WAIPAPA 2B2 TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

WAIPAPA 2B2 TRUST

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH, 2020

	Note	2020 $	2019 $
Income			
Crown Forestry (MPI) - Forest Rental		5,331	-
MRP - Access Licence Fee		1,000	-
		6,331	-
Non Trading Income			
Interest Received		6	247
		6	247
Total Income before Expenses		6,337	247
Less Expenses:			
Administration Expenses			
Accountancy Fees		2,404	2,800
Bank Fees & Charges		87	92
General Expenses		-	29
Share Register Maintenance		596	-
Legal Fees		1,982	6,784
Total Administration Expenses		5,069	9,705
Standing Charges			
Interest - Bank Overdraft		-	1
Rates		1,169	3,396
Total Standing Charges		1,169	3,397
Total Expenses		6,238	13,102
Net Cash Operating Profit/(Loss) for the Year		**99**	**(12,855)**
Non-Cash Adjustments for the Year:			
Depreciation		(104)	(116)
Profit/(Loss) before income tax		(5)	(12,971)
Provision for Taxation (Tax Refund Due)		-	-
Profit/(Loss) after income tax		**(5)**	**(12,971)**

This Statement is to be read in conjunction with the Compilation Report and Notes to the Financial Statements.
This statement has been prepared without audit or review.

WAIPAPA 2B2 TRUST

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FOR THE YEAR ENDED 31 MARCH 2020

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WAIPAPA 2B2 TRUST

COMPILATION REPORT TO THE TRUSTEES
and
DISCLAIMER OF LIABILITY TO ALL READERS

Scope

On the basis of information provided to us by the Trustees, we have compiled, in accordance with Service Engagement Standard No. 2: Compilation of Financial Information, the special purpose financial statements of
WAIPAPA 2B2 TRUST for the year ended 31 March 2020.

These have been prepared in accordance with the policies as detailed in Note 1 to the financial statements.

Responsibilities

The Trustees are solely responsible for the information contained in the financial statements and have determined that the financial reporting framework used is appropriate to meet your needs and the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for the Trustees benefit. We do not accept responsibility to any person for the contents of the financial statements.

No audit or review engagement undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information provided to us by the Trustees. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

Disclaimer of liability

As mentioned earlier in our report, we have compiled the financial information based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we, nor any of our employees accept any responsibility for the reliability, accuracy or completeness of accept the compiled financial information nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for the losses incurred as a result of placing reliance on the compiled financial information.

Kusabs Lasike Ltd
Chartered Accountants
Rotorua

Director
03 July 2020

WAIPAPA 2B2 TRUST

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	$	$
EQUITY/(DEFICIT) AT BEGINNING OF THE YEAR	911,431	924,402
SURPLUS/DEFICIT AND REVALUATIONS		
Net Surplus/(Deficit) for the period	(5)	(12,971)
Total recognised revenues and expenses for the period	**(5)**	**(12,971)**
CONTRIBUTIONS AND DISTRIBUTIONS		
Contributions from owners	-	-
Distributions to owners	-	-
EQUITY/(DEFICIT) AT END OF THE YEAR	**911,427**	**911,431**

This Statement is to be read in conjunction with the accompanying Compilation Report and Notes to the Financial Statements. This statement has been prepared without audit or review.

WAIPAPA 2B2 TRUST

BALANCE SHEET

AS AT 31 MARCH 2020

	Note	2020 $	2019 $
CURRENT ASSETS			
Cash			
BNZ - Cheque Account		2,897	382
BNZ - Autocall Account		6,008	10,003
		8,905	10,385
Receivables			
Tax Refund Due	3	95	94
Goods & Services Tax		691	1,513
		786	1,607
Total Current Assets		**9,691**	**11,992**
NON-CURRENT ASSETS			
Property, Plant & Equipment	2		
Land & Improvements		956,716	956,716
Forestry Improvements		936	1,040
		957,652	957,756
Total Non-Current Assets		**957,652**	**957,756**
Total Assets		**967,343**	**969,748**
CURRENT LIABILITIES			
Creditors and Borrowings			
Rent Received in Advance		1,744	-
Rates Received in Advance		772	-
Accounts Payable		7,070	11,986
Unclaimed Dividends		46,330	46,331
		55,916	58,317
Total Current Liabilities		**55,916**	**58,317**
Total Liabilities		**55,916**	**58,317**
Net Assets		**911,427**	**911,431**
TRUST FUNDS			
Beneficiaries Equity	4	911,427	911,431
Trust Equity		**911,427**	**911,431**

This Statement is to be read in conjunction with the accompanying Compilation Report and Notes to the Financial Statements. This statement has been prepared without audit or review.

BALANCE SHEET

AS AT 31 MARCH 2020 (continued)

	Note	2020 $	2019 $

For and on behalf of the Trust, which authorised the financial statements for issue on:

Date

Trustee

Trustee

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2020

1. Statement of Accounting Policies

Entity Reporting

Waipapa 2B2 Trust is an Ahu Whenua Trust as defined under section 215 of Te Ture Whenua Maori Act 1993.

The principal activity of the Trust is Forestry Rental.

Measurement Base

These financial statements are a special purpose report and have been prepared for taxation purposes on the principles contained in the Income Tax Act 2007 and internal management purposes.
The accounting policies adopted are not in conformity with generally accepted accounting practice. Accordingly, the financial statements should only be relied on for the expressly stated purpose.

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. The financial statements have been prepared on an accrual basis.
These financial statements have been prepared in New Zealand Dollars.

