	8/8	1-7-11
Monty Morrison	12/13	10/11	-	-	1-7-11
Herby Ngawhika	9/13	10/11	-	-	17-10-18
Colin Bennett	13/13	-	8/8	8/8	13-2-19
Wai Morrison	13/13	10/11	-	-	12-10-20
Marleina Nelson	11/13	11/11	-	-	30-11-20
Ally Gibbons	11/13	7/10	-	-	7-2-23
Jane Savage	-	1/1	-	-	12-7-04 to 7-2-23
Murray Patchell (Director UDL)				7/8	

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

Board & subcommittee meetings:	
Chairman	\$1,625.00
Deputy Chair	\$1,363.64
Board members	\$1,113.64



12 August 2024

Hon Erica Stanford
The Minister of Education
NZ Government
Wellington

Tena koe Minister

2024 ANNUAL REPORT

It is with great delight I present to you our 2024 annual report. As a result of a huge effort by our accounting and audit team we are finally up to date with completion of our annual reports. We extend our grateful appreciation to the Deloitte accounting team and William Buck auditors for their efforts to achieve this. The Minister may be feeling bombarded with three annual reports filed this year but it is a huge relief that we can now maintain our compliance with regulatory requirements such as Charities Services.

As the Minister will be aware from the earlier reports this report is required to be lodged in the Parliamentary House of Representatives within 10 days.

In terms of the Parliamentary process we do wish to record our disappointment that the legislative amendments to the Endowment empowering legislation under the Reserves and Other Lands Disposal Act 1995 seems to have once again choked in the bureaucratic process. While we appreciate the Government has many pressing priorities it is frustrating to have our amendments placed on the back burner given that agreement has been reached on the term of the amendments and the legislation to amend is non contentious and of routine nature. The original empowering legislation that originated from the 1993 settlement claim with the Crown was passed in 1995. In the year 2000 the process commenced to amend the legislation but delay upon delay eventuated through successive changes of Government and Ministers and we are still facing the same signs of inertia towards implementing our tribal wishes.

The audited financial report for the year ended 31 December 2023 is attached to this report and our commentary on activities and operations of the Board follow. The financial report now includes a Statement of Service Performance which includes the following statements worth highlighting:

The Board was established under statute to apply its income for the general purpose of education. Its vision is Te Puawaitanga o Ngati Whakaue (The blossoming, nurturing, growth and development of Ngati Whakaue).

Its Mission is He taonga tuku iho (To enhance the legacy of Ngati Whakaue Tupuna by ongoing responsible and effective management of the Endowment and sustainable funding of educational priorities).

Its actions are Te Toroihi Matauranga Ngati Whakaue (Implement funding policies to help Ngati Whakaue achieve their potential)

Report on Proceedings and Operations for year end 31 December 2023:

In accordance with accounting standards the Endowment records a Total Comprehensive Revenue and Expenses for the year ended 31 December 2023 of \$14,551,668 compared to a deficit of \$7,282,822 in the prior year. However to break this down this result is heavily influenced by revaluation of investment property and changes in market value of portfolio investments which were down in 2022 but up significantly in 2023. The underlying operating surplus before grants was \$2,974,514 compared to \$2,468,188. This 20.5% increase in operating surplus is explained by an 18.8% increase in Revenue (Rental and interest and dividends) offset by an 11.2% increase in administration expenses.

The core income of the Endowment comes from ground rental received from the Board's 94 Rotorua CBD perpetually renewable leases. Gross income increased to \$2,870,011 from \$2,594,982. There is only one significant lease with rent arrears which is under ongoing negotiation to resolve. The Board policy remains to buy back these perpetual leases on a case by case basis where the location and terms of purchase are soundly based financially and in accordance with the Board's long term objective of revitalising the Endowment properties. To date 9 leases have been purchased and are held by our subsidiary company Uekaha Developments Limited.

Investment income increased from \$766,694 in 2022 to \$1,032,210 in 2023 (34.6%) due to higher interest rates and dividends payments. However income from that source will reduce due to investment withdrawals for asset purchases resulting in a smaller investment portfolio held to generate income. The asset purchases will provide additional rental income over time.

Administration expenses were up on the previous year by \$135,359 with the usual culprits of accounting, audit, insurance, local authority rates, secretarial and online expenses being the main contributors. Although to be fair some of the increases reflect the change of mix of the asset type as the investment in direct building ownership and leasing expands. Full details of income and expenditure are contained in the detailed financial report along with explanatory notes.

As stated the core purpose of the Endowment is to apply its revenue for the general purpose of education. To that end Education Grant distributions were \$2,125,181 compared to \$1,722,645 in 2022. Grants distributions represented 71.5% of operating income in 2023 (69.8% in 2022). Undistributed income is retained to accumulate reserves to help maintain the asset base to generate income to offset the static nature of the lease with 21 year rent

reviews. To demonstrate the prudence of the Board in accumulating reserves in 1995 the funds transferred to the Board amounted to \$1,385,108. Today the value of the reserves accumulated is in excess of \$35m excluding the value of the original Endowment lands held under the perpetual leases.

Investment markets made better progress in 2023 but remain volatile. The reduction in the investment portfolio in recent years to reposition assets into land and buildings has reduced the Board's risk exposure to market volatility. The average long term portfolio return since inception in 2003 is 8.31%. The investment portfolio is independently managed and held by Craigs Investment Partners.

Total equity of the Board increased by 20.3% from \$71,532,308 in 2022 to \$86,084,232 comprising cash, receivables and liabilities of \$521,163, investment portfolio of \$23,033,006, investment properties and equity accounted investments recorded at \$62,530,063. The Board does not have any external debt.

Significant increases in Education grants expenditure occurred in the following areas:

Discretionary grants up \$41,627 to \$279,239

Kapa Haka Grants up \$80,440 to \$87,440

Tertiary Grants up \$65,347 to \$289,923

Maori Education Trust 60th Anniversary Scholarships \$150,000

Whakapapa Project up \$90,012 to \$290,102

We have enjoyed a great relationship with the Maori Education Trust for a number of years which includes joint grants for students and in some cases in conjunction tripartite arrangements with a number of universities. In 2023 we sponsored 5 scholarships of \$30,000 each as a one off to celebrate the Maori Education Trusts 60th year of operation.

The Whakapapa project to track the descendants of the original 6 Koromatua of Ngati Whakaue has completed the initial stages capturing details of over 35,000 Ngati Whakaue Iwi members. We are currently undertaking an evaluation of the next steps for the project.

