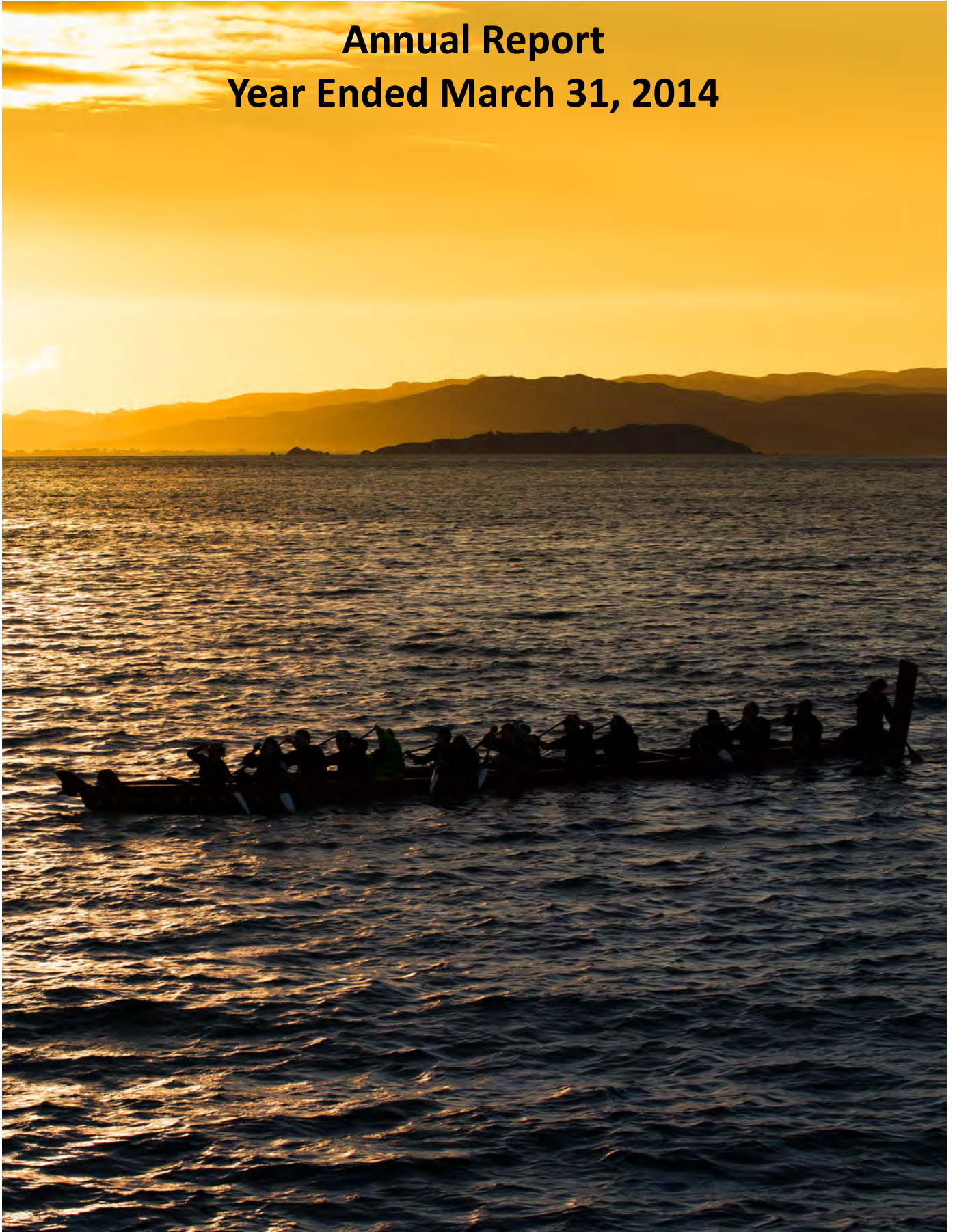




Annual Report

Year Ended March 31, 2014



Front Cover Photo is of Te Hononga on one of its many outgoings onto Te Whanganui a Tara

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Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the beneficial owners of the Wellington Tenth Trust will be held at **Te Raukura (the Wharewaka), Taranaki Street Wharf, Wellington on Saturday, September 6, 2014. The meeting will commence promptly at 10am.** Registration desks will be open from 8.30am with lunch being available at the conclusion of the meeting.

Preliminary Agenda

1. **Apologies**
2. **Minutes of 2013 Annual General Meeting**
3. **Chairman's Report**
Proposed Resolution—Changes to the Trust Deed (see separate insert)
4. **Property Matters**
Proposed Resolution—81-87 Thorndon Quay (see separate insert)
Proposed Resolution—Pipitea Plaza (see separate insert)
5. **Financial Report**
Resolution—to accept Financial Statements for Year Ended March 31, 2014
Resolution—to appoint an Auditor for the Year Ending March 31, 2015
Resolution—to declare a dividend
6. **Election of Managing Trustees**
7. **General Business**

Minutes of the Previous AGM Meeting

The Minutes of the 2013 Annual General Meeting held on Saturday, September 14, 2013 are produced on pages 7 to 14 of this Annual Report.

Proxy Form

A proxy form can be found at page 45 (this can be cut out and returned).

Transportation

If you require transportation from Taranaki you should contact Stu Erb at Kiwi Tours on (06) 755-1525. Last requests for seats should be made by Wednesday, September 3, 2014.

Notice Regarding Election of Managing Trustees

The terms of Wellington Tenth Trust Trustees Venessa Ede, Grant Knuckey and Lennox Love expire at the Annual General Meeting. These Trustees are eligible for re-election.

Other nominations for Trustee positions must be lodged with the Executive Office in writing by 4pm, Friday, August 29, 2014. Nominations must include the name, address and shareholder number of the proposer and seconder (each of whom shall be a beneficial owner or a descendant of a beneficial owner) and be signed by the nominee as willing to stand. **The nominee must be a beneficial owner or a descendant of a beneficial owner.**

Managing Trustees
August 8, 2014

Sam Poutu Jackson



To many he was just Sam Jackson, but in the Taranaki world he was Poutu Wipa Kamura. At the freezing works, wharves and other places he was known as ‘Slasher’. Sam passed away on November 21, 2013 and for everyone that was a huge loss. For the Councils in Wellington and Hutt City his voice brought new citizens into the New Zealand culture.

For all of us, it was Sam and June, a team that took care of matters Maori all around the country. To Sharon, Peter and their whanau he was Dad and “Da”. Words cannot say enough so we named a waka tete for him – Poutu—a waka that will take manuhiri on a waka experience in Whairepo and on Te Whanganui a Tara.

He was kaumatua, tohunga, pou korero and peacemaker. He kept us on the straight and narrow and kept us focussed on what is important. He let the world know who we are and to those in power from top to bottom he gave guidance.

To say we miss him is the supreme understatement.

Kua riro te manu koroki no runga i te pae, te pou korero o te iwi.

