

Waitara

Lands Act

Quarterly Report

30 June 2021

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*	(54,288)	(3,645)
Interest earned	60,146	0
Accumulated income	5,369,242	187,791

The distribution calculations for Accumulated Income* are as follows:

- Hapū Land Fund (HLF) = One third of all Accumulated income less Hapū 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 Jun	Previous Distributions	Available Distributions @30 Jun
HLF	1,789,747	62,597	(123,856)	1,728,488	(1,703,915)	24,573
TRC	2,684,621	N/A	-	2,684,621	(2,653,992)	30,629
WPCF	894,874	125,194	-	1,020,068	(1,001,551)	18,517
	5,369,242	187,791	(123,856)	5,433,177*	5,359,458)	73,719

*Note. As at 30 June 2021 the debtors balance is \$57,933 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:
 - Hapū 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 Jun
Income FY19	352,087	198,185	550,272
Income FY20	1,077,500	697,345	1,774,845
Income FY21	770,221	555,970	1,326,191
Less debtors	(95,061)	(134,181)	(229,242)
Less expenses FY19*	(309,435)	(19,966)	(329,401)
Less expenses FY20*	(417,925)	(7,573)	(425,498)
Less expenses FY21*	(328,621)	(4,090)	(332,711)
	1,048,766	1,285,690	2,334,456

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

The distribution calculation for Future Income are as follows:

	Subpart 1	Subparts 2-5	Total @ 30 Jun	Previous Distributions	Available Distributions @ 30 Jun
HLF	262,191	642,845	905,036	(490,730)	414,306
TRC	524,383	-	524,383	(311,804)	212,579
WPCF	262,191	642,845	905,036	(490,730)	414,306
	1,048,766	1,285,690	2,334,456	(1,293,265)	1,041,191

Freehold income

	Subpart 1	Subparts 2-5	Total @ 30 Jun
Sales Income FY19	0	0	0
Sales Income FY20	12,639,000	7,857,500	20,496,500
Sales Income FY21	18,034,000	8,856,000	26,890,000
Less expenses FY19	(142,383)	N/A	(142,383)
Less expenses FY20	(348,918)	N/A	(348,918)
Less expenses FY21	(263,467)	N/A	(263,467)
	29,918,232	16,713,500	46,631,732

The distribution calculation for Future Income are as follows:

	Subpart 1	Subparts 2-5	Total @ 30 Jun	Previous Distributions	Available Distributions @ 30 Jun
HLF	7,479,558	8,356,750	15,836,308	(12,223,047)	3,613,261
TRC	14,959,116	-	14,959,116	(10,832,593)	4,126,523
WPCF	7,479,558	8,356,750	15,836,308	(12,223,047)	3,613,261
NPDC reimburse expenses	(754,768)	-	(754,768)	(688,813)	65,955
	29,163,465	16,713,500	45,876,965	(35,967,500)	11,419,000

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	329,401
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	46,816		46,816
Valuation fees	15,050		15,050
Bank Fees	10		10
Survey fees	21,767	3,160	24,927
Property rates	11,584	930	12,514
NPDC Staff hours	233,395		233,395
NPDC Financial Services			0
NPDC Customer Services			0
SUBTOTAL 2020-21	328,621	4,090	332,711
Total Leasehold expenses	1,055,981	31,639	1,087,620

Freehold Expenses	Subpart 1	Subpart 2-5	
1 July 2018 – 30 June 2019			
Legal fees	8,823		8,823
Valuation fees	133,560		133,560
SUBTOTAL 2018-19	142,383	0	142,383
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	145,584		145,584
Valuation fees	84,455		84,455
Survey fees	3,100		3,100
Professional fees	35,068		35,068
SUBTOTAL 2020-21	268,207	0	268,207
Total Freehold expenses	759,507	0	759,507

Distributions upto 30 June 2021

An initial distribution of Accumulated Income totalling \$5.18m was made in March 2019. In the 2019/20 financial year an Interim distribution of Freehold income of \$14.06m was distributed (\$7.27 million was made in November 2019, \$6.34 million in April 2020). During the 2020/21 financial year there's been an Interim distribution for Freehold income of \$21.9m (\$6.43m in July 2020, \$6.42m in December 2020 \$4.68m in February 2021 and a further \$4.37m in April 2021) and \$1.47m of Leasehold income distributed.

