

Waitara

Lands Act

Quarterly Report

30 September 2020

Accumulated Income

Accumulated income refers to income derived from the Waitara Endowment Land before the commencement of the Act on 17 March 2019.

	Waitara Harbour	Other Waitara Endowment
Net income @17 March 2019	5,363,384	191,436
Less debtors outstanding*	(71,439)	(8,751)
Interest earned	60,146	0
Accumulated income	5,352,091	182,685

The distribution calculations for Accumulated Income* are as follows:

- Hapu Land Fund (HLF) = One third of all Accumulated income less Hapu costs.
- Taranaki Regional Council (TRC) = Half of Waitara Harbour Accumulated income less TRC costs.
- Waitara Perpetual Community Fund (WPCF) = Remaining balance less Historical Council costs.

	Waitara Harbour	Other Waitara Endowment	Historical costs	Distribution @ 30 Sep	Initial Distribution @17 Mar	Available Distributions @30 Sep
HLF	1,784,030	60,895	(123,856)	1,721,069	(1,632,146)	88,923
TRC (River Funds)	2,676,045	N/A	-	2,676,045	(2,540,439)	135,607
WPCF	892,015	121,790	-	1,013,805	(1,008,455)	5,350
	5,352,091	182,685	(123,856)	5,410,920*	(5,181,041)	229,880

*note. As at 30 September 2020 the debtors balance is \$80,190 this has not been included in the Accumulated Income distribution calculation as it is not yet available for distribution.

Future Income

Future income refers to income derived from the Waitara Endowment Land after the commencement of the Act on 17 March 2019.

The distribution calculation for Future Income are as follows:

- Taranaki Regional Council (TRC) = Half of 3206 (formerly Waitara Harbour).
- NPDC Council = Half of 3206 (formerly Waitara Harbour) plus all 3201, 3202, 3203 (formerly Borough and Portfolio land). Split in equal shares:
 - Hapu Land Fund (HLF) = Half of NPDC Council share.
 - Waitara Perpetual Community Fund (WPCF) = Half of NPDC Council share.

Leasehold income

	Subpart 1	Subparts 2-5	Total @ 30 Sep
Income FY19	352,087	198,185	550,272
Income FY20	1,077,500	697,345	1,774,845
Income FY21	226,731	148,248	374,980
Less debtors	(111,740)	(184,426)	(296,166)
Less expenses FY19*	(309,435)	(19,966)	(329,401)
Less expenses FY20*	(417,925)	(7,573)	(425,498)
Less expenses FY21	(114,800)	(3,375)	(118,175)
	708,264	828,438	1,536,703

*Note. Breakdown of expenditure is included in the appendix.

The distribution calculation for Future Income are as follows:

- Hapu Land Fund (HLF) = \$591,285
- Taranaki Regional Council (TRC) = \$354,132
- Waitara Perpetual Community Fund (WPCF) = \$591,285

Freehold income

	Subpart 1	Subparts 2-5	Total @ 30 Sep
Sales Income FY19	0	0	0
Sales Income FY20	12,639,000	7,857,500	20,496,500
Sales Income FY21	4,582,000	1,835,000	6,417,000
Less expenses FY19	(142,383)	N/A	(142,383)
Less expenses FY20	(348,918)	N/A	(348,918)
Less expenses FY21	(113,618)	N/A	(113,618)
	16,616,081	9,692,500	26,308,581

The distribution calculation for Future Income are as follows:

- Hapu Land Fund (HLF) = \$9,000,270
- Taranaki Regional Council (TRC) = \$8,308,041
- Waitara Perpetual Community Fund (WPCF) = \$9,000,270
- NPDC reimburse expenses (NPDC) = \$604,919

Expenditure analysis

Future income refers to income derived from the Waitara Endowment Land after the commencement of the Act on 17 March 2019.

Leasehold Expenses	Subpart 1	Subpart 2-5	
17 March - 30 June 2019			
Debt collection	2,714		2,714
Advertising	671		671
Legal fees	49,280	17,077	66,357
Valuation fees	17,382		17,382
Survey fees	139,654		164,842
Property rates	26		26
NPDC Staff hours	87,067	2,889	64,768
NPDC Business Services	6,670		6,670
NPDC Customer Services	5,970		5,970
SUBTOTAL > 17 March 2019	309,435	19,966	328,730
1 July 2019 – 30 June 2020			
Legal fees	19,768	4,269	19,768
Valuation fees	16,275		16,275
Survey fees	90,912		90,912
Property rates	12,142	970	13,112
NPDC Staff hours	239,802	2,334	242,136
NPDC Business Services	20,593		20,593
NPDC Customer Services	18,433		18,433
SUBTOTAL 2019-20	417,925	7,573	425,498
1 July 2020 – 30 June 2021			
Legal fees	29,880		29,880
Valuation fees	8,075		8,075
Survey fees	12,610	3,160	15,770
Property rates	2,044	215	2,259
NPDC Staff hours	62,185		62,185
NPDC Financial Services			0
NPDC Customer Services			0
SUBTOTAL 2020-21	114,794	3,375	118,169
Total Leasehold expenses	842,154	30,914	872,397