Changes in Accounting Policies

There have been no changes in Accounting Policies. All policies have been applied on bases consistent with those used in previous years.

Going Concern

These financial statements have been prepared on a going concern basis. The Trust had a net loss result at balance date of ($4.66) and a net loss result for the year ended 31 March 2019 of ($12,970.59). A working capital deficiency at balance date 2020 $46,225.47 (2019 $46,324.81). The validity of the going concern basis depends on the Trusts ability to generate income from a forestry right. As such, there is a material uncertainty as to whether the Trust will continue as a going concern and , therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.
The considered view of the Trustees is that, after making enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue operations for the forseeable future. For this reason, the Trustees continue to adopt the going concern assumption in preparing the financial statements for the year ended 31 March 2020.
The trustees have reached this conclusion taking into regard circumstances which they consider likely to affect the trust during the period of one year from the date on which these financial statements were approved and to circumstances which they know will occur after that date which could affect the validity of the going concern assumption.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2020

Specific Accounting Policies

In the preparation of these financial statements, the specific accounting policies are as follows:

(a) Income Tax

Provision has been made for taxation (where appropriate) after taking into consideration all deductions that are available. No provision has been made for deferred taxation.

(b) Property, Plant & Equipment

Fixed Assets are stated at cost (unless otherwise noted below) less aggregate depreciation.
Land was revalued to the Ratings Valuation prepared by Quotable NZ dated
1 July,2017.

(c) Depreciation

Depreciation has been calculated using the maximum rates provided for taxation purposes in the Income Tax Act, 2007. The particular rates and method of depreciation applied are as follows:

Land & Improvements	0% DV
Forestry Improvements	10% DV

No depreciation has been calculated on the revalued portion.

(d) Goods and Services Tax (GST)

These financial statements have been prepared on a GST exclusive basis where all items in the Revenue Accounts, together with Fixed Assets have been recorded exclusive of GST. Accounts Receivable and Accounts Payable are recorded in the Statement of Financial Position inclusive of GST.

(e) Changes in Accounting Policies

There have been no changes in Accounting Policies. All policies have been applied on bases consistent with those used in previous years.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2020

2. Property, Plant & Equipment

	Cost/ Valn	Current Year Depn	Accum Depn	Net Book Val 2020
Land & Improvements	956,716	-	-	956,716
Forestry Improvements	1,958	104	1,022	936
	958,674	104	1,022	957,652

	Cost/ Valn	Current Year Depn	Accum Depn	Net Book Val 2019
Land & Improvements	956,716	-	-	956,716
Forestry Improvements	1,958	116	918	1,040
	958,674	116	918	957,756

3. Taxation

	2020	2019
Surplus (Deficit) for the year	(4.66)	(12,970.59)
Add Back Timing Adjustment	-	2,800.00
Tax Loss	(4.66)	(10,170.59)
Taxation charge @ 17.5%	Nil	Nil
Plus Tax Losses Brought Forward	(69,096.13)	(58,925.54)
Tax Losses available to be Carried Forward	(69,100.79)	(69,096.13)
Tax Paid/(Refunded)		
Resident Withholding Tax Paid	(1.11)	(94.23)
Plus Prior Years	(94.23)	-
Tax Paid/(Tax Refund Due)	(95.04)	(94.23)

These losses to be carried forward are subject to Inland Revenue approval. The taxation benefits of losses will be available provided:

The Trust complies with conditions for offset imposed by the Income Tax Act 2007 and amendments thereto

No Change in taxation legislation adversely affects the Trust in realising the taxation benefits of those losses, and

The Trust generates assessable income in the future, against which the losses can be offset.

Maori Authority Credit Account (MACA)

	2020	2019
	$	$
Opening Balance @ 01/04/2019	18,328.82	18,307.47
RWT Paid on Interest	1.11	94.23
Tax Refunds	-	(72.88)
Closing Balance @ 31/03/2020	18,329.93	18,328.82

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2020

4. Beneficiaries Equity

	2020	2019
Original Capital	490,000.00	490,000.00
Shares Re-Purchased Maori Trustee	(8,442.37)	(8,442.37)
Accumulated Losses (1)	(36,846.94)	(36,842.28)
Unrealised Reserves (2)		
Land and Improvements	466,716.00	466,716.00
	911,426.69	911,431.35

*(1) **Accumulated Losses***

Opening Balance	(36,842.28)	(23,871.69)
Net Surplus/(Deficit) for Year	(4.66)	(12,970.59)
Closing Balance	(36,846.94)	(36,842.28)

*(2) **Unrealised Reserves***

Opening Balance	466,716.00	466,716.00
Closing Balance	466,716.00	466,716.00

5. Asset Revaluation Reserve - Land and Improvements

The Net Book Value of Land and Improvements had been revalued to the Quotable Valuation NZ rating revaluation dated 1 July,2017.

Quotable Valuation of Land and Improvements at 01 July,2017 was $958000.

6. Forestry

As this Forest is post 1989, registration for ETS is optional.

7. Related Party Transactions

There were no related party transactions during the year.

8. Contingent Liabilities & Guarantees

There were no contingent liabilities or guarantees as at balance date. **2019** (Nil)

9. Capital & Lease Expenditure Commitments

There were no commitments for expenditure at year end. **2019** (Nil)

10. Events Occurring Subsequent to Balance Date

There have been no events subsequent to balance date that would have materially affected the financial position of the Trust or the figures contained within these financial statements. **2019** (Nil)