



*Whakarongorua te Maunga, Rakapuke te Mana, Utakura te Awa, Utatewhanga te Raorao, Tauraturu te Tangata,
Hokianga A Kupe te Moana*

URAKURA 7 INCORPORATION



Annual General Meeting 2015

UTAKURA 7 INCORPORATION

HUI A TAU: ANNUAL GENERAL MEETING 2015

The Utakura 7 Incorporation Committee of Management is pleased to present this annual report to the shareholders and invite you to the 43rd Annual General Meeting. We look forward to seeing both shareholders who attend regularly and those who are just starting to get involved. Come and have your say, bring your ideas and your whanau so that the younger members can also learn about the business of the Incorporation.

The Utakura 7 Incorporation AGM will be held on Saturday 21st November 2015 at Mataitaua Marae, Rangiahua Road, Utakura.

- **Powhiri 10.00 a.m.**
- **Registrations from 10.30 a.m.**

Whakarongorua te Maunga, Rakapuke te Mana, Utakura te Awa, Utatewhanga te Raorao, Tauratumaru te Tangata, Hokianga A Kupe te Moana

Cover Photo:

These photos were taken in the Pakawhiririki Forest. Utakura Native Forest which is located in Utakura Valley, has been described as a 'spectacular piece of land'. It contains a wide range of native trees, including northern rata (*Metrosideros robusta*), flowering white rata vines and yellow flowering rata. Other tree species noted include stands of mature and developing kauri, dense stands of rimu, kahikatea, totara, matai and kawaka. This is the finest remaining example of unmodified Hokianga forest.

- Ani Raharaha – wanted to know why there wasn't any new homes
- Lovey Anihana – send out newsletter, set consultation hui for 6 months time
- Dan Griffins – wanted to talk about the cycleway, referred to General Business

Moved: Ellen Hepehi 2nd: Ellen Toki Carried

3. Scholarships

Nellie acknowledged the scholarship applicants and how well they are achieving in their respective courses

4. Shareholder Issues

Wendy Henwood explained about the share register issues caused by succession orders from MLC who are bound by legislation and the problems that arise when small shares are defragmented further. The suggestion to form a Putea Trust was then raised for implementation to protect the shares of the small shareholders from further defragmentation. This suggestion was endorsed by shareholders and beneficiaries present for further investigation.

5. Financial Statements

Motion: That the Treasurers Report for the 2013/2014 year as circulated in the 2014 newsletter be tabled.

Moved: John Eruera 2nd: Dawson Joyce Carried.

There no matters arising from the Financial Report.

6. Appointment Of Auditor/Share Valuer

Motion: That Adele M Maraki be reappointed as Auditor for the financial year July 1st 2014 to June 30 2015

Moved: Wendy Henwood 2nd: Ani Walker Carried

Motion: That Bennet & Associates currently on Contract, be retained as the Accountant.

Moved: Anne Walker 2nd: Ellen Hepehi Carried

7. Election Committee Management Members

Nellie Robertson is available for re-election.

There was one nomination received for the Committee of Management. The nomination was invalid due to a non-shareholder completing the application form. Nellie Robertson continues on the Committee of Management for a three year term.

Moved: Lottie Ihimaera 2nd: Ellen Hepehi Carried.

8. General Business

i. Strategic Plan

Tamihana Pomare moved that the Strategic Plan be accepted.

Moved: Tamihana Pomare 2nd William Smith

- Frank Cowlrick – would like to send in proposal
- Dawson – this is the best AGM he's been to
- Hokimate Painting – has misgivings about it, not the shareholders plan. Hoki was gently reminded that she should have been at the Consultation Hui for the Strategic Plan in August 2014
- Tamihana Pomare – thin on the ground, need more help at home for mahi, its us not getting together. He will organise a time for consultation hui
- Queenie Puru – gave dates for upcoming events and advised the meeting to list in planner
- Shane Muriwai – invited the shareholders to his wedding after the DIY completion

ii. Cycleway

- Dan Griffins gave an overview of where the cycleway is at. He emphasised that FNDC will change to what suits them and we need to be involved in the final decisions.
- Meri Pera congratulated the COM on key issues for the 5 year plan, good korero
- Nellie explained that the cycleway is coming to the Valley. Final plans have not been completed and there is still negotiations to work through with FNDC