The largest area of Education grant funding is for Literacy and Numeracy projects in schools. Project grants made in 2023 totalled \$750,000 including \$250,000 contributed by the Rotorua Trust under our joint venture agreement. A comprehensive report from our education Consultant Jackie Woodland is set out in this report (pages 7-10) along with details of Schools receiving grants and their projects funded. This remains a priority area for the Board and schools but we are conscious of changes being led by Government to address deficiencies in these areas and we will monitor Government initiatives to ensure there is no duplication of funding provided. It has been the Board policy from day one to complement not replace Government funding of Educational priorities. We are very grateful to have someone with Jackie's skills and experience monitoring these projects and we extend our sincere appreciation for her work.

The Board has developed a selection of education grant policies over the years targeting key areas and a summary of the policies is contained on pages 11-12.

Data is captured on the numbers of people benefiting annually from Education grants from the Endowment and this exceeds 10,000 persons per year. Some indicative examples of the numbers where data is captured are:

Project Grants 4,807 (includes 1554 Ngati Whakaue)

Museum Bus 3,764

Kapa Haka 420 +

Learn to Swim and Dive 196

Tertiary Students 127

These numbers do not include large Iwi events, wananga and sponsorships where numbers are not collected.

The Endowment Board comprises a strong and loyal team of 11 members all of Ngati Whakaue descent that work well together and I thank them all for their commitment and contribution to the effective and orderly governance of the Endowment. The Board has shown great stability for a number of years although sadly we have had one member on leave since January 2024 unable to fully participate for personal reasons.

The Board also has a very competent and experienced management team that have been in place on contract for many years and I thank them too for their excellent support, diligence and guidance across the many facets of our organisation.

Ngā mihi



Malcolm Tukino Short, ONZM

CHAIRMAN

Email malcolm@pukeroa.co.nz

PH 0274779989

Education Consultant Annual Report

2023-2024

Ngati Whakaue Achieving their Potential

'Through education nurture people who walk proud

Know how to work and play

Make positive contributions to whanau and society.'

In 2023 and 2024 thirty five schools from the three sectors of Education (Primary, Intermediate and Secondary) accessed the Ngati Whakaue Education Endowment (NWEETB) and Rotorua Trust (RT) external funding.

The total of the distribution each year was \$500,000 NWEETB and \$250,000 RT.

The distribution is as follows

- 5 Secondary Schools
- 3 Intermediate Schools
- 1 Kura Kaupapa
- 3 Kura
- 1 Specialist School
- 1 Maketu Kura
- 21 Primary Schools/ English medium and Rumaki.

All schools are within the Rotorua District.

The NWEETB/RT Joint Venture was established in September 2018, was reviewed in 2023 and continued in 2024.

The purpose of the joint venture with Rotorua Trust contribution was to extend the Endowment's target beyond Ngati Whakaue students to all students.

PROGRAMMES

Transition

There are a variety of intervention programmes being implemented and new programmes being introduced.

The transition programmes, especially around bringing early childhood or tamariki who have attended Kohanga Reo in to the school learning environment safely and meaningfully, are carefully planned. The data from all early childhood institutions is collected and analysed to ensure the programmes meet the needs of the tamariki.

Examples of these are 'Upane' Stepping up, 'Pathways for learning' and 'Whakapiki te mana me te ako'.

The focus is: Routines, instruction, oral language, writing, and maths.

Structured Literacy

There has been a focus on the development of structured literacy. This is a scientifically researched programme which is just what it says - structured from phonetical awareness to letter sounds, the use of everyday heart words and the development of reading and writing.

The programme has a structure that has to be implemented strictly within the guidelines set.

It is a step by step process developed by literacy experts and hopefully ensures that every tamariki will achieve the foundational skills required for reading and writing success.

Programmes are funded by Ministry of Education or resourced by other providers.

Literacy support programmes have been continued in a number of school. These have proved successful over the years and once reviewed by the teaching personnel are adjusted to suit the learning needs of tamariki the following year.

These programmes include 'Fortification and Enhancement' which is a series of intervention programmes around Literacy and Maths. This begins at Year 1 level and progresses through to Year 6.

It includes booster programmes and a specialised programme 'Toe by Toe.' An extensive reading and writing programme centred on a reading circle is implemented for extension groups in Year 6.

Intermediate Schools

The intermediate schools have a variety of programmes which suit the needs of these young adolescents. One of these centres around neurodiversity and special education needs. These programmes are implemented one on one and only work with a small group of tamariki at a time. The key here is the teacher has to be experienced in delivering these programmes and needs to develop sound relationships with the learners.

Support programmes in the Year 7 and 8 sector need to be well structured and direct with continued and ongoing strengths based reporting.

Te Kura Kaupapa

Te Kura Kaupapa and Kura included in this external funding are well resourced and are staffed appropriately.

A special Science and Technology designated Kura develops its curriculum around Te Marama and provides a highly successful programme with a hands-on approach. This encompasses their Mara kai gardens.

Secondary

Three secondary schools have a focussed literacy programme which includes Multi Guided Silent Reading and Researching. The tutors for these programmes have to be specially trained and especially good at forming relationships

One secondary school has a major focus on mathematics working with Year 9 rangatahi. This group of rangatahi have an experienced Maths teacher who focusses on the use of good mathematical

hands on resources. All groups work with simple resources that mean something to them and therefore encourage them to attend school.

A special character Catholic Secondary school focusses on Te Reo Maori the language and culture.

A new programme which is a whole school approach is Authorship. This programme focusses on the whole child and what they can bring to the writing. It is culturally responsive in that it encourages tamariki to write clearly about their own experiences bringing meaning and adventures. It encourages creativity and the use of in-depth and extensive vocabulary and brings diverse experiences for discovery and learning. The completed piece of writing will have direct links to the author.

Whanau

Whanau engagement is a acritical component for early literacy and mathematics success. For all tamariki involved in these intervention programmes whanau communication is the first step taken.

Data should be discussed with whanau and the reasons why the tamariki is selected for these groups should be clear.

Engagement with whanau is critical when the tamariki have been discontinued from the group. The outcomes must be shared.

It is critical that the inclusion back to normal classes for those that have been involved in these groups is sound and the tamariki are closely monitored to ensure a stable transition.

Assessment

Assessment tools and programmes are trialled and results are reviewed until they are proven to give the best evidence.

Attendance

Schools have modified their programmes to raise students' aspirations through regular attendance.

Tamariki must feel safe and whanau need input into the local curriculum. School systems need to be strong and accurate.

Schools that receive this funding from NWEETB and RT know that strength based reporting and strong and meaningful pedagogy clearly shows how external funding impacts on the learning of the tamariki and rangatahi involved.