Morris Te Whiti Love

Minutes of 2013 AGM

**Saturday, September 14, 2013, 10.05am
Te Raukura, Taranaki Street Wharf
Wellington**

Trustees Present

Morrie Love (Chairman), Jeanie Hughes, Lennox Love, Maurice Walden, Peter Love, Piki Carroll, Richard Te One, Vennessa Ede, Mark Te One, Grant Knuckey, Sir Ngatata Love (leave of absence)

Executive Office and Advisers Present:

Keith Hindle, Erini Shepherd, Vicki Hollywell, Ritihia Hailwood, Chris Fox, Gilbert Douglas, Cherie Douglas, Euan Playle (BDO Wellington), Nigel Moody (Gibson Sheat), Yvonne Westerman and Kathleen Thompson (Westerman Property Solutions), Aroha Thorpe

Attendance:

Sam Jackson, June Jackson, Ben Love, Mana Jenkins, Michael Ede, Dr Leo Buchanan, Mary Buchanan, Edwina Love-Hansen, Anne Somerville, Syd Reweti, Marie-Nui Biss, Ina Rangiwhetu, Martha Gilbert, Mark Fenwick, Sally Fenwick, Russell Fenwick, Dr Catherine Love, Liz Mellish, Minnie Broughton, Dan Nuku, Raymond Marshall, M Gabriel Erich, Ashley Ede, Daniel Love, Owen Enoka, Sarah Hunter-Love, Kaira Ranginui-Love, M Ranginui-Love, Laura Love, Hami Love, Alamaine McGregor, Lois Oneroa, Sharon Wright, Rata Cannon, Caress D, Marama Cock, Shona Coffey, Huia M, Rose Henry, Poppy Wereta, Jean Ruakere, Margaret Riwaka-Love, Zara Willis, Raukura Riwaka, Levi Time, Raitatukia Bailey-Tomlinson, Colleen Goodgame, Merehinepua Wakefield, Maara P, Wayne P, Hinepounamu Ngatai-Tangirua, Ripeka Healey, Helen Johnson, Josie Bigham, Alaina Mataio, Gloria Rei, Jean Cunningham, Jim Cunningham, Lois Weston, Mereana Riwaka, Alice Riwaka, Montgomery A, Hana Heta, Pauline Owen, M Priest, Willian Owen, Mana Huntley, R Huntley, Pirihia Joyce Te Paki, Alison Robins, Pikiraukura Ritihia Hunia, Marama Butler Monu, Watene Jury, Karena Efaraimo, Hera Hailwood, Linda Pegg, Pam Haua, Poiria

Love-Erskine, Tracey Wairau, George Arataki Love, Matthew Love-Parata, Maria Ngatai, Eileen Conroy, Ivan Conroy, Raymond Henry, Ani Parata, Ngaire Robinson, Leslie Brown, Alexander Watson, Aaron Ure, Queenie Rikihana, Cherry Herehere Davey, Dawn Maraki, A Urech-Parai, Rosalind Maraki, Tere McBride, Monty Manu, San Kahui, Siobhan Lynch, John Lynch, Bill Nathan, Donas Nathan, Gina Rangiwhetu, Ronald Butler, Russ Cook, Mabel Maria Hokimate Ngatai, Kamiria Mullen, Darlene Weston, Sarah Leadbitter, Tuhi McGregor, Julie Hanson, Larys Makowharemahihi, Melanie Mako, Colleen Makowharemahihi, K V Bailey, Witako Love, Ira Ngaia-Wall, Aroha Woller, Rene Rio Graham

Apologies

Marlene Dawson-Love, Susan Love, Anthony John Bishop, Wiki Michalanney, Ngawhakaheke Wetere, Hine Love-Thompson, Wayne Skerrett, Connie Lenden, Harry Nicholas, Honiana Love, Maria Jackson, Jean Soffe, Ani Hinemana Smith Whanau Trust, Niu Tirenai Rei, Heather McPhee, Mereana Riwaka, Emily Maru, Heni Ohare, Vaughan. Kingi Gooch, Kevan Jason Gooch, Kereana Leith, Wikitoria Gear, Mereana Smith Te Paki, Zac Hyland, Alfred Ure, Lisa Ure, Graham Ure, Melody Ure, Debbie Hirini, Chris Hirini, Sharon Hughes, Frances Kingi Katene, Mary Combs, Josie Coffey, Kataraina Millin, Graeme Goodgame, Alex Talivai, Stu Erb, June Erb, Wayne Kingi, Mere Otimi, R Teruki, Lexie Alker, Robert Maraki, Aaron Te One, Richard Te One (snr), Takiri Cotterill, Alistair Love, Renee Love, Tui Love, Hannah Buchanan, F Buchanan, Julia Marino, Karen Ramsbottom, Ann Reweti, John Studd, Alice Somerville, Megan Somerville, Jill H, B Ure, Elisha Ure, T Ure, Oiana Wellwood, Pari Rikihana

The Annual General Meeting was opened by Sam Jackson with mihi and waiata.

The Chairman, Morrie Love, welcomed all to the meeting and advised that while we focus on the business at the AGM, we need to

consider the people too. A video will be shown later in the meeting with people a key part. Morrie acknowledged the beneficial owners and the support they provide to the Trust over many years. He summarised by stating that the Trust has done well in the last year and Trustees expect to do better in the next year.

Housekeeping

The Chairman ran through some housekeeping matters to ensure that attendees were registered and voting papers were issued. He also stated that questions will be taken as the meeting progresses with roving microphones available. He asked that when addressing the meeting, speakers identify themselves.

Statement

Nigel Moody delivered a statement to beneficial owners on behalf of the Trustees in respect to the Serious Fraud Office investigation.

Election of Trustees

Nigel Moody advised the meeting that an election was required with five nominations for two available positions. Piki Carroll and Peter Love have retired by rotation. Each candidate will be given two minutes to address the meeting. Candidates then addressed the meeting – Piki Carroll, Mark Fenwick, Dr Catherine Love, Peter Love, Matthew Love-Parata.

Nigel Moody then advised that BDO Wellington would be responsible for the vote count and ballot boxes are available for voting papers to be lodged. It is hoped the result will be known by the end lunch.

The Chairman noted that it is healthy to have competition for the Trustee positions and thanked those who have been put forward.

Minutes of Previous AGM

The Minutes of the Annual General Meeting held on September 22, 2012 had been distributed in the Annual Report of the Trust. Trustees recommend they be accepted as a correct record of proceedings.

It is hereby resolved that beneficial owners accept the Minutes of the Annual General Meeting held on 22 September 2012

Moved Jim Cunningham

Seconded Matthew Love-Parata

Carried unanimously

Matters Arising from Previous Minutes

Trustees have reviewed the minutes of the last AGM and believe all matters arising will be covered by reports to the meeting. The Chairman then called for any other matters arising and none were forthcoming.

Chair's Report

Overall Financial Position

Morrie noted that the Trust is in a strong financial position. All accounts are available for review in the Annual Report. The Trust Accountant, Euan Playle will go through the financial statements later in the meeting.