iii. Marae Seeding Grant

- An application for a Marae Seeding Grant was received from Puketawa Marae to complete the kitchen and abultion block project
- Lovey Anihana said 'fast post' the application
- Dawson explained that if the interest from the investments was used then only 32K was available
- Ani Walker suggested that there could be other avenues to source funding

iv. Marae Seeding Grant

- An application for a Marae Seeding Grant was received from Mokonuiarangi Marae. A DIY Marae makeover has been applied for and has been approved and this will be conducted on March 12 - 15th 2015 pending the success of the application. Kere Kaihe explained that the work to be completed entailed, the dining room, roof, lining inside and out, concrete floor in dining area, mens & ladies toilets, paint all three buildings, carpark, landscaper, fencing, the kohanga ramp for disabled. A request for skilled and unskilled workers will be posted on; **mokonuiarangimarae@weblee**.
- Hoki said as long as the first Marae application is seen too first

v. Business Opportunities

- Hone Tiatoa – has good contacts for honey

vi. Waitangi Tribunal

- Hokimate Painting advised that Sovereignty was not given to the Crown for the land. She would like support for her korero as a spokesperson and adviser, she currently has a WAI number

The Chair, Haratua Ihimaera thanked the Shareholders for their attendance, input and support for the Incorporation.

The Meeting closed with a karakia by Willam Smith at 2.15pm.

Utakura 7 Incorporation
Auditor's Report
For the Year Ended 30th June 2015

To the Members/Readers of the financial statements of Utakura 7 Incorporation.

We have audited the financial statements of Utakura 7 Incorporation on pages 1 to 9. The financial statements comprise the balance sheet as at 30th June 2015, and the income statement and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustee's Responsibility for the Financial Statements

The committee is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express to you an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Utakura 7 Incorporation preparation and fair presentation of the financial statements 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 Utakura 7 Incorporation internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

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

Other than our capacity as auditor we have no further relationship with or interests in Utakura 7 Incorporation.

Opinion

In our opinion the financial statements on pages 1 to 9 comply with generally accepted accounting practice in New Zealand, and give a true and fair view of the financial position of Utakura 7 Incorporation as at 30 June 2014, and of its financial performance for the year then ended.

In our opinion the share register and index of shareholders have been duly kept.

Our audit report was completed on 2 October 2015 and our opinion is expressed as at that date.



Adele M Maraki Chartered Accountant
Okaihau

The accompanying notes form part of these financial statements.

Utakura 7 Incorporation
Financial Statements
For the Year Ended 30 June 2015

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**Utakura 7 Incorporation
Trust Directory
As at 30 June 2015**

Registered Office	219 Abbey Caves Road Whareora Whangarei
Committee	John Panoho Nellie Robertson Annie Walker Haratua Ihimaera
Auditors	Adele Maraki Chartered Accountant Okaihau
Bankers	Westpac Trust Kaikohe
Solicitor	Wayne W. Peters & Associates Whangarei
Accountants	Bennett & Associates Whangarei

Financial Report

The accounts for Utakura 7 Incorporation have been prepared by our Accountant Steve Bennett Associates. The Auditing process has been completed by Adele Maraki of Okaihau and are enclosed in the 2015 Annual General Meeting Newsletter

Utakura 7 Incorporation
Statement of Financial Performance
For the Year ended 30 June 2015