Enhance legacy of Ngati Whakaue Tupuna

Responsible and effective management

Financial support to benefit the community.

Jackie Woodland

Education Consultant

Bachelor of Teaching

MEd Prof Leadership

August 2024

SCHOOL	PROJECT	GRANT	FUNDED BY
Aorangi School	Developing Aorangi Authorship with Biblio Consultants Ltd.	\$20,000.00	RT
Glenholme School	LiFE - Literacy in Fortification and Enhancement	\$34,000.00	NWEETB
Horohoro School	NELI- New Entrant Learning Initiative	\$15,000.00	RT
John Paul College	Te Ao Māori Development	\$15,000.00	NWEETB
Kaharoa School	Quality Teaching and Learning	\$20,000.00	RT
Kaingaroa Forest School	Whakapiki te mana me te ako 2024	\$16,000.00	RT
Kaitao Intermediate School	Mana Tangata 2024	\$20,000.00	NWEETB
Kawaha Point School	Manaakitanga - Whakawhanaungatanga: Maori Student achievement and Well being.	\$24,000.00	NWEETB
Lynmore Primary School	Developing the Writing Workshop - Leading Young Writers to Authorship	\$20,000.00	RT
Maketu School	Accelerated Literacy Learning	\$8,000.00	NWEETB
Malfroy School	Aratiki Literacy and Upane - Stepping up Transition into school.	\$25,000.00	NWEETB
Mamaku School	Structured Literacy	\$22,000.00	RT
Mokoia Intermediate	Ko Ngā Mahinga a Ngā Tūpuna Hai Aronga Mā Tātou - The actions of our ancestors give guidance to our being.	\$15,000.00	NWEETB
Ngongotaha Primary School	Ano ko nga tapuwae a Ihenga	\$25,000.00	NWEETB
Otonga Primary School	Establishing the Writing Workshop with Biblio Consultants Ltd. Making meaning on the page and in our lives.	\$12,000.00	RT
Owhata Primary School	Ngati Whakaue Pre Entry Transition and Literacy Programmes	\$21,000.00	NWEETB
Rotokawa School	Rotokawa Structured Literacy Support	\$23,000.00	RT
Rotorua Boys High School	Raukura Literacy Project.	\$24,000.00	NWEETB
Rotorua Girls High School	Ngati Whakaue Literacy and Numeracy Programme	\$25,000.00	NWEETB
Rotorua Intermediate School	Rotorua Intermediate Literacy Support Programme	\$15,000.00	NWEETB
Rotorua Lakes High School	Junior Numeracy Development	\$28,000.00	NWEETB
Rotorua Primary School	iDeal Structured Literacy - Learning Matters LTD	\$30,000.00	NWEETB
Rotorua Specialist School	Building Stories Through Lego	\$20,000.00	RECT
Selwyn School	Rainbow Reading and Phonetic Awareness Literacy Program.	\$20,000.00	RT
Seventh Day Adventist School	Math Intervention Programmes	\$7,000.00	RT
St Marys School	Manaakitanga	\$20,000.00	RT
St Michaels Rotorua	Matauranga Maori and Science	\$10,000.00	RT
Sunset Primary	New Entrant Learning Initiative (NELI)	\$20,000.00	NWEETB
Te Kura O Te Koutu	Mai Maketu ki Tongariro	\$30,000.00	NWEETB
Te Kura o te Whakarewarewa	Lifting the Lid	\$15,000.00	NWEETB
Te Rangihakahaka Centre for Science and Technology	Pā Kai Ahi 2024	\$28,000.00	NWEETB
Westbrook School	Lifting Structured Literacy to New Heights	\$25,000.00	RT
Western Heights High School	Manaaki Tangata	\$40,000.00	NWEETB
Western Heights Primary	Pathways for Learning - Ara Matauranga (Priority Learners)	\$40,000.00	NWEETB
Whangamarino School	1. Te Huinga Raukura / 2. Early Words and Literacy Program	\$18,000.00	NWEETB
		\$750,000.00	



GRANT POLICY INDEX

Policy	No.
<p>Group Discretionary Grant</p> <p>To support recognised Educational Organisations to develop, implement and deliver innovative educational programmes that:</p> <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
<p>Individual Discretionary Grant</p> <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
<p>Nga Mahi a Rehia (Maori Performing Arts) Grant</p> <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 Learning Institutions, Marae and hapu/iwi and promote and uphold Ngati Whakaue performing arts and tikanga a Marae. 	603
<p>Taumata Funding Grant</p> <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
<p>Tertiary Grant</p> <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. 	605
<p>Sponsorships</p> <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
<p>Haane Manahi Memorial Scholarship</p> <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 trades, forestry, farming, or service industries. 	607
<p>Marae Based Wananga Grants</p> <ul style="list-style-type: none"> • To support ngā hapū o Ngati Whakaue to convene Marae 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

Policy	No.
<p>Project Grants</p> <ul style="list-style-type: none"> To accelerate learning in all areas of literacy and numeracy; to target learning needs; to implement specific programmes that will lift levels of achievement, in line with the New Zealand Curriculum. Updated in 2018 to reflect joint venture with Rotorua Trust to increase funding targeted at primary and intermediate levels of schooling in Rotorua District, noting NWEETB funding to focus on Ngati Whakaue learners at all levels, Rotorua Trust on all learners at primary and intermediate. 	609
<p>Post-graduate Scholarship</p> <ul style="list-style-type: none"> To provide individual post graduate scholarships to assist with post graduate education and encourage academic achievement. 	610
<p>Whakapapa Policy (2015)</p> <ul style="list-style-type: none"> To ensure that all applicants for the Boards various grants provide accurate information and detail relating to Whakapapa. 	611
<p>Emergency/Disaster Discretionary grant (on HOLD)</p> <ul style="list-style-type: none"> On hold. (The purpose of these grants was to support student victims of an emergency/disaster including the 4 Sept 2010 and 22 Feb 2011 Christchurch Earthquakes that have relocated to Rotorua District). 	612
<p>Support of Ngati Whakaue-Te Arawa Writers</p> <ul style="list-style-type: none"> On Hold. To support, develop and nurture Ngati Whakaue-Te Arawa writers. 	614
<p>Learn to Swim programme sponsorship (RLC – SwimMagic Swim School)</p> <ul style="list-style-type: none"> The aim of Kia Maanu Kia Ora is to increase the safety of Ngati Whakaue children in and around water. 	615
<p>NWEE- Sudima Hotel Joint Hospitality Scholarship</p> <ul style="list-style-type: none"> Ngati Whakaue Education Endowment Trust Board and Sudima Lake Rotorua are Landlord and Tenant respectively of the site known and operated as Sudima Lake Rotorua Hotel. The Board and Sudima wish to develop and promote in partnership, opportunities for Ngati Whakaue descendants for vocational development and educational qualifications in the Hospitality Industry. 	616
<p>Kia Ruku Kia Ora - Aoteroa Dive Programme Sponsorship</p> <ul style="list-style-type: none"> To increase the diving capacity of Ngati Whakaue to gather kai moana for our local Marae Ngati Whaka 	618
<p>Whangai Policy</p> <ul style="list-style-type: none"> To recognize Whangai/Legal Adoption when considering any individual applications relevant to the Board's various grants. 	619
<p>Orange Swim School – Learn to Swim - sponsorship</p> <ul style="list-style-type: none"> To increase the safety of Ngati Whakaue children in and around water. 	625
<p>Individual School Representative Sports (National Level) Grants</p> <ul style="list-style-type: none"> To support Ngati Whakaue students selected to compete in National tournament in a School team To further develop educational and sporting development for Ngati Whakaue students To encourage education and health of young Maori through participation in sport. 	626
<p>Secondary School Boarding Hostel Scholarship</p> <ul style="list-style-type: none"> To support up to TWO Ngati Whakaue students who are in a secondary school boarding hostel within the boundaries of Te Arawa – mai i Maketu ki Tongariro. 	627