Liabilities to Assets

Morrie advised beneficial owners that the Trust is conservatively run. Debt is only 25% against 75% equity. This means it is lightly geared or may be referred to as a 'lazy balance sheet' but because we are in it for the long term this has to be the strategy.

Recent Earthquakes

The Chairman advised those present that following the recent earthquakes it is important to note that no structural damage has been suffered by any Trust properties

Capital Hill

Morrie Love then spoke of Capital Hill the 50:50 joint venture between the Trust and Massey University on the site of the old Dominion Museum. The building is now named Tokomaru. The two directors on the joint venture representing the trust are Peter Love and Morrie Love. The Trust is working through the rent review for Massey University, who also tenant the property. In those discussions the university has said that they want to look at changing the arrangements that are in place. So this is being considered. The university pay a good rent but the expectation is that it will increase as a

result of the review. There are some potential changes in terms of the Tokomaru building but unfortunately those cannot be revealed at this stage, but are dependent on the government and how they proceed with matters.

National War Memorial Park

At the end of 2012 the government passed the National War Memorial (Pukeahu) Empowering Act 2012 which has assumed rights over a portion of the land owned by the Capital Hill joint venture. The assumed rights are the same as if the land had been taken under the Public Works Act 1981. Both joint venture parties are working with the government. As yet there is no final arrangement but the work needed will be intense as the government intent is to have the park open by April 2015. Government needs to do the honourable thing in terms of the rights assumed. Morrie then spoke to the photo and drawings, advising that the Trust had come into the planning late but have made strong representations that if the park is to proceed then neither the Trust nor the mana whenua can be forgotten and there should be some recognition. This has been provided for and Rangi Kipa and Darcy Nicholas are designing and producing some elements for the park. The mana whenua will be represented on one side of the park and the other side will be representative of all tangata whenua.

The following questions were received

- * Catherine Love asked whether the Trustees had pursued the original intention in the agreement with Massey University for an educational facility such as a wananga to be established at the site.

Morrie Love responded that the short answer is no as the focus has been on the business and structural arrangements. Catherine asked that Trustees be encouraged to pick up the very important piece of the agreement for educational opportunities and advantages. The Chair responded that Trustees would be happy to support a push for that.

- * Catherine Love stated that Trustees may be aware that the Army Museum is looking to relocate and there is no better place for it to relocate to than the Buckle Street site. We should use our land to negotiate a different position. Martha Gilbert supports the korero of Catherine Love. When will we be able to educate our moko if we are only about the assets. Martha recalled being very excited about the opportunities when she attended a Trust AGM at the dominion museum.

Morrie Love responded that the Trust have to negotiate for the rental. Trustees and owners can advance the other matters offline. The focus of Capital Hill Limited will be on the asset and economics and the Trust itself can pursue other things.

- * Sir Ngatata Love commented that the rental in the short term is important but Massey University will want to take the building as a historic museum. Massey University is rebuilding state of the art rooms for what is now going on in Tokomaru. They are getting new buildings and new allocations. The Army Museum at Waiouru is not working and needs to be relocated. Massey will want to take it over and put it together for Minister Finlayson. Trustees must be aware of what is going on and that the Trust could be moving into another battle. Perhaps negotiations should be done directly with the Minister. He suggested a hui on the kaupapa might be needed.

Morrie Love responded that Trustees are aware that there are some moves and are awaiting the government making announcements. The trust will be light on its feet and will address matter as they arise.

Village at the Park

Richard Te One presented the slides on behalf of Trustees. He acknowledged the work of Dr Leo Buchanan on the board. Richard said he is very pleased to have joined the board. The project is a joint venture with Hurst Group on a 50:50 basis. The Hurst Group are very experienced operators and owners of similar villages throughout the South Island. They do an excellent job at the village. The financial

performance of the village has been excellent. To date profits are being reinvested in further development on the site. The recreation block was opened three weeks ago and it was a great occasion.

Comments from the floor revolved around the ability or not, of kuia and kaumatua to be provided for in the village. Perhaps we need to examine the kaupapa and be clear about what we want. The suggestion as made that a residential facility for our beneficiaries should be established. Owners were advised that the purchase price of an apartment at Village at the Park is about \$300,000. Also raised was whether or not beneficial owners could have access to the facilities in the park such as the swimming pool, etc. This is not appropriate.

- * Catherine Love advised that the model at the village is similar to the Metlifecare Palmerston North one where the facilities are for those who can afford to invest in the facility. At previous hui there has been suggestions of affordable accommodation being provided adjacent to the village where some of the services might be taken advantage of. Catherine recalled propositions being investigate for 435 Adelaide Road and that the 'apartments' would be for rental with no upfront costs. She asked if the Trust is still working on those proposals.

Morrie Love responded that this is on the Trust work programme. He is not sure when it will be finalised but is a priority over the next couple of years. Village at the Park is operated by the Hurst/Pratley Group and the Trust role is on the board as members. There are a large number of people at the village now both living and working there. The price of facilities is dependent on what you are looking for in terms of size and amenities, etc.

- * Aaron Ure said that beneficial owners are aging all over the country and even in Cambridge where he is from. There are multiple village facilities available but none of us can afford to be part of it. Is there any future direction by the Trust to invest outside Wellington?

Morrie Love responded that this Trust is based in Wellington. Our view has been to develop our own facilities first. Not sure that we would look to invest in another tribes rohe. The Palmerston North Maori Reserve is in another iwi's rohe and it has had its difficulties.

- * Kamiria Mullen commented that the reality is the most of us can't afford these village facilities. We need to look at affordable housing solutions on a more urgent basis

Morrie Love said that the Trust is working with a group and to "watch this space".

Little Wonders

Morrie Love spoke to the slide on Little Wonders early childcare centre. It performs very well and can accommodate up to 100 tamariki. Twenty two people are employed there and over 100 people are employed across all facilities at the village.

381 Adelaide Road

Mark Te One presented the proposition from Trustees to sell the land (only) at 381 Adelaide Road. A body corporate own the building and have a ground lease. The sale proposal is aligned to a property purchase at 429 Adelaide Road which could be incorporated into Village at the Park. Trustees are recommending the sale of the land at \$1.6m with the proceeds to be used to purchase other land holdings.

- * Matthew Love-Parata asked what land area was involved in the sale property and the purchase property? Yvonne Westerman said it is around 1,000m² for each property.
- * Ina Rangiwhetu asked if the driveway is part of the land being sold? Morrie advised that it is

Mark Te One then commented that the size does not necessarily represent quality. It is a strategic decision to sell the land and invest in another property which has development opportunity.

Piki Carroll commented that the building on 381 Adelaide Road is an earthquake risk and is in a disgraceful state. Strategically there is

nothing that could be done with the property. The purchase of land is a decision for the board to consider. Trustees are prudent and methodical in their deliberations.