	<u>Note</u>	<u>2015</u>	<u>2014</u>
		\$	\$
<u>INCOME</u>			
Sales		1,200	405,675
Dividends Received		5,670	4,369
Interest Received		37,277	33,176
Miscellaneous Income		355	286
Other Income – non-taxable		-	953
PIE Income - taxable		1,236	973
		<u>45,738</u>	<u>445,432</u>
<u>LESS EXPENSES</u>			
<u>Administrative Expenses</u>			
Accountancy Fees	12,800		13,400
Advertising	888		1,039
Audit Fees	1,515		1,859
Bank Charges	139		139
Catering	869		1,151
Consultancy - General	1,879		-
Consultancy - Cycle Trail	-		9,725
Computer Expenses	374		52
Conference Expenses	1,787		1,553
Donations - Marae Development	40,000		-
Donations - Koha	3,000		200
Donations - Scholarships	4,000		5,000
Foreign Tax Credit Loss (Non-Deductible)	274		-
Historical Record Scanning	4,308		15,468
Legal Expenses	7,999		2,854
Investment Management Expenses	7,382		6,451
Committee Fees/ Honorarium	33,278		27,582
Share Register Expenses	2,249		1,867
Office Expenses	3,775		3,511
Printing, Stamps & Stationery	2,355		3,341
Storage of Records	2,050		-
Subscriptions & Advertising	1,000		1,000
Travel - National	9,259		8,931
		<u>141,180</u>	<u>105,123</u>
<u>Financial and Occupancy Expenses</u>			
Non-Deductible Building Depreciation	11,251		11,720
Depreciation	520		313
Loss on Disposal	9		-
AGM Expenses	1,850		2,000
Insurance	890		781
Interest - IRD	467		-
Rates	6,025		5,344
Rent/Venue Hire	66		100
		<u>21,078</u>	<u>20,258</u>
<u>TOTAL EXPENSES</u>		<u>162,258</u>	<u>125,381</u>
NET SURPLUS/ (DEFICIT) BEFORE TAXATION		<u>(116,520)</u>	<u>320,051</u>
Income Tax Expense	5	-	63,067
<u>NET SURPLUS/ (DEFICIT) AFTER TAXATION</u>		<u>(\$116,520)</u>	<u>\$256,984</u>

This Statement is to be read in conjunction with the Notes to the Financial Statements

Utakura 7 Incorporation
Statement of Movements in Equity
For the Year ended 30 June 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
COMMENCING EQUITY	4,485,252	4,581,460
<u>Revenue</u>		
Net Surplus/(Deficit) for the year	(116,520)	256,984
Imputation Credits Converted to Losses	(2,598)	-
Capital Profit on Sale of Shares	37,869	5,653
Revaluation of Land and Buildings	-	(358,844)
Total recognised revenues & expenses	(81,249)	(96,207)
	4,404,003	4,485,253
<u>CLOSING EQUITY</u>	\$4,404,003	\$4,485,253

This Statement is to be read in conjunction with the Notes to the Financial Statements

Utakura 7 Incorporation
Statement of Financial Position
As at 30 June 2015

	<u>Note</u>	<u>2015</u> \$	<u>2014</u> \$
CURRENT ASSETS			
Bank - Cheque Account		5,259	6,291
Bank - Cash Management		538,210	612,197
Term Deposit		100,000	100,000
Westpac Term Deposit		222,588	217,591
GST Refund Due	1(d)	2,354	-
Taxation	5	10,400	-
Accounts Receivable		-	102,158
Accrued Interest		5,006	2,509
Total Current Assets		883,817	1,040,746
CURRENT LIABILITIES			
GST Due for payment	1(d)	-	33,033
Taxation	5	-	23,747
Accounts Payable		9,962	9,264
Total Current Liabilities		9,962	66,044
<u>WORKING CAPITAL</u>		873,855	974,702
NON-CURRENT ASSETS			
Property, Plant & Equipment as per Schedule		2,751,320	2,762,104
Investments	3	778,830	748,449
Total Non-Current Assets		3,530,150	3,510,553
Total Non-Current Assets and Working Capital		4,404,005	4,485,255
<u>NET ASSETS</u>		\$4,404,005	\$4,485,255
Represented by:			
EQUITY			
Capital Reserves	4(a)	2,931,308	2,893,439
Retained Earnings	4(b)	1,472,696	1,591,814
TOTAL EQUITY		\$4,404,004	\$4,485,253

Committee Ant Jwpanko Chairman

Committee H Phmaic

Date 17/10/2015

This Statement is to be read in conjunction with the Notes to the Financial Statements

Utakura 7 Incorporation
Notes to the Financial Statements
For the Year ended 30 June 2015

1. STATEMENT OF ACCOUNTING POLICIES

Utakura 7 Incorporation is a Maori Authority Trust incorporated under Te Ture Whenua Maori Act 1993. These Financial Statements are general purpose financial statements and have been prepared in accordance with generally accepted accounting practices.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

(a) Differential Reporting

Utakura 7 Incorporation is a qualifying entity in that it qualifies for Differential Reporting as it is not publicly accountable and it is defined as small because it does not exceed two or more of the following requirements:

- (i) Total revenues of \$20.0 million; or
- (ii) Total Assets of \$10.0 million; or
- (iii) 50 employees.

All Differential Reporting exemptions have been applied except the Financial Statements are presented on a GST exclusive basis.