Consolidated Financial Report

Ngati Whakaue Education Endowment Trust Board
For the year ended 31 December 2023

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Independent Auditor's Report

To the Readers of Ngati Whakaue Education Endowment Trust Board's Group Financial Report for the Year ended 31 December 2023

The Auditor-General is the auditor of Ngati Whakaue Education Endowment Trust Board ("the Trust Board") its and subsidiary and associate (together "the Group"). The Auditor-General has appointed me, Richard Dey, using the staff and resources of William Buck Audit (NZ) Limited, to carry out the audit of the financial statements and the performance information of the Group on his behalf.

We have audited:

- the financial statements of the Group on pages 9 to 25, that comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date and the notes to the consolidated financial statements that include accounting policies and other explanatory information; and
- the performance information of the Group on pages 7 to 8.

Qualified opinion

In our opinion:

- except for the effects of the matter described in the *Basis for our qualified opinion* section of our report, the financial statements of the Group on pages 9 to 25:
 - present fairly, in all material respects:
 - its financial position as at 31 December 2023; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with PBE Accounting Standards (PBE IPSAS) Reduced Disclosure Regime; and
- The performance information on pages 7 to 8:
 - Presents fairly, in all material respects, the Group's performance for the year ended 31 December 2023, including for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year; and
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 30 July 2024. This is the date at which our qualified opinion is expressed.

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

Basis for our qualified opinion

As stated in the accounting policies on page 16, and note 14 on page 21, investment property is revalued every three years and the latest valuation at 1 July 2023 of \$59,225,000 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 have not quantified the financial effects of this departure from PBE IPSAS 16 and we are unable to determine the amount of the required adjustments. The audit opinion for the year ended 31 December 2022 was modified for the same reason. As a result, the comparative information in the financial statements should be read in light of this fact.

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

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

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

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the Group for preparing financial statements and performance information that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

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

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements and performance information.

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

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

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Group's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Independence

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

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



Richard Dey
William Buck Audit (NZ) Limited
On behalf of the Auditor-General
Tauranga, New Zealand

Approval of Financial Report

Ngati Whakaue Education Endowment Trust Board For the year ended 31 December 2023

The Board is pleased to present the approved financial report including the Statement of Service of Performance and the consolidated financial statements of Ngati Whakaue Education Endowment Trust Board for year ended 31 December 2023.

APPROVED

M. I. Stewart

Chairman

Date *29.7.24*

and
3 - H

Board Member

Date *29/7/24*

Statement of Service Performance

Ngati Whakaue Education Endowment Trust Board For the year ended 31 December 2023

The Board was established under statute to apply its income for the general purpose of education. Its vision is Te Puawaitanga o Ngati Whakaue (The blossoming, nurturing, growth and development of Ngati Whakaue).

Its mission is He Taonga Tuku Iho (To enhance the legacy of Ngati Whakaue Tupuna by ongoing responsible and effective management of the Endowment and sustainable funding of education priorities).

Its actions are Te Toroihi Matauranga Ngati Whakaue (Implement funding policies to help Ngati Whakaue achieve their potential).

The Board generates income from rental, interest and dividends and seeks to diversify its asset and investment base to generate increased income from a wider range of sources to spread risk.

In 2021, the Board committed to the development of a Ngati Whakaue Whakapapa database to identify applicants and assist with descendents to connect to Ngati Whakaue.

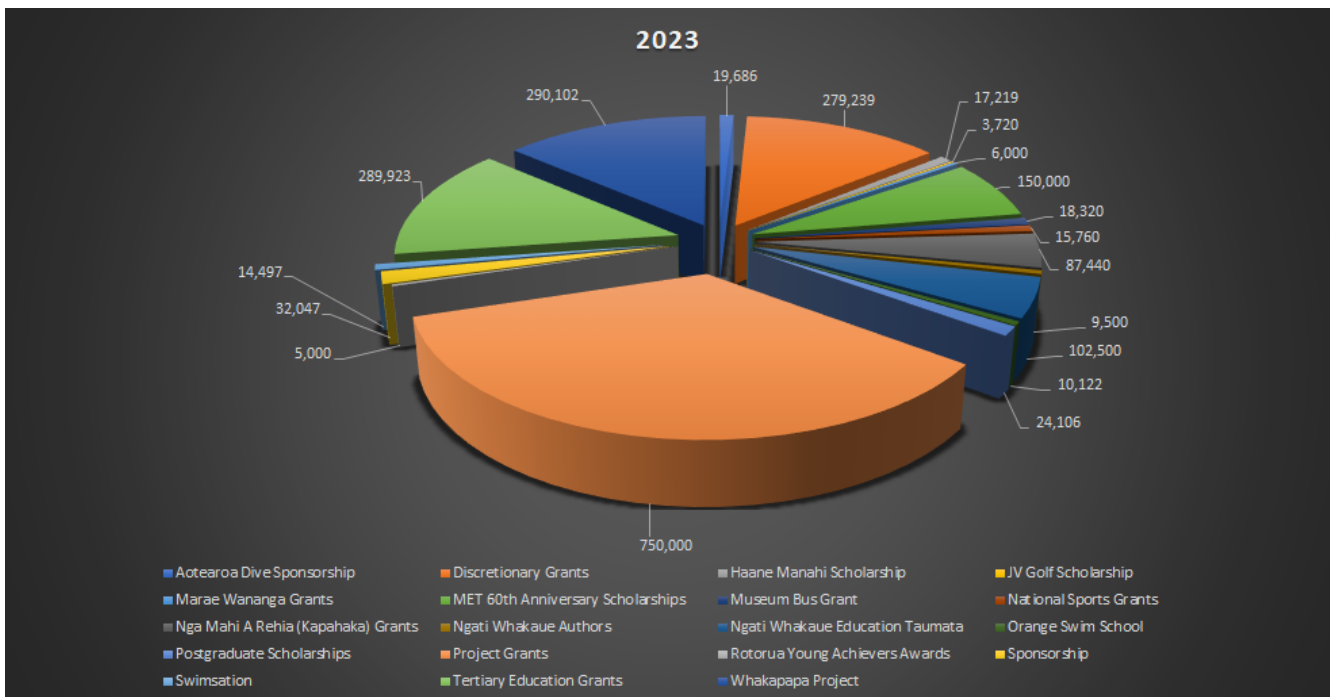
Outcomes of Ngati Whakaue Education Endowment Trust Board