Catherine Love said that the Trust does receive a positive return from the land (not the building). Is there anything to stop the Trust from investing in 429 Adelaide Road without having to sell the property at 381 Adelaide Road.

Morrie Love responded that the Trust would simply have to borrow the money. However the body corporate of Macalister Heights had approached the Trust wanting to purchase the land and trustees believed the price and time is right to sell particularly given the 429 Adelaide Road property is available to purchase and is adjacent to Village at the Park and on the southern side also bounds other Trust properties. A possibility might be for one of the ideas from the floor today to be undertaken on those properties. The Trustees are looking to consolidation approach.

Mark Te One commented that the sale is in line with the Trust principle to sell land and apply funds to purchase land.

It is hereby resolved that beneficial owners agree to the sale of the land (only) of 381 Adelaide Road, Wellington with the proceeds to be applied as per the Land Management Plan

*Moved Ina Rangiwhetu
Seconded Martha Gilbert
Carried unanimously*

429 Adelaide Road

Mark Te One spoke briefly to this slide and advised beneficial owners that Trustees will be purchasing the property as it is of a strategic nature.

Pipitea House on Pipitea Street

Lennox Love presented these slides on behalf of Trustees and noted for beneficial owners information that trustees are negotiating an

increase to the 25% shareholding currently held. The trust are looking to purchase the 75% of Redwood Group, then sell 50% of the 100% to a new joint venture partner. This will be a technical sale proposition and a special general meeting will be required. The end game is to bring a full 100% shareholding back to the Trust in the future. The new joint venture partner is waiting in the wings and a new joint venture based on 50:50 shareholding will be agreed. The current rent received is good, but the Trust can do better.

* Edwina Love-Hanson asked who the new joint venture partner is. She was advised that the partner is confidential information at this stage, but they are a 'blue chip' entity.

Taranaki 217

Venessa Ede spoke to the slide and advised beneficial owners that the valuation of Taranaki 217 is \$7.3 million. Occupancy rates are good averaging out at 90%. Trustees appreciate Westerman Property Solutions management of the facility. Venessa reminded the meeting that the facilities are available for beneficial owners and whanau and rangatahi should be encouraged to make use of the facility. Discounted rates are not available for our rangatahi, but they can get a first right of entry.

81-87 Thorndon Quay

Jeanie Hughes spoke to this slide which explained the purchase of the property during the year. The purchase was made jointly by Wellington Tenth Trust and Palmerston North Maori Reserve Trust. The purchase had been finalised at the end of 2012. It is close to Pipitea Marae. The site has been cleared and converted into a carpark for the time being. There is a lease in place with Wilson Parking for two years. Development opportunities will be considered as they arise.

Mark Te One and Morrie Love briefly spoke of the archaeological survey that was undertaken on the site. There is a dark layer of soil which is thought to be part of a garden. There is no evidence of our own cultural

presence. The finds will be documented and reported on.

Other Properties

Morrie Love briefly spoke of other properties such as the Gilbert Road farm at Kaitoke that is leased out, and has a steadily increasing valuation; South Wellington Intermediate School which is leased to the Ministry of Education and where some work is currently being done on the buildings; Granville Flats with the land being leased to Wellington City Council who own the building; number of other residential properties in the Newtown/Berhampore area.

Hikoikoi

Lennox Love spoke to the slide and reminded attendees that the property is leased from Hutt City Council. The executive office is based at Hikoikoi. Mark Te One explained the names of the three buildings – Manaia, Raumati and Moutere.

- * Ina Rangiwhetu asked if the facilities are still hired out and was advised that they are and contact should be made with the office. Weaving classes and Taranaki reo and history classes are also taking place. Mondays is Kaumatua day where they meet, talk, get mirimiri, get acupuncture, etc. Thursdays is weaving day.

Morrie Love then spoke briefly of the waka ama activities based at Hikoikoi. Waka ama is the fastest growing recreational sport and the club is doing really well.

Morrie also spoke briefly of the Nga Tekau A&D counselling service which operates from Hikoikoi. There are two practitioners. The service is funded by way of a contract with CCDHB and HVDHB. Morrie acknowledged both Gilbert Douglas and Shamia Makarini.

*It is hereby resolved that beneficial owners receive the Chair's Report as presented
Moved Mabel Maria Hokimate Ngatai
Seconded Hinepounamu Ngatai-Tangirua
Carried unanimously*

Financial Report

Euan Playle was invited to speak to the

audited Financial Statements of the Trust for the year ended March 31, 2013.

Financial Performance

Euan referred the meeting to a slide which summarised the Statement of Financial Performance (or Profit and Loss) showing what has happened during the year. Euan noted the following items:

- * Property revenue and other revenue was \$1.47m which is slightly down on 2012 (\$1.56m). Two reasons for this are that in 2012 there was a successful recovery of historical rates going back many years; and in 2013 there is increased insurance costs. He also noted that the trust properties are all insured and more importantly are able to be insured – not all properties in Wellington can meet that criteria.
- * Other income of \$145,004 which is largely net interest earnings from deposits and advances
- * Administration and Operating Costs have increased to \$958,396 and these are detailed in Note 6. A key aspect to the increase relates to the assessment of costs for the executive office between the Wellington Tenth Trust and Palmerston North Maori Reserve Trust. This was reviewed during the year and activity for this Trust was deemed to be higher than previously and therefore more costs have moved across.
- * Depreciation is written down on operating assets during the year
- * Net operating surplus for the year was \$434,317 compared to \$629,139 in 2012
- * Income from associated entities is starting to come in with \$702,000 of the \$1,090,410 being the trust's 25% return on Pipitea House on Pipitea Street
- * Net surplus before tax was \$1,524,727 compared to \$677,486 last year. This is from the Trust's total operations
- * Tax expense was \$117,860 for the year
- * Net income for the year after tax was \$1,406,867 compared to \$495,573 last year. This sets the benchmark for next year
- * There has been a slight increase in the revaluation of properties of \$337,757. Last year the increase was \$641,181.

Considering what has happened in the property market it is a testament to the Trust properties that there has not been a write down

- * Overall net surplus after unrealised gains is \$1,744,624 compared to \$1,136,754 last year

Questions were raised as follows:

- * Martha Gilbert sought clarification as to who the 'consultancy fees' were paid to. She raised this so as to understand what payments Trustees receive over and above their trustee fee remuneration. Euan Playle responded categorically that no trustees are paid consultancy fees or director fees. He explained that the fees are for Optimax Limited (property consultant) and one other HR related consultant.
- * Catherine Love asked if there are any consultancy fees paid to companies which are owned wholly or partly by trustees. Euan reiterated the answer given previously that no Trustees receive any payment other than their Trustee Fee remuneration. Any director roles taken up by Trustees do not get remunerated.
- * There was brief reference to the Wellington Tenth Development Trust which had originally been established by Sir Ralph Love and Martha Gilbert. That trust is struggling and is currently under review. It is a stand alone entity and needs to hold its own AGM. It is an incorporated trust but no longer holds charitable status. It was noted that the financials being reported on today do not include the Wellington Tenth Development Trust accounts.

