



2006 Annual Report



Photos: - River Queen Invitation & Te Awa Tupua Exhibition closing at Te Papa.

WHANGANUI TRUST

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FOR THE YEAR ENDED 30 JUNE 2006

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WHANGANUI TRUST

(Registered under the Charitable Trusts Act 1957)

DIRECTORY

AS AT 30 JUNE 2006

Nature of Business	Charitable Trust for Tribal Purposes
Address	16 Bell St P O Box 4035 WHANGANUI
Accountants	Balance Chartered Accountants Limited
Secretary	Harvey Bell
Bankers	BNZ, Wanganui
Solicitors	Horsley Christie, Wanganui
GST	Not Registered
Trustees	<i>As Morikaunui Incorporation Board members</i> Hari Benevides (Ms) - <i>Chairman</i> Ann Waitai Don Robinson Jimmy Edmonds Rangipo Mete Kingi Tema Butler Wiremu Konui <i>As floor elected representative*</i> Josephine Maniapoto

** Elected by a show of hands at the Morikaunui Incorporation AGM.*

WHANGANUI TRUST

CHAIRMAN'S REPORT

The Trustees have spent time working on the revision of our Guidelines and setting a mission statement that reflects the aim and purpose of the Trust. This process requires diligent and considered input and discussion by all Trustees so that the guidelines align with the principles set out. When the final draft has been approved it will be available on our website www.morikau.com/trustgrants.html.

The key changes made are:

- An annual budget will be set allocating funds for each grant category
- \$5,000 per year for Kaumatua housing grants (criteria apply)
- \$10,000 per year for Marae grants (criteria apply)
- 2 Trade course Scholarships of \$1,000 each per year
- Within Education, a category of "Personal Growth & Development" – max. \$500
- A special scholarship of up to \$14,000 for one year to an Agricultural College
- No less than 15% income per annum will be added to retained earnings to increase the capital base of the Trust

2006 Allocations:

- Dr Mete-Kingi Post-graduate Scholarship of \$4,000 on behalf of Morikaunui
- Robin Murphy Post-graduate Scholarship of \$4,000 on behalf of Atihau-Whanganui
- 12 Under-graduate Scholarships of \$1,000 each, 8 on behalf of Morikaunui and 4 on behalf of Atihau
- 80 Education Grants of \$250 each
- 5 Year 13 Grants of \$110 each

Total grants allocated \$74,354

Some applications for education grants were ineligible due to failure to supply supporting documentation and/or incomplete forms. Applications will not be accepted if not on year specific forms which will be available from the website by mid-December and the office.

The Trust sponsored two key events:

- The Premier of "The River Queen" in January, with the pre-premier screening for 420 shareholders
- Buses to Te Awa Tupua Exhibition Closing at Te Papa in May

Starting next year, for five years, we have two \$3,000 pa scholarships to Wanganui UCOL, one in the name of each Incorporation.

Next year we are organizing a wananga in February (details will be advertised and on the website) with presentations on banking, forming trusts, succession of shares and other relevant issues. We will have representatives from the Maori Land Court, Maori Trustee, TPK, BNZ and IRD to answer any questions.

I wish to thank the Trustees and our Secretary for their hard work and considered contributions to the new Guidelines, that will greatly aid in the decision making process.

Hari Benevides (Ms)
Chairman

AUDIT REPORT

To the Members of Whanganui Trust

We have audited the financial report on pages 5 to 9. The financial report provides information about the past financial performance of the Trust and its financial position as at 30 June 2006. This information is stated in accordance with the accounting policies set out on pages 8.

Trustee's Responsibilities

The Trustees are responsible for the preparation of a financial report which fairly reflects the financial position of the Trust at 30 June 2006 and of the results of operations for the year ended on that date.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial report presented by the Trustees and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Trustees in the preparation of the financial report, and
- whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

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

Unqualified Opinion

We have obtained all the information and explanations that we have required.

In our opinion :

- proper accounting records have been kept by the Trust so far as appears from our examination of those records; and
- the financial report on pages 5 to 9 complies with generally accepted accounting practices, and gives a true and fair view of the financial position of the Trust as at 30 June 2006 and the results of their operations for the year ended on that date.

Our audit was completed on 31 October 2006 and our unqualified opinion is expressed as at that date.

Sewell & Wilson Ltd

Chartered Accountants
Wanganui

WHANGANUI TRUST

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2006

	2006 \$	2005 \$
Income		
Atihau Whanganui Tribal Purposes Grant	44,694	81,022
Morikaunui Tribal Purposes Grant	10,919	13,224
Other Income	489	-
Dividends Received	2,483	1,594
Interest Received	54,372	51,008
Total Income before Expenses	112,957	146,847
Less Expenses		
Accountancy, Secretarial & Legal Fees	14,341	13,509
Audit Fee	1,244	1,401
Printing & Stationery	2,858	-
Subscriptions , Licences & Fees	164	630
Total Expenses	18,606	15,540
Total Amount Available for Grants	94,350	131,308
Grants		
Education Assistance	20,050	23,070
Education Purposes	5,609	900
Religious Purposes	-	1,000
Tribal Purposes	46,350	3,600
Maori Memorial Committee Grant	45	291
Sports Grants	2,000	2,000
Community Grants	300	5,000
Total Grants Made	74,354	35,861
Net Excess Income over Expenditure for the Year	\$19,996	\$95,447