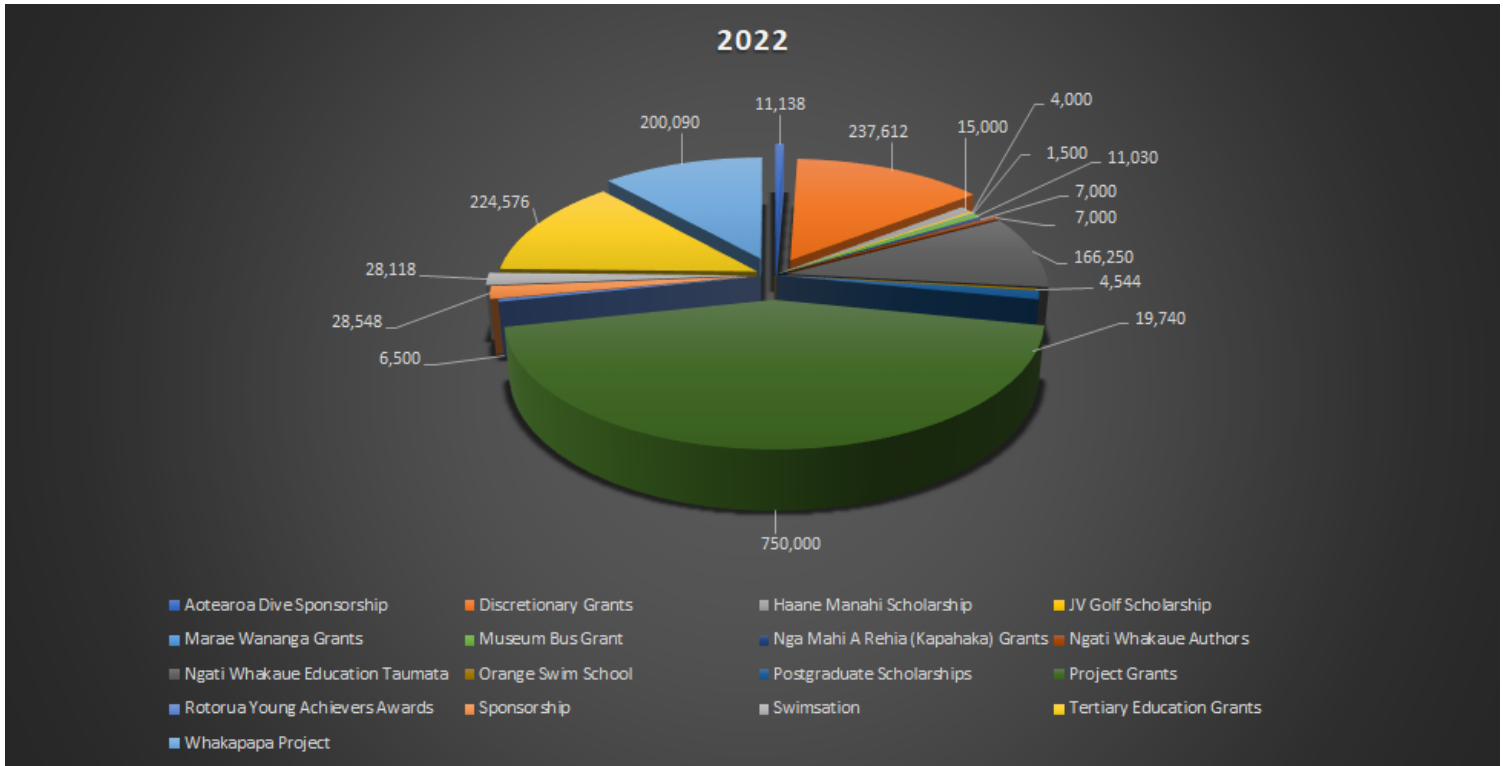
The Board has a range of policies aiming to support key areas including:

- Literacy in schools
- Tertiary and postgraduate students
- Ngati Whakaue Education Taumata for Paepae Wananga and Te Reo
- Trade apprenticeship
- Ongoing development of the Whakapapa identity project
- Support for Maori Performing Arts
- Learn to swim and dive programmes
- Representation by students at National and International sports events
- One off scholarships to celebrate 60th Anniversary of the Maori Education Trust

Ngati Whakaue Education Endowment Trust Board's Outputs

Education Grants were made in the following areas





Additional Output Measures

	2023	2022
The Board diversified its Asset base through the purchase of investment properties	-	8,131,963
The Board invested in the development of a Ngati Whakaue Whakapapa database (included in Grants)	290,102	200,090

Consolidated Statement of Comprehensive Revenue and Expenses

Ngati Whakaue Education Endowment Trust Board
For the year ended 31 December 2023