Financial Position

Euan Playle then advised that as at midnight on 31 March 2013, the Trust had:

- * \$55,138,514 total assets compared to \$52,315,399 at the same time last year
- * \$13,976,665 total liabilities compared to \$12,349,417 last year
- * One property was purchased at a cost of \$1,000,000
- * Overall the net assets of the trust are \$41,161,849 compared to \$39,965,982 at the same time last year

Cash Flow

Euan then advised as follows:

- * Net cash flows from operating activities were \$962,785 compared to \$1,359,789 last year
- * The net cash outflows from investing activities were \$385,936 compared to \$125,537 net cash in in 2012
- * Beneficial owner distribution was \$313,272 compared to \$357,079 the previous year
- * Overall cash position has increased to \$741,610 compared to (\$26,095) the previous year

Euan Playle then noted that the sign off by the trust's auditor Crowe Horwath was good.

Queenie Rikihana asked if the cash flow statement slide (summary) could be provided in the Annual Report in future years as the format of the slide is easier to comprehend. This will be given consideration.

It is hereby resolved that beneficial owners accept the audited Financial Statements for the year ended March 31, 2013 of the Wellington Tenth Trust as a true reflection of the trust's financial position

Moved Mana Jenkins

Seconded Edwina Love-Hansen

Carried unanimously

It is hereby resolved that beneficial owners approve the appointment of Crowe Horwath as the Trust auditor for the year ending March 31, 2014

Moved Mana Jenkins

Seconded Jean Ruakere

Carried unanimously

Share Value

It was noted that the share value had increased on last year. It is \$225.03 compared to \$218.49 last year.

Distribution

The recommendation for consideration by beneficial owners for a distribution payment is \$2.60 per share, being a total commitment of \$475,591.17. This will be a capital distribution meaning it is non-taxable. Euan advised beneficial owners that if tax was deducted at

Maori Authority tax rate (17.5%) then the share this year would be \$2.14 per share. It is important that trustees have a methodology which is applied when considering the dividend to achieve consistency.

It is hereby resolved that beneficial owners approve a capital distribution of \$2.60 per share, being a total commitment of \$475,591.17

Moved Henry Cunningham

Seconded Kamiria Mullen

Carried unanimously

Trustee Remuneration

Keith Hindle spoke to the slide prepared on the trustee remuneration proposal for a minimal increase. He advised beneficial owners that the work put in by Trustees is significant particularly by the Chair. He also referred to recent figures on average fees paid and those are in the vicinity of \$30,000. Keith advised that he believes the increase is fair and justified. The current fees are Chair of \$19,800 and Trustees of \$9,900 each.

It is hereby resolved that the beneficial owners approve Trustee remuneration of:

Chair: \$21,000 gross per annum

Trustees: \$10,500 gross per annum

Moved Dr Leo Buchanan

Seconded Poiria Erskine

Carried unanimously

General Business

Morrie Love then thanked all those who contribute to the work of the Trust in the year including BDO Wellington (Euan Playle, Sarah Watson, Jacinta Palmer); Gibson Sheat (Nigel Moody, Fiona Coughlan, Claire Byrne); Westerman Property Solutions (Yvonne Westerman, Kathleen Thompson, Frances Thompson, Ben Westerman); Executive Office led by Keith Hindle, Erini Shepherd, Ritihia Hailwood, Vicki Hollywell, Gilbert Douglas, Cherie Douglas, Shamia Makarini who provide an exemplary service to Trustees and beneficial owners; kaumatua and in particular Sam and June Jackson who are available 24/7; Westpac who are the Trust's banker; Aroha Thorpe for the experience she

brings not only in minute taking but her knowledge of the Trust's business and her willingness to be available 24/7 to assist Trustees and staff.

Morrie Love briefly spoke of the visit of the waka hourua, Te Matau a Maui from Ngati Kahungunu for Matariki. It was here for a week and was a wonderful sight on the harbour.

An attendee asked if the trust has any scholarships or grants available? Morrie Love responded that there are not any at this time. He believes that this should be looked at in the near future.

Kamiria Mullen asked for a commitment from the Trust to continue funding the teachers of the reo programme at Hikoikoi for another year. Morrie responded "unequivocally yes".

Larys Makowharemahihi made a statement to the meeting, asking Trustees to consider reviewing and investing in a platform to develop our own digital forum in combination with mobile tools and communication strategies.

Our People

Beneficial owners were then shown a video that had been prepared especially for the meeting showing the people of the Trust and the assets of the Trust. Very special thanks to Raukura, Vicki and Aidan for the preparation and work put in to get the video completed.

There being no further business the meeting was closed by Sam Jackson at 1.05pm and Tama Ngakau Marie

Subsequent to the meeting and during lunch Nigel Moody declared the result of the Trustee election. Those elected to the two positions were:

** Matthew Love-Parata*

** Dr Catherine Love*

Chairman's Report

Mai te tihi o Matairangi, titiro atu ki a Remutaka, whiti atu ki te hauauru ki Pipinui, ki te haurawhiti ara ko Turakirae me Mukamuka

E iwi o Nga Tekau o Poneke, tena koutou, tena koutou, tena koutou katoa piki mai, kake mai i raro i te kaupapa nunui o te wa

Nei ra me mihi hoki ki te hunga matua kua wehe atu ki te po haere, haere, haere. E te Papa a Haami, e Poutu haere atu ra tau atu ra me kati ra.

Ko nga mihi whanui ki a koutou ko nga mema o te roopu nei. Kua tae te wa mo koutou ki a ata titiro ki nga mahi o te Poari, kia whakawhiti nga korero, kia manaaki tatou ki a tatou.

Tihei Mouri ora

Tena koutou katoa

In the Olympic Games it is traditional for the President to declare at the end of each Games that they have been the best games ever. I am in a position to say that this 2013/14 year for Wellington Tenth's Trust in financial terms has been the best ever. We have a portfolio of properties and joint ventures which while not yet performing to the optimal level for the Trust, they are performing very well.

This year we will take a look back at where we have come from. We will then walk through the progress that has been made and take a look at the future.

The 2013/14 year was a busy one not only for me as Chairman, but also for the trustees, our staff and advisors.



The Trustees at a meeting held on June 19, 2014.

The Wellington Tenth's team are very busy on potential major transactions involving the Tokomaru Building at Massey University, at Pipitea Plaza in Pipitea Street as well as the continuing development of Village at the Park at the former Athletic Park site.

Massey University in the old Dominion Museum Building (Tokomaru) are in a joint venture with the Trust. The building has been in the news lately as the Government are currently undertaking a feasibility study to determine if it would be suitable as a new War and Conflict Museum adjacent to the newly developed National War Memorial Park. That could result in a significant decision for beneficial owners as to what the Trust's future interest will be and indeed what interest if any Massey University would retain. It is possible



An artist's impression of the National War Memorial Park when completed

that Massey University would over a period of time cease to be the tenant in the building and it would sell its joint venture share. The Government through the Ministry for Culture and Heritage, Wellington City Council and Te Papa would have a growing interest as they gradually replace Massey University. This might be the appropriate time for Wellington Tenth's Trust to also be replaced in the joint venture?