As at 30 June 2021 there is \$11.42m available to transfer relating to Freehold income and \$1.12m for Leasehold income.

	Actual Accumulated Income 17 March 2019	Interim Freeholds Distributed in 2019/20 Financial Year	Interim Freeholds Distributed in 2020/21 Financial Year	Interim Leaseholds 22 July 20	WLA -00 Available Balance to Transfer	NPDC -00 Available Balance to Transfer*	Total Balance
Hapū Land Fund	1,632,146	4,671,606	7,551,441	562,499	3,613,261	438,879	18,469,833
Taranaki Regional Council (River Funds)	2,540,439	4,300,713	6,531,880	425,357	4,126,523	243,208	18,168,120
Waitara Perpetual Community Fund	1,008,455	4,671,606	7,551,441	483,826	3,613,261	432,823	17,761,412
Reimburse NPDC expenses		423,575	265,238		65,955		754,768
Annual Net Distribution	5,181,041	14,067,500	21,900,000	1,471,682	11,419,000	1,114,910	55,154,132

*Note: This relates to Leasehold income that will be distributed once a year.

Forecast distributions

The distribution calculation forecast is based on:

- freehold and leasehold income for the period 30 June 2022 - 2024 (assuming a 10% take up in 2022, 2023 and a 12% take up in 2024)

	Forecast YE 30 June 2022	Forecast YE 30 June 2023	Forecast YE 30 June 2024
Hapū Land Fund	2,793,970	2,644,560	2,935,797
Taranaki Regional Council (River Funds)	2,459,286	2,254,425	2,535,815
Waitara Perpetual Community Fund	2,795,898	2,646,287	2,937,306
Annual Net Distribution	8,049,154	7,545,272	8,408,918

Hapū 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	Actual 30 Jun 2021	Forecast YE 30 Jun 2022
HLF Income	1,632,146	7,528,174*	9,237,743*	2,793,970
Interest income	6,077	14,289	5,463	9,099
Expenses	0	250,000	0	0
Cumulative Closing HLF balance	1,638,223	8,930,686	18,245,661	20,976,925

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

Current Westpac bank account balance = \$14,193,521

Current liability to be distributed from NPDC in July 2021 = \$4,052,140

Total available funds = \$18,245,661

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	Actual YE 30 Jun 2021	Forecast YE 30 Jun 2022
WPCF Income	1,008,455	7,449,501*	9,303,512*	2,795,898
Gain on investment	0	0	408,653	723,903
Interest income	0	45,397	55,160	0
Release	0	0	0	(52,150)
Expenses	0	0	32,741	(52,150)
Grant distributions	0	0	0	0
Cumulative Closing WPCF Balance	1,008,455	8,503,353	18,237,886	21,653,386

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

Current Westpac bank account balance = \$1,539,325

Current Mercer balance \$12,644,943 (See table below)

Current liability to be distributed from NPDC July 2021 = \$4,053,617

Total available funds = \$18,237,886

WPCF - Mercer	Actual YE 30 Jun 2021		
	Mercer Balanced Portfolio	Mercer Growth Portfolio	Total
Initial investment - Opening balance	4,200,000	4,200,000	8,400,000
Subsequent Investments	1,918,145	1,918,145	3,836,291
Drawdown	0	0	0
Realised/unrealised gain or loss	171,811	236,842	408,653
Closing WPCF Balance per Mercer	6,290,612	6,355,696	12,644,943