(b) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in previous years.

(c) Property, Plant & Equipment

The entity has the following classes of property, plant & equipment:

Land	Not Depreciated
Buildings	4 - 12% DV
Office Equipment	39 - 50% DV

All property, plant & equipment are initially recorded at cost with depreciation being deducted on all tangible assets other than freehold land, in accordance with rates set out in the Income Tax Act 2007. As of 1 April 2011 depreciation on buildings is no longer deductible for income tax purposes. Property, plant & equipment classified as buildings are depreciated in the accounts and the depreciation is added back for the calculation of income tax payable.

Revalued Land and Buildings on hand at balance date are stated at rateable values as determined by Quotable New Zealand as at 1 August 2013.

(d) Goods & Services Tax

The Statement of Financial Performance and Statement of Cashflows (where included) have been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of Accounts Receivable and Accounts Payable.

(e) Income Tax

Income Tax expense charged to the Statement of Financial Performance recognises the current obligations and all amounts arising from differences between the accounting results and assessable income for the period, calculated using the liability method. Utakura 7 Incorporation is a Maori Authority with a tax rate of 17.5%.

(f) Investments

Investments are recorded at cost.

(g) Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

2. AUDIT

These financial statements have been subject to audit, please refer to the Auditor's Report.

Utakura 7 Incorporation
Notes to the Financial Statements
For the Year ended 30 June 2015

3. **INVESTMENTS**

Cost Value of Investments at Balance Date was \$778,830. (2014:\$748,448). This consists of:

	<u>2015</u>	<u>2014</u>
ASB Preference Shares	100,000	100,000
Westpac Share Portfolio	422,228	383,841
Spicers Share Portfolio	189,268	149,690
Cash Management Accounts	31,582	76,963
R Anderson Loan	25,752	27,954
Mighty River Power Shares	10,000	10,000
	<u>778,830</u>	<u>748,448</u>

Market Value of Investments at Balance Date were \$886,248 (2014: \$829,543). This consists of:

Market Value of ASB Preference Shares	81,500	85,000
Market Value Westpac Shares	547,404	467,492
Spicers Portfolio Market Value	188,850	163,451
Cash Management Accounts	31,582	76,686
R Anderson Loan	25,752	27,954
Mighty River Power Shares	11,160	8,960
	<u>886,248</u>	<u>829,543</u>

Cost Value of investments included in the Spicers portfolio currently with Moratoriums on the repayment of interest and capital.

Property Finance Securities Limited-Secured Debenture	1,200	2,640
	<u>1,200</u>	<u>2,640</u>

Market Value of investments included in the Spicers portfolio currently with Moratoriums on the repayments of interest and capital.

Property Finance Securities Limited - Secured Debenture	1,000	1,848
	<u>1,000</u>	<u>1,848</u>

Cost Value of investments included in the Spicers portfolio currently in Receivership on payments of interests and capital.

OPI Pacific Finance Secured Debenture Stock	2,780	2,982
OPI Pacific Finance Debenture Stock	3,157	3,132
Bridgecorp Ltd Debenture Stock	-	3,592
Boston Finance Limited	-	2,914
	<u>5,937</u>	<u>12,620</u>

Market Value of investments included in the Spicers portfolio in Receivership on payments of interest and capital

OPI Pacific Finance Secured Debenture Stock	2,780	641
OPI Pacific Finance Debenture Stock	3,311	723
Bridgecorp Ltd Debenture Stock	-	72
Boston Finance Limited	-	689
	<u>6,091</u>	<u>2,125</u>

Utakura 7 Incorporation
Notes to the Financial Statements
For the Year ended 30 June 2015

4. **SHAREHOLDERS' EQUITY**

	<u>2015</u>	<u>2014</u>
(a) Capital Reserves		
Land Revaluation Reserve Opening Balance	2,883,206	3,242,050
Land Revaluation Movement for Period	-	(358,844)
Land Revaluation Reserve	2,883,206	2,883,206
Share Premium Reserve	1,085	1,085
Capital Loss on Sale of Shares	(28,187)	(28,187)
Capital Profit on Sale of Shares Opening Balance	37,335	31,682
Capital Profit Movement for Period	37,869	5,653
Capital Profit on Sale of Shares	75,204	37,335
	2,931,308	2,893,439
(b) Retained Earnings		
Retained Earnings	1,591,814	1,334,830
Net Surplus / (Deficit) for the Year	(116,520)	256,984
Imputation Credits Converted to Losses	(2,598)	-
Total Available for Distribution	1,472,696	1,591,814
Retained Earnings closing balance	<u>1,472,696</u>	<u>1,591,814</u>
<u>TOTAL SHAREHOLDERS FUNDS</u>	<u>4,404,004</u>	<u>4,485,253</u>