The Tokomaru building

The Trust has been heavily involved in the development of the **National War Memorial Park** and in particular a part which has been called the '*tangata whenua gardens*'. The gardens will be located on land which was part of the Massey University joint venture. The gardens will have features that recognise the mana whenua of Wellington and the connection of this area with the Parihaka and other Taranaki people held in the Mount Cook Prison. The tangata whenua gardens will recognise the kahui maunga and the role of women as the kaikaranga in the Park and elsewhere. The gardens will also recognise Maori involvement in the New Zealand Wars, World War I and World War II. There will be other interpretation that will recognise other roles played by Maori in conflicts both in New Zealand and overseas as well as in peace-keeping.

Projects such as the National War Memorial Park which involves the New Zealand Government through the Ministry for Culture and Heritage, Wellington City Council, Massey University, National War Memorial and the National War Memorial Park Alliance

has Wellington Tenth's Trust, playing a significant role in the development of the Park. The Park will be opened in time for its first major function being the 100th anniversary of the Battle of Gallipoli in WWI on April 25, 2015.

Pipitea Plaza was completed in 2009 as a joint venture arrangement with a group of parties associated with the developer Redwood Group, known as Pipitea Street Trust and the Wellington Tenth's Trust. Wellington Tenth's Trust has a 25 % interest in the 10 storey building occupied by the Government Communications Security Bureau (GCSB). The Trust continues to negotiate to change its joint venture partner and increase its stake in the venture.



The view of Pipitea Plaza from Thorndon Quay

Village at the Park continues to perform very well in all its functions from the hospital and alzheimers wings as well as providing support for the apartments and villas.

Village at the Park Care Limited has 9 rest home beds, 33 dementia beds and 42 hospital beds. This part of the Village has a high occupancy rate. Village at the Park Lifecare Limited has 37 villas and 44 apartments.



The Rintoul Street entrance to Village at the Park

The recreation block has been well received with its pool tables, giant screen television, library, gymnasium and large gathering spaces. The residents across the village view this as a great addition to the village. This will be further enhanced by the indoor swimming pool now under construction. The latest apartment block, Apartment Block C is also under construction with a further 34 apartments on three floors. The target for completion is next year.

All the buildings came through the earthquake in August 2013 and subsequent aftershocks with little damage.

It is noted that competition is starting to build in the neighbourhood with Rymans planning a retirement village in the old Tip Top Bread Factory in Newtown next door to the Countdown Supermarket. The Te Hopai Trust adjacent to Wellington Hospital has some 104 beds including dementia, resthome and hospital beds. They are currently upgrading their facilities on an adjacent site.

period over Christmas always sees a decline in occupancy rates.. The building was not damaged in the 2013 earthquakes. The demand for student accommodation is unlikely to change with the possible changes at Massey as they would build new buildings to replace the space they use currently in the Tokomaru Building.



The stone feature outside Taranaki 217



Little Wonders Early Childhood Centre has capacity for 100 pre-school children in day care. This continues to be fully utilised and is a busy and happy place for staff and children alike. This is located on the Village at the Park site on Rintoul Street. There are interactions between the residents in the Village and Apartments and the children.

Taranaki 217 remains fully utilised with high demand during the academic year. The

81–87 Thorndon Quay, Wellington is a property that was jointly purchased by the Wellington Tenth's Trust and Palmerston North Maori Reserve Trust. It has been developed into a commercial car park to cover the outgoings (rates) until the two Trusts are ready to move forward in a development to fully realise the potential of the site.

Other Freehold Properties

The Trust has freehold properties in both Adelaide Road and Waripori Street. A number of the properties have houses built between the 1920s and 1960s and are leased and managed by Westerman Property Services. Some are now sections where houses have been removed and are ready for a comprehensive re-development. Other houses and buildings are coming to the end of their economic life and plans are being made for their replacement.



The Executive Office facilities at Hikoikoi

One property with two houses at 429-431 Adelaide Road has recently been purchased by the Trust and they will be added to the rental stock for the Trust. These houses are currently tenanted and those tenants will remain. This property is adjacent to Village at the Park and is of strategic importance.

A possible re-development opportunity at 383-387 Adelaide Road will be presented at the AGM. This is a site of some 3,748m² may be able to accommodate up to eight rental homes on what is a sloping section. This section sits between Village at the Park and Macalister Heights. This re-development will complete this northern part of the Wellington Tenth Reserve. Once completed we would look to the re-development of the southern end of Village at the Park on Adelaide Road.

Leasehold Property—Macalister Heights at 381 Adelaide Road. The Trust is currently in negotiation with the Body Corporate at

Macalister Heights. The body corporate are seeking to purchase the freehold interest from the Trust. This is in line with the process over many years where freehold and leasehold interests are amalgamated.

Leasehold Property—South Wellington Intermediate School. This remains a significant leasehold property. However over the years there has been uncertainty as to whether it would remain, as Intermediate Schools went out of fashion. It has been partially rebuilt after a fire and is currently getting a new school hall. It looks set to remain for some time to come.

Hikoikoi is the main office for Wellington Tenth Trust and Palmerston North Maori Reserve Trust. It is where inquiries about your shareholding, successions and other interests should be directed. The site at Hikoikoi has had changes with previous tenants (the New Zealand Sports Academy and Te Wananga o Aotearoa) having moved out of the space. It is



Te Raukura (the Wharewaka)

now currently let on a casual basis from the office.

The Wharewaka, *Te Raukura* has seen a number of changes in recent times with Wellington Tenth Trust and Palmerston North Maori Reserve Trust taking over the remaining financial interest of the Port Nicholson Block Settlement Trust (PNBST). Kiwibank still have a financial interest in the Wharewaka with a \$2.869 million loan in place.

Te Wharewaka o Poneke Charitable Trust has a board made up of two Trustees each from Wellington Tenth Trust and Palmerston North Maori Reserve Trust along with one each from PNBST and Wellington City Council (vacant).

Te Wharewaka o Poneke Enterprises Limited is the subsidiary company looking after the Wharewaka business in partnership with Manaaki Management Limited (the operator). The company has been very active to ensure the Trust increases its profitability and maintains a firm foothold in the event and conference market in Wellington.

A tourism initiative based at the Wharewaka is being developed with a target of being launched before the end of 2014. The focus of

this initiative will be ‘walking tours’ and activities involving the waka.

Te Raukura Office

The Chairs of Wellington Tenth Trust, Palmerston North Maori Reserve Trust and the Wharewaka o Poneke Charitable Trust have retained a small office in *Te Raukura*. This is a satellite office to our main Hikoikoi office and ensure a clear presence for the two Trusts in central Wellington. It will have both an office space for the Chairs and staff and a small meeting room.