	NOTES	2023	2022
Revenue			
Revenue from Exchange Transactions			
Rental Revenue	6	2,870,011	2,594,982
Investment Revenue	7	1,032,210	766,694
Other Revenue	8	173,577	67,833
Total Revenue from Exchange Transactions		4,075,798	3,429,509
Revenue from Non-Exchange Transactions			
Grants Received		250,000	250,000
Total Revenue from Non-Exchange Transactions		250,000	250,000
Total Revenue		4,325,798	3,679,509
Expenses			
Administration Expenses	9	1,344,224	1,208,865
Grants	10	2,125,181	1,722,645
Depreciation Expense		7,061	2,456
Total Expenses		3,476,466	2,933,966
Surplus/(Loss) for the Year		849,333	745,543
Other Gains/(Losses)			
Fair Value Change in Investments at Fair Value Through Surplus or Deficit		1,268,022	(3,210,240)
Net Gain/(Loss) on Disposal of Shares		39,988	(306,740)
Realised Foreign Currency Gains and Losses		43,599	211,753
Net Gain/(Loss) on Revaluation of Investment Property		12,401,000	(4,628,963)
Total Other Gains/(Losses)		13,752,609	(7,934,189)
Net Surplus/(Deficit) for the Year		14,601,942	(7,188,646)
Other Comprehensive Revenue and Expenses			
Fair Value Change in Investments Through Other Comprehensive Revenue and Expenses		(50,274)	(94,176)
Total Other Comprehensive Revenue and Expenses		(50,274)	(94,176)
Total Comprehensive Revenue and Expenses for the Year		14,551,668	(7,282,822)

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

Consolidated Statement of Changes in Equity

Ngati Whakaue Education Endowment Trust Board
For the year ended 31 December 2023

	2023	2022
Equity		
Opening Balance	71,532,308	78,815,385
Net Surplus/(Deficit) for the Year	14,601,942	(7,188,646)
Other Comprehensive Revenue and Expenses	(50,274)	(94,176)
Restated Adjustment to Retained Earnings	255	(255)
Total Equity	86,084,232	71,532,308

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

Consolidated Statement of Financial Position

Ngati Whakaue Education Endowment Trust Board

As at 31 December 2023

	NOTES	31 DEC 2023	31 DEC 2022
Assets			
Current Assets			
Cash and Cash Equivalents	11	542,965	2,184,727
Trade Receivables	12	449,369	355,011
Prepayments		84,488	72,351
Total Current Assets		1,076,821	2,612,089
Non-Current Assets			
Long Term Investments	13	23,033,006	22,290,656
Investment Properties	14	59,298,285	46,846,102
Work in Progress - Investment Properties		231,778	-
Equity Accounted Investment	15	3,000,000	300,000
Total Non-Current Assets		85,563,069	69,436,758
Total Assets		86,639,890	72,048,846
Liabilities			
Current Liabilities			
Goods and Services Tax		9,652	23,629
Trade Payables		239,867	229,087
Income Received in Advance		306,139	263,822
Total Current Liabilities		555,658	516,538
Total Liabilities		555,658	516,538
Net Assets		86,084,232	71,532,308
Equity			
Capital	17	22,418,108	22,418,108
Investments Revaluation Reserve	18	91,218	242,874
Retained Earnings	19	63,574,906	48,871,326
Total Equity		86,084,232	71,532,308

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

Consolidated Statement of Cash Flows

Ngati Whakaue Education Endowment Trust Board
For the year ended 31 December 2023

2023

2022

Statement of Cash Flows

Cash Flows from Operating Activities

Cash Receipts:

Receipts from Operating Activities	3,276,343	2,517,514
Interest Received	416,559	377,014
Dividends Received	615,651	389,680
GST Received	-	-
Total Cash Receipts:	4,308,553	3,284,208

Cash Payments:

Payments to Suppliers and Employees	(1,445,183)	(1,160,502)
GST Paid	(13,977)	(39,563)
Grants Paid	(2,125,181)	(1,722,645)
Total Cash Payments:	(3,584,341)	(2,922,710)

Total Cash Flows from Operating Activities

724,212 361,498

Cash Flows From Investing Activities

Purchase of Investments	(2,037,209)	(2,666,374)
Sale of Investments	2,596,926	10,064,431
Purchases and Improvements - Investment Properties	(197,301)	(8,131,963)
Equity Accounted Investment	(2,728,390)	(300,000)
Total Cash Flows From Investing Activities	(2,365,974)	(1,033,906)

Net Cash Flows

(1,641,762) (672,408)

Cash Balances

Cash and cash equivalents at beginning of period	2,184,727	2,857,135
Cash and cash equivalents at end of period	542,965	2,184,727
Net Change in cash for the period	1,641,762	672,408

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

Notes to the Consolidated Financial Statements

Ngati Whakaue Education Endowment Trust Board For the year ended 31 December 2023

1. Reporting Entity

The consolidated financial statements presented are those of Ngati Whakaue Education Endowment Trust Board and its Subsidiary Uekaha Developments Limited and its Associate Te Kohea Management Limited (together "The Group").

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

Uekaha Developments Limited is a company incorporated in New Zealand, and registered under the Companies Act 1993 and is also a charity registered under the Charities Act 2005. The Company is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013).

Te Kohea Management Limited is a Company registered under the Companies Act 1993 and is a Profit Oriented Entity.

2. Basis of Preparation

(a) Statement of compliance

The Group 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 Group 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 _____.

(b) Measurement basis

The Group 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:

- 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 Group or any significant foreign operations of the Group during the year.

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the entity, its subsidiary and associate as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls as investee if, and if, the Group has:

- Power over the investee (that is existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

The Group's Equity Accounted Investment comprises an interest in an associate.

Associates are those entities in which the group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the group's share of the surplus or deficit and other comprehensive revenue and expense of equity accounted investments, until the date on which significant influence ceases.

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. Summary of 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 Group except as explained in Note 5 which addresses changes in accounting policies. The significant accounting policies of the Group are detailed below:

- (a) Revenue
- (b) Financial Instruments
- (c) Impairment of Non-derivative Financial Assets
- (d) Investment Property
- (e) Impairment of Non-financial Assets
- (f) Goods and Services Tax
- (g) Income Tax
- (h) Cash and Cash Equivalents
- (i) Grants
- (j) Trade Receivables
- (k) Trade Payables
- (l) Comparative Balances

(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 Group, and measured at the fair value of consideration received or receivable.

The following specific recognition criteria in relation to the Group's revenue streams must also be met before revenue is recognised:

Revenue from Exchange Transactions

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 Group'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

A portfolio investment entity (PIE) is a type of entity (such as a managed fund) that invests the contributions from investors in different types of investments. PIE revenue is recognised when the Group's right to receive payment is established, and the amount can be reliably measured.

Revenue from Non-Exchange Transactions**Grant Revenue**

Grant revenue includes grants given by other charitable organisations. Grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

(b) Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

The Group derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Group has transferred substantially all the risks and rewards of the asset; or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Financial assets

Financial assets within the scope of NFP PBE IPSAS 41 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, financial assets at fair value through other comprehensive revenue and expenses, or amortised cost financial assets. The classifications of the financial assets are determined at initial recognition.