5. **TAXATION**

Operating (Deficit) before tax	(116,520)	320,051
<u>PLUS (LESS)</u>		
Total Non-Deductible Expenditure	58,525	16,920
Non Assessable Income	-	(953)
FIF/PIE Adjustments	33,102	24,364
Less Imputation Credits Converted to Losses	(14,846)	-
<u>NET TAXABLE SURPLUS / (DEFICIT)</u>	<u>(39,739)</u>	<u>360,382</u>
Income Tax @ 17.5%	-	63,067
<u>Provision for Income Tax</u>		
Opening Balance	(23,746)	(10,344)
Tax Adjustments	(2,872)	-
RWT Paid	10,400	6,603
Provisional Tax paid	-	41,484
Terminal Tax paid / (refunded)	23,746	-
Imputation Credits	2,598	1,368
Current Year Income Tax Expense	-	(63,067)
Foreign Tax Credits	274	209
<u>Total (Tax To Pay) / Refund Due</u>	<u>10,400</u>	<u>(23,747)</u>

Utakura 7 Incorporation has tax losses of \$39,739 available to carry forward to offset against future income. (2014:nil).

Utakura 7 Incorporation
Notes to the Financial Statements
For the Year ended 30 June 2015

6. **MAORI AUTHORITY CREDIT ACCOUNT**

At 31 March 2015 Maori Authority Credits available to the shareholders were:

	<u>2015</u>	<u>2014</u>
Opening Balance	339,503	305,577
Payments to / (from) IRD	38,747	26,836
Interest Withholding Tax Paid	11,521	5,737
Imputation Credits Received	2,532	1,353
Closing Balance	<u>392,303</u>	<u>402,570</u>

7. **SHARES REPURCHASED**

Incorporation shares sold in the 1980s were repurchased at cost from a shareholder in accordance with the incorporation's resolution of 11 June 05. These shares have been added back to the incorporation's share bank.

8. **RELATED PARTIES**

Included in Office Expenses, Share Register Expenses, Historical Record Scanning and Storage of Records are the following payments made to related parties: Nellie Robertson (Trustee), \$3,750 Office Expenses, and Ellen Hepehi, sister of Nellie Roberson (Trustee), \$225 Share Register Expenses, \$4,307.50 Historical Record Scanning, \$2,050 Storage of Records and \$25 Office Expenses.

9. **CONTINGENT ASSETS - CARBON CREDITS**

Utakura 7 Incorporation has been allocated a total of 74,940 NZ Units by the Crown as owners of 1249 hectares of pre 1990 forestry land. The 1249 hectares of land is required to be maintained in forest with any change in use resulting in carbon credits required to be surrendered as calculated under the deforestation obligation process. These units are currently being held on account, and are recorded at cost which is zero.

10. **CAPITAL COMMITMENTS**

There were no future capital commitments at balance date (2014: Nil).

11. **CONTINGENT LIABILITIES**

There are no contingent liabilities at year end (2014):nil).

12. **SIGNIFICANT EVENTS**

Due to a significant reduction in log prices harvesting of the forest has ceased. White Cliffs Timber Limited will review the markets in the summer months and advise accordingly if prices have improved enough to resume production. The drop in prices and resulting cessation of harvesting has significantly reduced income in the 2015 year and no further income will be received until harvesting resumes.