Hikoikoi Management Limited replaced Pipitea Management Limited and is the company jointly owned by Wellington Tenth Trust and Palmerston North Maori Reserve Trust. Its purpose is to provide the management and administration services for both Trusts. This includes managing the offices at Hikoikoi and Te Raukura and managing the business operations supporting the two Trusts.

Ngahuru Charitable Trust Incorporated replaces Wellington Tenth Development Trust. The main activities of the new charitable trust can be summarised as those run by the Hikoikoi Waka Ama club, activities around waka tete and waka taua both at Hikoikoi and at the Wharewaka, activities for



The blessing of our Maara Kai area at Hikoikoi

kaumatua and in particular the Kaumatua Mondays and also with the weaving roopu. There have been other sporting endeavours such as touch rugby which are currently in abeyance. Other cultural activities would come under this umbrella along with any

Item	2014	2013
Net Operating Income	\$2,551,578	\$2,270,911
Property Expenses	\$985,874	\$945,670
Net Property Income	\$1,565,704	\$1,325,241
Other Income	\$149,184	\$145,004
Total Income for Year	\$1,714,888	\$1,470,245
Expenses	\$1,045,566	\$1,035,928
Net Operating Surplus	\$669,322	\$434,317
Net Surplus Before Tax	\$1,786,642	\$1,524,727
Tax Expense	\$253,205	\$117,860
Net Surplus After Tax	\$1,533,437	\$1,406,867
Net Surplus After Unrealised Gains/Losses	\$1,485,100	\$1,744,624

social, educational or employment activities.

The Trust name *Ngahuru* comes from the old word for ten or tenth.

Nga Tekau Alcohol and Drug Counselling Service also operates from Hikoikoi under contract from the Capital & Coast District Health Board.

The Wellington Tenths Trust is revitalising its relationships with Wellington, Hutt and

Upper Hutt City Councils as well as with the Greater Wellington Regional Council.

Financial Performance

The audited Financial Statements for the year ended March 31, 2014 follow. Together with Trustees, I am pleased with the financial performance of the Trust in the year under review. Of particular note are:

In addition:

- * There has been an overall slight decrease in property revaluations as at March 31, 2014 of \$48,337 compared to an increase last year of \$337,757
- * Trust capital at the beginning of the year was \$41,161,849 and at the end of the year was \$42,171,358. This included the surplus of \$1,485,100 and distribution to owners of (\$475,591)

Conclusion

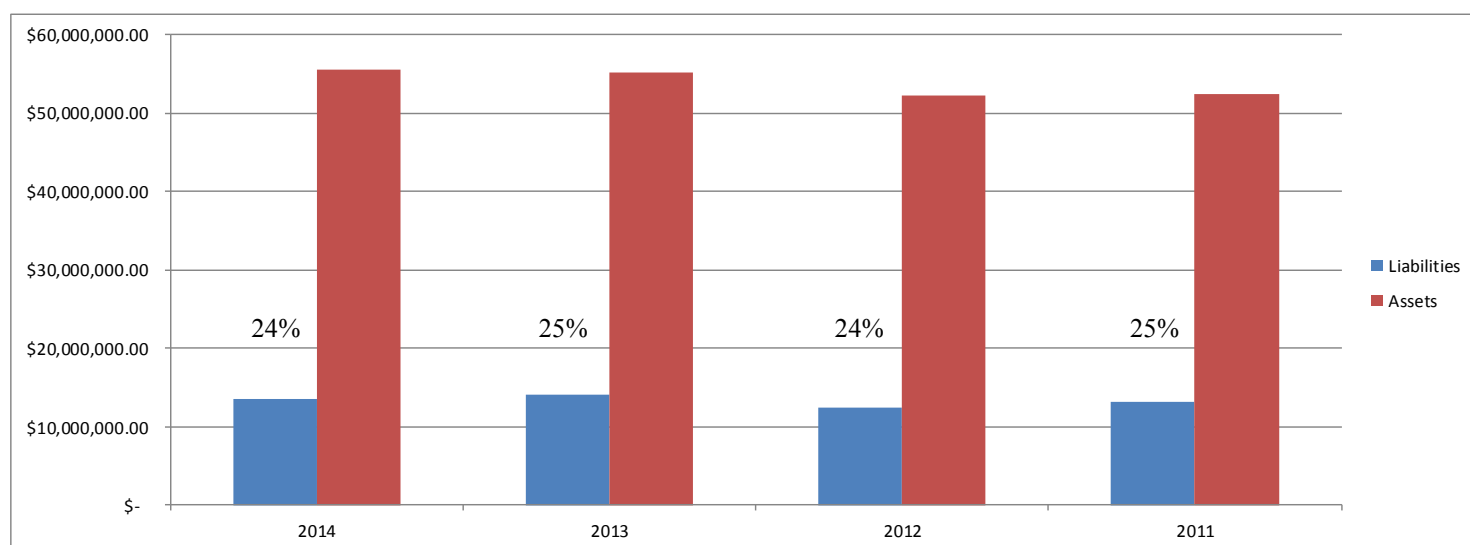
The Trust has performed well financially and operationally during the year under review.

The Trust has several projects currently under investigation and are excited by what the immediate future holds for the Trust. We are also involved in some projects which will come to fruition in the coming 12 months, such as the National War Memorial Park.

Morris Te Whiti Love
Chairman

Debt/Equity Ratio

The following bar graph shows the movement in the debt/equity ratio over the last four years. As at March 31, 2014 the debt to equity ratio is 24% / 76%. That is, the debt/liabilities of the Trust are 24% which is considered a conservative ratio.