The category determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Group's financial assets are classified as financial assets at fair value through surplus or deficit, financial assets at fair value through other comprehensive revenue and expenses, or amortised cost financial assets. The Group's financial assets consist of cash and cash equivalents, trade receivables, debt and equity securities.

All financial assets except for those at fair value through surplus or deficit or fair value through other comprehensive revenue and expenses, are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Financial assets at fair value

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments or a derivative that is a financial guarantee contract. The Group's investments in debt and equity securities fall into this category of financial instruments.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive revenue and expenses. This election is made on an investment by investment basis.

Amortised cost financial assets

Amortised cost financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Group's cash and cash equivalents and trade receivables fall into this category of financial instruments.

Impairment of financial assets

The Group assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there is any objective evidence of impairment, the Group first assesses whether there is objective evidence of impairment for financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Group determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

Financial liabilities

The Group's financial liabilities include trade and other payables.

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

(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 and 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 Group balance date.

(e) Impairment of Non-financial Assets

The carrying amounts of the Group'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. 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 Board and its Subsidiary are wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

(h) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held on call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(i) Grant Expenditure

Non-discretionary grants are those grants awarded if the grant application meets the specified criteria. They are expensed when an application that meets the specified criteria for the grant has been received. Ngati Whakaue Education Endowment Trust Board's non-discretionary grants have no substantive conditions that need to be fulfilled to receive the grant.

Discretionary grants are those grants where Ngati Whakaue Education Endowment Trust Board has no obligation to award the grant on receipt of the grant application. For discretionary grants without substantive conditions, the total committed funding over the life of the grant is expensed when the grant is approved by the Board and the approval has been communicated to the applicant. Discretionary grants with substantive conditions are expensed at the earlier of the grant payment date or when the grant conditions have been satisfied. Conditions can include either:

- specification of how funding can be spent with a requirement to repay any unspent funds; or
- milestones that must be met to be eligible for funding.

(j) Trade Receivables

Trade receivables are stated at the amount due less any provision for uncollectability. When a receivable is identified as being non-collectible it is expensed immediately in surplus or deficit.

(k) Trade Payables

Trade payables are recorded at the amount payable.

(l) Comparative Balances

The presentation of certain comparative balances has been amended to ensure consistency with the current year disclosures.

5. Changes in accounting policy

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

	2023	2022
6. Rental Revenue		
Consent Fees	130	1,043
Rental Received	2,869,881	2,593,939
Total Rental Revenue	2,870,011	2,594,982

	2023	2022
7. Investment Revenue		
Dividends Received	286,445	323,893
Interest Received	416,559	377,014
PIE Revenue	329,206	65,786
Total Investment Revenue	1,032,210	766,694

	2023	2022
8. Other Revenue		
Rotorua Trust Oncharges	20,103	39,258
Other Income	583	-
On Charged Expenses	6,988	7,907
On Charged Capital Works	3,670	20,668
OPEX & Rates Recovery	72,864	-
TPK Funding	36,000	-
Whakapapa Project	33,370	-
Total Other Revenue	173,577	67,833

	2023	2022
9. Administration Expenses		
Accident Compensation Levy	69	75
Advertising	3,875	5,367
Audit Fees	28,054	21,980
Bank Charges	309	263
Catering	500	870
Cleaning & Laundry	3,858	2,538
Consultancy Fees	27,300	25,730
Commissions	-	3,900
Education Consultant	56,575	49,000
Education Grant Expenses	75,403	63,994
Entertainment	-	1,440
General Expenses	258	2
Insurance	106,891	56,076

Koha	2,000	1,500
Legal Costs	15,898	44,718
Licences & Registrations	-	3,900
Light, Power & Heating	8,203	3,795
Online Software Project	22,769	15,782
Penalties	50	50
Portfolio Management Fee	46,374	61,102
Printing, Stationery and Postage	689	398
Professional Fees	7,200	15,621
Property Management	164,068	195,537
Rates	131,306	95,205
Repairs & Maintenance	87,651	54,873
Secretarial & Accounting	203,667	160,767
Subscriptions	2,050	1,730
Travel Expenses	-	8,251
Trustees Fees & Expenses	271,614	269,978
Wai Ariki Apartment - Cost	43,491	-
Website Maintenance	34,102	44,421
Total Administration Expenses	1,344,224	1,208,865
	2023	2022

10. Grants

Aotearoa Dive Sponsorship	19,686	11,138
Discretionary Grants	279,239	237,612
Haane Manahi Scholarship	17,219	15,000
JV Golf Scholarship	3,720	4,000
Marae Wananga Grants	6,000	1,500
MET 60th Anniversary Scholarships	150,000	-
Museum Bus Grant	18,320	11,030
National Sport Grants	15,760	-
Nga Mahi A Rehia (Kaphaka) Grants	87,440	7,000
Ngati Whakaue Authors	9,500	7,000
Ngati Whakaue Education Taumata	102,500	166,250
Orange Swim School	10,122	4,544
Postgraduate Scholarships	24,106	19,740
Project Grants	750,000	750,000
Rotorua Young Achievers Awards	5,000	6,500
Sponsorship	32,047	28,548
Swimsation	14,497	28,118
Tertiary Education Grants	289,923	224,576
Whakapapa Project	290,102	200,090
Total Grants	2,125,181	1,722,645

	2023	2022
11. Cash and Cash Equivalents		
BNZ Current Account	241,844	162,387
BNZ Call Account	2,984	236
Craigs Call Account	238,719	1,978,510
Uekaha Main Account	59,417	43,594
Total Cash and Cash Equivalents	542,965	2,184,727

	2023	2022
12. Trade Receivables		
Accounts Receivable	410,069	314,979
Accrued Interest	39,300	40,032
Total Trade Receivables	449,369	355,011

	2023	2022
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13. Investments**Financial Assets at Fair Value Through Surplus or Deficit**

Debt Securities - New Zealand	6,906,478	7,054,051
Equity Securities - New Zealand	5,658,546	5,536,511
Equity Securities - Australia	2,338,154	2,441,176
Equity Securities - UK	722,444	930,552
Equity Securities - USA	5,759,569	4,779,341
Equity Securities - Euro	638,154	572,896
Total Financial Assets at Fair Value Through Surplus or Deficit	22,023,345	21,314,527

Financial Assets at Fair Value Through Other Comprehensive Revenue and Expenses

Equity Securities - New Zealand	523,382	542,847
Equity Securities - Euro	200,884	148,634
Equity Securities - USA	285,395	284,648
Total Financial Assets at Fair Value Through Other Comprehensive Revenue and Expenses	1,009,661	976,129

Total Investments	23,033,006	22,290,656
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Per annum annual interest rate ranges applicable to debt securities

	2023	2022
Debt Securities - New Zealand	1.56% - 6.59%	1.56% - 6.23%

Contractual Maturities of debt securities

	2023	2022
Deb Securities - New Zealand	1 Month - 80 Months	2 Months - 92 Months

2023 2022

14. Investment Properties

Opening Balance	46,846,102	43,345,557
Purchase of Investment Property	-	8,107,406
Revaluation per Rating Valuation	12,401,000	(4,628,963)
Property Improvements	51,184	22,102
Total Investment Properties	59,298,285	46,846,102

Change in Fair Value

The fair value of investment properties is determined by rating valuation completed every 3 years by Opteon Technologies Limited. The latest valuation was completed at 1 July 2023.