Utakura 7 Incorporation
Depreciation Schedule
For the Year ended 30 June 2015

Asset	Private Use	Cost Price	Book Value 01/07/2014	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ---- Mth Rate \$	Accum Deprec 30/06/2015	Book Value 30/06/2015
<u>Land</u>									
Land at Valuation 01/07/2013		2,479,000	2,479,000				12 0.0% DV	0	2,479,000
Total Land		<u>2,479,000</u>	<u>2,479,000</u>						<u>2,479,000</u>
<u>Improvements</u>									
Buildings at Valuation 01/07/2013		293,000	281,280				12 4.0% DV	11,251	270,029
Total Improvements		<u>293,000</u>	<u>281,280</u>					<u>11,251</u>	<u>270,029</u>
<u>Office Equipment</u>									
Office Fitout		2,099	1,133				12 12.0% DV	136	997
Hewlett Packard 6710b Laptop		1,938	9	0	(9)				0
HP LaserJet M2727 nf MFP Printer		1,151	24				12 48.0% DV	12	12
Laptop Computer - HP Pavilion		867	99				12 50.0% DV	50	49
HP Laptop Computer		583	559				12 50.0% DV	280	279
Computer - HP Pavilion Notebook				995			1 50.0% DV	42	953
Total Office Equipment		<u>6,638</u>	<u>1,824</u>	<u>995</u>	<u>(9)</u>			<u>520</u>	<u>2,290</u>
TOTAL FIXED ASSETS		<u>2,778,638</u>	<u>2,762,104</u>	<u>995</u>	<u>(9)</u>			<u>11,771</u>	<u>2,751,319</u>

NOTE: This Statement is to be read in conjunction with the Notes to the Financial Statements.

Chairmans Report 2015

Tihei mauri ora

Rau rangatira ma, e kui ma, e koro ma, nga matua me nga whaea, teina me nga tuakana, tuahine me nga tungane, te rangatahi me nga tamariki mokopuna nou mai haere mai, pikimai, ki te hui a tau, wha tekau toro Te Koporeihana o Utakura 7.

Welcome whanau to the 43rd AGM of the Utakura Incorporation 7.

This year has been steady as she goes for the Management Committee with no particular highlights as we move toward a slowdown in forest harvest. As will be seen in the financial accounts there was a major fall in revenue this past year due to two significant events outside our control.

Firstly the devastating fire of 2012 has meant the forest owners have been engaged in remedial work and replanting for much of the last twelve months. The insurance companies hard-line in terms of not compensating the owners for the twelve year old trees destroyed in the fire will have a significant impact on future revenues for the incorporation. The second factor having effect has been the serious downturn in market prices for export logs in all markets and the consequent decision to delay the harvest. In hindsight this proved to be a wise decision by Whitecliffs management.

Aside from these challenges Whitecliffs also had to cope with a breakdown in relations with their long-term forest managers HarvestPro who went into liquidation during the year. They have only just entered into a new relationship with a local northland management company.

Given that there have been so many external factors affecting the business this year it is pleasing to note that milling will commence imminently and predictions are that log prices are on the increase again signaling a more positive outcome this season.

In a year of seriously reduced income the Management Committee has had time to reflect on numbers needed to effectively management the affairs of the Incorporation. We have come to the conclusion that four members is an optimum number and therefore strongly recommend that rather than increasing the committee at this stage we take new members on as replacements for current COM members who will retire in a timely fashion.

Despite a change in circumstances the Incorporation has continued to support Hapu initiatives with a significant donation made to Mokouiarangi Marae to assist with renovations undertaken as part of a television reality show and we have also approved a koha for Puketawa Marae for renovations to their Wharekai. We also continue to support tertiary students undertaking degree and diploma studies.

Last year Wendy Henwood kindly joined our team to administer the share register. In the body of this booklet you will find a report by Wendy which summaries the current shareholding status of the Incorporation. We also asked Wendy to start investigating the pathway to setting up and administering a Putea Trust. This work will be ongoing but along with encouraging families to set up whanau trusts is an inevitable course of action. I would like to record the gratitude of the COM for the dedication and tenacity Wendy has given to the onerous task of bringing the share register to order.

Finally I am happy to say that the Cycleway from Opuia to Horeke is almost completed. After the knock-back last year when permission to take the Cycleway on a circuitous and scenic route through our forest via the jewel in the crown - Pukewhiririki native bush reserve - was refused by the shareholders, the Incorporation has continued to work closely with the Cycleway trust and district council to ensure that minor easements along Horeke Road will not be an impediment to its completion. For those who will take advantage of this incredible economic and social opportunity we say kia kaha, kia manawanui.

John Panoho
Chairman

Scholarship Applicants 2014 – 2015

There were four applications for the **WHITE CLIFFS UTAKURA INCORPORATION FOREST SCHOLARSHIP 2014/15** and they were all successful.