The above Statement of Financial Performance should be read in conjunction with the accompanying notes

WHANGANUI TRUST

STATEMENT OF MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 \$	2005 \$
Equity at start of the period		<u>483,715</u>	<u>388,268</u>
Surplus after taxation		<u>19,996</u>	<u>95,447</u>
Total recognised revenues and expenses for the period		<u>19,996</u>	<u>95,447</u>
Total Equity at the end of the period		<u><u>\$503,711</u></u>	<u><u>\$483,715</u></u>

The above Statement of Movements in Equity must be read in conjunction with the accompanying notes

WHANGANUI TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2006

	Note	2006 \$	2005 \$
EQUITY			
Accumulated Trust Funds		503,711	483,715
		\$503,711	\$483,715
REPRESENTED BY:			
INVESTMENTS			
Investments	3	1,038,569	988,118
Shares	2	17,351	17,352
Total Investments		1,055,920	1,005,470
LESS TERM LIABILITIES			
<u>Unclaimed Monies</u>			
- Waharangi 4 Block	4	2,242	2,242
- Atihau Whanganui Incorporation	5	372,903	320,227
- Morikaunui Incorporation	5	361,860	303,492
Total Term Liabilities		737,005	625,961
CURRENT ASSETS			
Bank of NZ Current Account		5,348	50,701
Accounts Receivable		225,289	58,316
Total Current Assets		230,637	109,017
LESS			
CURRENT LIABILITIES			
Accounts Payable		45,841	4,811
WORKING CAPITAL		184,796	104,206
NET ASSETS		\$503,711	\$483,715

For and on behalf of the Trust:

Hari Benevides (Ms)

Trustee

Dated 6/11/06

WHANGANUI TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006

1. Summary of Significant Accounting Policies

1 a) ENTITY REPORTING:

Whanganui Trust is a Charitable Trust Incorporated under the Charitable Trust Act 1957.

The Trust prepares general purpose financial statements in accordance with generally accepted accounting practice.

As the entity is not large and is not publicly accountable, it qualifies for differential reporting. It has taken advantage of all available differential reporting exemptions.

1 b) MEASUREMENT BASE:

These Financial Statements have been prepared on the historical cost basis, with the exception of certain assets being revalued where appropriate

1 c) PARTICULAR ACCOUNTING POLICIES:

The following particular accounting policies which materially affect either the measurement of profits or the financial position have been applied.

Goods and Services Tax (GST):

This entity is not registered for GST and therefore all amounts are shown inclusive of GST.

Accounts Receivable:

Accounts Receivable have been stated at net realisable value. Bad Debts (if any) are written off during the period in which they are identified.

Investments:

Investments are stated at cost.

Income Tax

As a Charitable Trust the Trust is exempt from Income Tax on grant and investment income.

1 d) CHANGES TO ACCOUNTING POLICIES:

There have been no changes to accounting policies.

In all material respects these Financial Statements (including supporting notes and schedules) have been prepared in a manner consistent with those of previous years.

1 e) EVENTS SINCE BALANCE DATE:

There have been no significant events since balance date which it is considered would materially alter the information contained within these Financial Statements.

WHANGANUI TRUST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006 (continued)

2. Shares	2006	2005
Atihau-Whanganui Incorporation - 3407.38 shares	6,537	6,537
Morikaunui Incorporation - 456.09877 shares	10,814	10,814
	<u>\$17,351</u>	<u>\$17,351</u>

3. Investments	2006	2005
BNZ Term Deposit @ 7.05% due 08/01/07	62,716	58,787
BNZ Term Deposit @ 7.3% due 220/07/06	110,765	105,140
Client Funds Trust Account - on Call Deposits 6.00%	12,084	580,487
National Bank - Term Deposit 7.2% due 16/10/06	46,344	43,714
National Bank - Term Deposit 7.40% due 24/07/2006	155,685	149,991
Hanover Finance Term Deposit - 8.35% due 10/04/2007	50,000	50,000
National Bank - Term Deposit 7.41% Due 19/12/2006	600,975	
	<u>\$1,038,569</u>	<u>\$988,118</u>

4. Waharangi 4 Block (Unclaimed Royalties)

This account consists of unclaimed Timber Royalties held by the Trust on behalf of Waharangi 4 owners. The owners earlier requested the Trust to distribute the royalty and to retain the unclaimed balance on the same basis as unclaimed dividends.

5. Atihau-Whanganui & Morikaunui Incorporations' Liability

These are sums deposited with the Whanganui Trust by the Morikaunui and Atihau-Whanganui Incorporations under the terms of the Trust Deed on account of unclaimed dividends. Such unclaimed dividends may be claimed at any time with the sums involved being returned by the Trust to the respective Incorporation.

6. Related Party Information

Related party matters arise with respect to Morikaunui Incorporation in that under the terms of the Trust Deed the Morikaunui Incorporation board members are all Trustees comprising seven of the eight Trustees. The Trust and Morikaunui also have a secretary in common.

All related party transactions have been carried out on commercial terms and conditions and at market value. No related party debts have been written off or forgiven during this period.