2023 2022

15. Equity Accounted Investment**Te Kohea Management Limited**

Opening Balance	300,000	-
Advances	2,728,390	300,000
Total Equity Accounted Investment	3,028,390	300,000

The Group holds a 33.33% share in the company. The company has agreed to purchase the property that previously operated the tourism venture Rainbow Springs for \$9,000,000.

The associate did not trade during the year.

There were no contingent liabilities or assets relating to the group's interest in associate.

There was a capital commitment of \$2,700,000 relating to the group's share of the settlement which was concluded in January 2024.

16. Leasing Arrangements

Each of the leases contains an initial non-cancellable period. Subsequent renewals are negotiated with the lessee. Minimum lease payments receivable on leases of investment properties not recognised in the financial statements are as follows:

	2023	2022
Within one year	2,429,603	2,447,459
Later than one year but not later than 5 years	7,777,914	7,845,190
Later than 5 Years	19,231,033	20,469,232
Total	29,438,550	30,761,881

2023 2022

17. Capital

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

2023 2022

18. Investments Revaluation Reserve

Opening Balance	242,874	337,050
Transfer to Retained Earnings	(101,382)	-
Current Year Revaluations	(50,274)	(94,176)
Closing Balance	91,218	242,874

2023 2022

19. Retained Earnings

Opening Balance	48,871,327	56,060,228
Net Surplus/(Deficit)	14,601,942	(7,188,646)
Transfer from Investments Revaluation Reserve	101,382	-
Restated Adjustment to Retained Earnings	255	(255)
Closing Balance	63,574,906	48,871,327

20. Financial Instruments

The tables below show the carrying amount of the Group's financial assets and liabilities:

(i) Financial Assets

2023 Asset per the Statement of Financial Position	FVTSD	Amortised Cost	FVTOCRE
Cash and Cash Equivalents		542,965	
Trade Receivables		449,369	
Financial Assets			
Debt Securities - New Zealand	6,906,478		
Equity Securities - New Zealand	5,658,546		523,382
Equity Securities - Australia	2,338,154		
Equity Securities - UK	722,444		
Equity Securities - USA	5,759,569		285,395
Equity Securities - Europe	638,154		200,884
Total	22,023,345	992,334	1,009,661

2022 Asset per the Statement of Financial Position	FVTSD	Amortised Cost	FVTOCRE
Cash and Cash Equivalents		2,184,727	
Trade Receivables		355,011	
Financial Assets			
Debt Securities - New Zealand	7,054,051		
Equity Securities - New Zealand	5,536,511		542,847
Equity Securities - Australia	2,441,176		
Equity Securities - UK	930,552		
Equity Securities - USA	4,779,341		284,648
Equity Securities - Europe	572,896		148,634
Total	21,314,527	2,539,738	976,129

(ii) Financial Liabilities

	2023			2022		
	At amortised cost	FVTSD	Total	At Amortised cost	FVTSD	Total
Trade & other payables	204,339	-	204,339	229,087	-	229,087
	204,339	-	204,339	229,087	-	229,087

(ii) Fair Values

Fair value determination for financial instruments subsequently measured at fair value are based on the Quoted Market Price in the active market of the security at reporting date.

21. 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	\$1,625	\$1,625	\$1,625
Deputy Chairman	\$1,364	\$1,364	\$1,364
Board Members	\$1,114	\$1,114	\$1,114

The governing body comprises of 11 members (0.86 FTE) with total remuneration paid of \$271,614 (2022: \$ 269,978, 11 members (0.86 FTE).

During the year, Aramoana Mohi - Maxwell received a Post Graduate Scholarship to the value of \$4,845 and Colin Bennett has a balanced due of \$3,000 for his Post Graduate Scholarship.

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

	School	This Year	Last Year
Ally Gibsons	John Paul College	\$14,000	\$15,000
Aramoana Mohi - Maxwell	Rotorua Girls High School	\$49,643	\$35,200
Marleina Nelson	Rotorua Lakes High School	\$30,000	\$30,000
Herby Ngawhika	Rotorua Boys High School	\$39,500	\$35,200
Violet Pelham-Waerea	Western Heights High School	\$41,500	\$38,000
Fred Whata	Rotorua Primary School	\$58,529	\$44,000

During the year, Group entities did not enter into any trading transactions with related parties that are not members of the Group. Last year, the Group received ground lease income of \$60,215 from Pukeroa Oruawhata Holdings prior to purchasing those leases for \$1,812,500.

22. Commitments and Contingencies

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

The Group has approved scholarships to these individuals for the maximum amount however the amount to be paid is based on actual expenditure incurred:

- Haane Manahi Scholarships of \$35,769 (2022: \$25,000)
- NWEE/Sudima JV Scholarship (Tuwera Palmer)

Funds have been awarded to these applicants however the Group is waiting on further information from the applicants before payments will be made:

- Writers grant \$82,026 (2022: \$79,250)
- Postgraduate scholarships \$18,000 (2022: \$18,000)
- Discretionary \$18,000 (2022: \$18,500)
- 2023/24 Taumata Funding \$67,500 (2022: \$85,000)
- Rotorua Primary \$47,321 (2022: \$90,000)

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

- Oriens Capital Ltd Partnership Fund PP \$101,500
- Pohutakawa Private Equity VI Fund PP \$257,867
- Icon Ventures VI Fund \$98,321
- Kowhai Private Equity \$13,125
- Maui Capital Indo Fund \$20,755
- App NZD Public Infrastructure \$11,137

23. Events Subsequent to Balance Date

The Board is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these Financial Statements that have or may significantly affect the operations of the Group.