- **James Clendon**
- **Kataraina Tims**
- **Leeanna Phillips**
- **Ronald Hack**

Here is a Course Summary for Kataraina Tims

My academic papers this year focus on my Sociology and Maori Studies majors. Within Sociology, I have learnt how my life, as well as the lives of others, have been influenced by our social environment and the intricate way in which society continues to develop and progress. My highlight in this field of study is understanding colonisation and how this has impacted social structures and the formation of personal identities. I have found that the Sociology and Maori Studies disciplines are interconnected as our social environment and histories shape who we are as Maori living in our modern world. This year has fuelled my passion for learning our language of Te Reo Maori, which is now a goal I wish to pursue when I finish my degree. This would also be beneficial for my further studies in Education in order to become a Primary School Teacher. Overall, this year has been exciting and challenging and I hope that it continues to remain this way throughout the course of my studies. I would like to thank the shareholders of the Utakura 7 Incorporation for investing in my studies and enabling me to follow my career.

Kataraina Tims

Mokonuiarangi Marae DIY – March 2015





Current shareholding status

- There are 31,596.660 shares in the Utakura 7 incorporation.
- There are 1,174 shareholders.
- 44 Whanau Trusts hold 2,557.877 shares (approx 10% of the total shares).
- Nearly half the shares (15,216.79) are held by 61 shareholders who hold more than 100 shares each, the remaining 16,379.868 shares are held by 1,115 shareholders with less than 100 shares each; of these 654 people have less than 10 shares (total of 2,404.161 shares), and 124 people have less than 1 share.
- A large number of shareholders are deceased (30 to 50%) – some have not been succeeded for several generations, and we do not have contact details to follow-up with whanau.

Shareholder issues

The majority of shareholdings are small and successions continue to split shares as each generation passes. If this continues eventually there will be no shares. The only way to stop this happening is to succeed shares into a Whanau Trust at the time of succession, rather than splitting them up amongst individual whanau members. So whanau, please think carefully about successions - we urge you to set up a Whanau Trust to stop the fragmentation of shares.

Succession; to transfer ownership of shares from a deceased shareholder

Around a quarter of our shareholdings need to be succeeded. It can be a big job especially if there are other whanau land issues to sort out first. But the job never gets any easier; in fact it gets more difficult because as each generation passes there are more and more whanau involved. We can give you all the information that you need and can help with the form filling - you don't need a lawyer. Someone in the whanau needs to take responsibility to do the paper work - it doesn't have to be the eldest in the whanau. Don't leave it for the next generation to deal with, get onto it now!

Succession can only be done by applying to the Maori Land Court (using their forms) - it costs \$60. You can set up a Whanau Trust for the shares at the same time at no extra cost.

Live share transfers; transfer of shares from living shareholders

This is for living shareholders to either pass their shares onto their children while they are still alive, or to add their shares to an existing shareholder, or Whanau Trust. Live transfers are done by the Incorporation (not the Maori Land Court). There is no cost, contact the Administrator for a live transfer form and details.

Whanau Trusts

Kia ora to the 44 whanau who have set up Whanau Trusts for their shares. The purpose of a Whanau Trust is to stop ongoing successions as each generation passes. The shares are held collectively for your whanau (direct descendants i.e. your children and mokopuna, existing and future), rather than being split up among individual whanau members. They are managed by the trustees that you choose. Shares in any land blocks around the country can be included in the same Whanau Trust – as long as the beneficiaries are the same - so it is a good way of tidying up all whanau shares. A Whanau Trust can be set up at the time of succession, or shareholders can set up a Whanau Trust while they are alive. Apply to the Maori Land Court, cost \$60.00.

Share management

The current situation of small shareholdings and a lack of shareholder contact details would make it difficult to ever manage a dividend payment; only living shareholders whom we have addresses for could be paid out, the cost of administering the payment for small shareholdings would be more than the payment being made, and any unclaimed dividends (likely to be the majority) are required by Te Ture Whenua Maori 1993 legislation to be held in a separate account for 11 years.

The Management Committee is investigating establishing a Putea Trust that would hold any shares that fall below the set minimum (and any other categories such as those with no clear lines of succession). The kaupapa of a Putea Trust is that: shares remain owned by the 'shareholder' – they are identified by the individuals' name on the share register, they maintain voting rights and are included in all panui distribution, any dividend payable to shareholders whose shares are included in the Putea Trust would not be paid to the individual, instead it would go to the Pūtea Trust for Maori community purposes as defined by the Act and determined by the Trustees of the Pūtea Trust, a Putea Trust has no collective voting rights, shareholders would be encouraged to remove their shareholding from the Putea Trust by setting up a Whanau Trust.