Freehold Expenses	Subpart 1	Subpart 2-5	
1 July 2019 – 30 June 2020			
Legal fees	102,331		102,331
Valuation fees	195,400		195,400
NPDC Staff hours	51,187		51,187
SUBTOTAL 2019-20	348,918	0	348,918
1 July 2020 – 30 June 2021			
Legal fees	35,293		35,293
Valuation fees	71,000		71,000
Survey fees	3,100		3,100
Professional fees	4,225		4,225
SUBTOTAL 2020-21	113,618	0	
Total Leasehold expenses	462,536	0	462,536

Distributions upto 30 September 2020

An initial distribution of Accumulated Income totalling \$5.18 million was made in March 2019. An interim distribution of Freehold Income totalling \$7.27 million was made in November 2019, \$6.34 million in April 2020 and a further \$6.43 million in July 2020. There is \$8.18 million available to transfer at this time.

	Actual 17 March '19	Interim Freeholds 30 Nov '19	Interim Freeholds 17 April '20	Interim Freeholds 21 July '20	WLA -00 Balance Transfer in July 2020	NPDC -00 Available Balance to Transfer	Total Balance
Hapu Land Fund	1,632,146	2,598,809	2,072,797	2,294,069	2,034,595	680,208	11,312,625
Taranaki Regional Council (River Funds)	2,540,439	2,208,119	2,092,594	1,773,137	2,234,191	489,739	11,338,218
Waitara Perpetual Community Fund	1,008,455	2,598,809	2,072,797	2,294,069	2,034,595	596,635	10,605,361
Reimburse NPDC expenses		321,761	101,814	67,726	113,618		604,919
Annual Net Distribution	5,181,041	7,727,500	6,340,002	6,429,001	6,416,999	1,766,582	33,861,122

Forecast distributions

The distribution calculation forecast is based on:

- freehold and leasehold income for the period upto 30 June 2021 (assuming a 48% take up)

	Forecast YE 30 Jun 2021
Hapu Land Fund	5,256,493
Taranaki Regional Council (River Funds)	7,828,882
Waitara Perpetual Community Fund	5,256,493
Annual Net Distribution	18,341,868

Hapu Land Fund (TKTM) Forecast

Money in the Hapū Land Fund must be applied only to—

(a) carrying out the following actions for the benefit of the Waitara hapū in relation to land in or adjacent to Waitara:

- (i) the purchase of land or interests in land;
- (ii) the development of land;
- (iii) the management of interests in land; and

(b) reimbursing the Council for purchases made under section 51; and

(c) paying the costs incurred by Te Kōwhatu Tū Moana in administering the Hapū Land Fund.

Te Kōwhatu Tū Moana has the following functions in the administration of the Hapū Land Fund:

(a) to determine the amounts and purposes of distributions from the Hapū Land Fund; and

(b) to make recommendations to the Council concerning the Council's investment policy for the Hapū Land Fund (including recommendations about addressing the matters specified in section 105 of the Local Government Act 2002 for the purposes of section 50(1)(a)).

	Actual 30 Jun 2019	Actual 30 Jun 2020	Forecast YE 30 Jun 2021	Forecast YE 30 Jun 2022
HLF Income	1,632,146	7,306,902*	5,363,836	4,434,279
Interest income	6,077	14,289	107,343	183,976
Expenses	0	250,000		
Cumulative Closing HLF balance	1,638,223	8,709,414	14,180,593	18,798,848

*Includes income prior to 30 June 2020 with balance transferred in July.

Waitara Perpetual Community Fund (WPCF) Forecast

Money in the Waitara Perpetual Community Fund must be applied only to—

- (a) the operation of the scheme of annual releases; and
- (b) paying the following costs of the Board:
 - (i) costs incurred in operating the scheme:
 - (ii) the costs of the Board under clause 11 of Schedule 2.

The Waitara Perpetual Community Fund must be established and administered for the purpose of benefiting the Waitara community or any part of the Waitara community by the scheme of annual releases under sections 47 to 49.

The forecast release rule is based on the following formula:

80% of prior year release plus inflation +
20% of prior year opening balance divided by 30 plus inflation

	Actual YE 30 Jun 2019	Actual YE 30 Jun 2020	Forecast YE 30 Jun 2021	Forecast YE 30 Jun 2022
WPCF Income	1,059,505	7,228,229*	5,598,914	4,872,144
Interest income	0	45,397		
Release	0	0	7,197	52,396
Expenses	0	0	10,500	60,500
Grant distributions	0	0	0	0
Cumulative Closing WPCF Balance	1,059,505	8,333,131	13,914,348	18,673,596

*Includes income prior to 30 June 2020 with balance transferred in July.