Shareholder postal addresses and emails

We only have contact addresses for a quarter of our shareholders! Some of the remaining three-quarters will be deceased and some will be alive – either way we need your help. Please ask whanau to contact us with their address or email so that we can keep in touch, as well as chase up successions that need doing. Thanks to whanau who let us know about address and email changes. It is really important because if mail is returned 'undelivered' you drop off our mailing list and no longer receive panui. You can get free 'change of address' cards at NZ Post – they only take a few moments to fill in. If you have whanau overseas, give me their email address so a copy can be sent to them.

No reira

Wendy Henwood (Share register administrator)

tirairaka@vodafone.co.nz 09 4057857

We need your help to keep the Share Register up to date.

- Let us know your postal address, phone and e-mail details.
- Get onto your share successions. Application must be made to the Maori Land Court for succession. There are now several generations of **unsucceeded shareholdings** that need urgent attention.
- We recommend that Shareholders set up a Whanau Trust at the time of succession to stop shares being split as each generation passes. For example more than half of our shareholders have less than 10 shares and yet whanau still continue to split them, a Whanau Trust will stop this happening.
- We are happy to help with any queries about succession

Contact:

Nellie Robertson
219 Abbey Caves Rd
Whareora
R.D. 5

Whangarei 0175

E-mail: Nellie.robertson@hotmail.com

Phone: 09 438 5101

Mobile: 027 2010825

WHITE CLIFFS UTAKURA INCORPORATION FOREST SCHOLARSHIP 2015/16

The Scholarship is a joint initiative between White Cliffs Forests Ltd and the Committee of Management of Utakura 7 Incorporation. The Incorporation acknowledges the efforts of our Kuia, Koroua and William Taylor.

1. Number and Value of Grant

Five grants of \$1,000.00 each awarded to five people
The grants are to help with the Student's subject fees.

2. Study Areas

- i) Arts/Law/Business
- ii) Fine Arts/Sports/Physiotherapy
- iii) Science & Technology /Medical /Dentistry /Horticulture /Agriculture Forestry
- iv) Te Reo/Maori Development
- v) Theology

3. Study Criteria

- i) Degree/Diploma level
- ii) Full-time study
- iii) New Zealand Tertiary institution

4 Eligibility

Applicants must Whakapapa to an Utakura 7 Incorporation Shareholder

5. Process

- i) All applicants to complete the written application form provided
- ii) Candidates will be selected and interviewed from the written application form.

6. Accountability

Successful applicants are expected to return to the Incorporation at least once per year and participate in an activity associated with the Incorporation.

These could include:

- i) Assistance with and participate in and Incorporation Programme
- ii) Assistance with skills and resource development of the Incorporation
- iii) Assistance with any planning projects being undertaken by the Incorporation
- iv) Delivering a short presentation to a Committee of Management or Shareholders meeting to provide an opportunity to share their knowledge, experience, results, progress, any issues and information relevant to the Incorporation.
- v) Being available for input into the future selection of scholarship recipients.

7. All questions on the Application Form must be completed thoroughly.

8. **Closing Date: 5pm Friday 22nd January, 2016**

**RESOLUTIONS OF THE SHAREHOLDERS OF
UTAKURA 7 INCORPORATION**

Date: 20 October 2015

BACKGROUND:

1. The Committee of Management have explained the proposed Agreement to Grant Easement (version email 18 March 2015) and the amendments suggested by Wayne Peters Lawyers.

RESOLVED:

2. The termination of any Agreement will be 2038
3. An Agreement will only be agreed upon if there is a management plan to minimise any risk to the land.
4. Any compensation will be held in a holding account in the event that the land reverts to the shareholders in 2038.
5. All stakeholders will be consulted.
6. The Committee of Management agrees to enter into and execute all documentation required in order to facilitate the above, including all documentation to ensure compliance under Te Ture Whenua Maori Act 1993



Members of Te Roopu Taiao O Utakura at Lake Omapere after planting, September 2015



- Te Roopu Taiao o Utakura meeting with Dan O'Halloran (DOC) at Matakī about the damage done to the ngahere by contractors.



Rare Yellow Rata



Food for the Kukupa