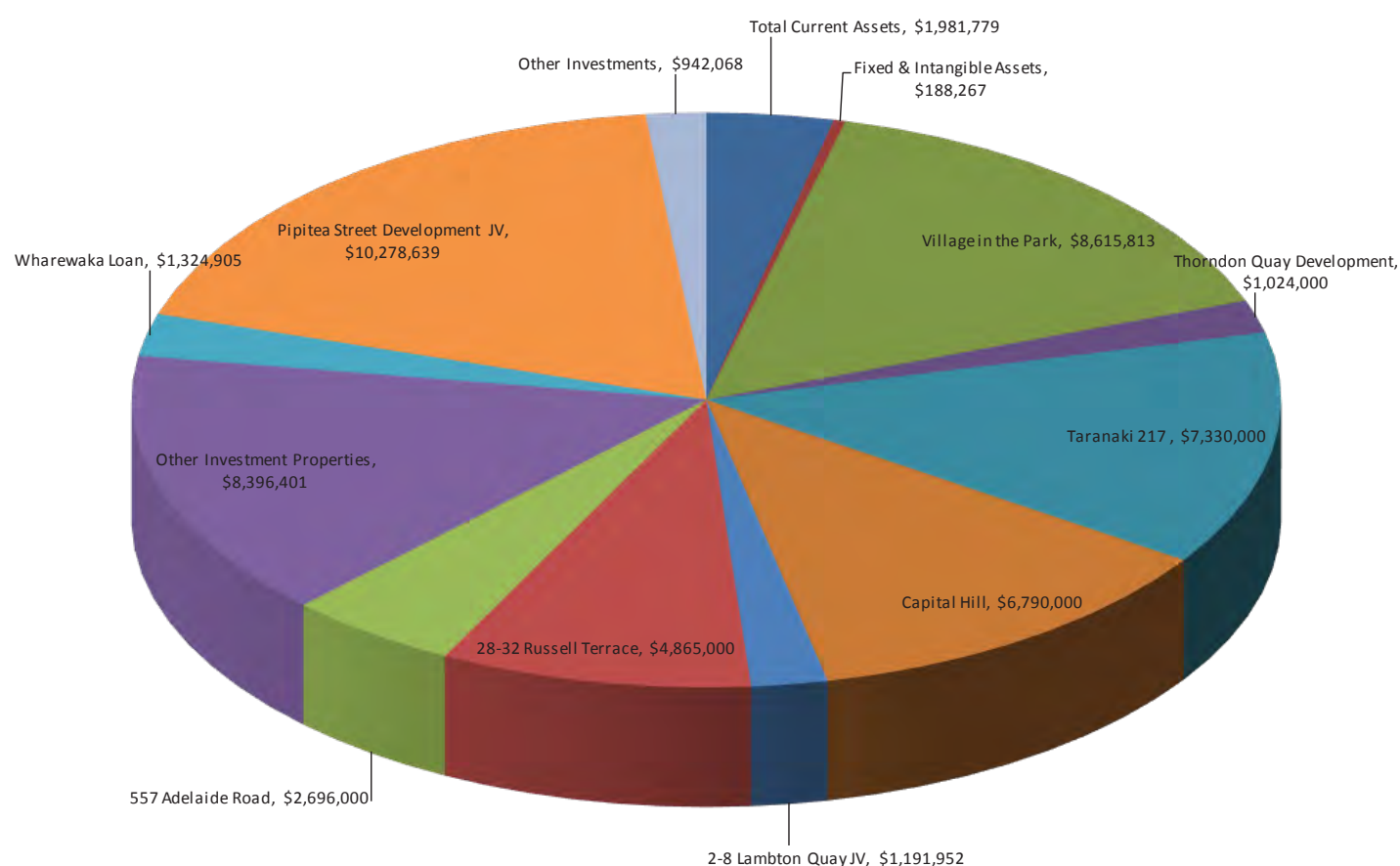


Trust's Total Assets—2014

The following pie-graph shows the breakdown of the total assets of the Trust.

portfolio means that risk is spread across a range of holdings reducing the possibility of significant losses in any one particular area.

The graph shows in percentage terms the holdings of the Trust for the year ended March 31, 2014. The diversified nature of the



Statistical Information

	<i>This Year 2014</i>	<i>2013</i>	<i>2012</i>	<i>2011</i>
Number of Owners	6,133	6,069	5,931	5,740
Total Number of Shares	182,919.681	182,919.681	182,919.681	182,919.681
Total Assets	\$ 55,624,824	\$ 55,191,730	\$ 52,315,399	\$ 52,410,852
Total Liabilities	\$ 13,453,466	\$ 14,029,881	\$ 12,349,417	\$ 13,069,451
Trust Capital	\$ 42,171,358	\$ 41,161,849	\$ 39,965,982	\$ 39,341,401
Total Income	\$ 1,714,888	\$ 1,470,245	\$ 1,612,863	\$ 1,298,588
Net Rental income (Note 2)				
Leasehold	\$ 822,504	\$ 825,600	\$ 856,598	\$ 838,542
Freehold	\$ 1,729,074	\$ 1,445,311	\$ 1,534,291	\$ 1,357,300
Number of Properties				
Leasehold	5	5	6	7
Freehold	11	11	10	10
Average Net Rental				
Leasehold	\$ 164,501	\$ 165,120	\$ 142,766	\$ 119,792
Freehold	\$ 157,189	\$ 131,392	\$ 153,429	\$ 135,730
Interest Received	\$ 116,495	\$ 170,029	\$ 96,256	\$ 26,505
Net Operating Surplus/(Deficit) before Taxation	\$ 669,322	\$ 434,317	\$ 629,139	\$ 497,546
Net Surplus/(Deficit) After Property Revaluations	\$ 1,485,100	\$ 1,744,624	\$ 1,136,754	\$ (752,412)
Income Tax Expense	\$ 253,205	\$ 117,860	\$ 181,913	\$ NIL
Distribution to Owners	\$ 475,591	\$ 548,757	\$ 512,173	\$ 457,299
Area of Land (Hectares)	81.2141	81.2141	81.2141	81.2352

Statement of Financial Performance

for the year ended March 31, 2014

		Group		Wellington Tenth Trust	
	Note	2014	2013	2014	2013
Net Operating Income					
Freehold Property	2	1,729,074	1,445,311	104,087	108,085
Leasehold Property	2	822,504	825,600	822,504	825,600
		2,551,578	2,270,911	926,591	933,685
Less Property Expenses					
Interest Expense	3	613,412	587,727	474,036	458,877
Other Property Expenses	4	372,462	357,943	86,609	83,044
		985,874	945,670	560,645	541,921
Net Property Income		1,565,704	1,325,241	365,946	391,764
Other Income					
Interest Income		116,495	170,029	211,158	270,711
Management Fees		-	-	137,016	137,016
Dividend Income		-	-	1,345,174	-
Share of Net Surplus/(Deficit) of Associates	5	28,939	(27,772)	-	-
Sundry Income		3,750	2,747	3,750	2,747
		149,184	145,004	1,697,098	410,474
Total Income		1,714,888	1,470,245	2,063,044	802,238
Less Expenses					
Administration & Operating Expenses	6	990,947	958,396	937,881	882,691
Depreciation	7	36,401	37,599	26,087	28,774
Other Expenses	8	18,218	39,933	18,218	39,933
		1,045,566	1,035,928	982,186	951,398
NET OPERATING SURPLUS/(DEFICIT)		669,322	434,317	1,080,858	(149,160)
Lambton Quay Joint Venture	16	(546,390)	399,357	(546,390)	399,357
Pipitea Joint Venture	15	1,664,971	704,279	1,664,971	704,279
Net Loss on Sale of Properties		-	(1,255)	-	(1,255)
Net Loss of Associates	5	-	(50)	-	(10,327)
Net Loss on Subsidiary Investments	13	-	-	-	(176,255)
Net Loss on Sale of Fixed Assets		(1,261)	(11,921)	(1,261)	(8,192)
		1,117,320	1,090,410	1,117,320	907,607
NET SURPLUS BEFORE TAXATION		1,786,642	1,524,727	2,198,178	758,447
Less Tax Expense	9	253,205	117,860	-	-
NET SURPLUS AFTER TAXATION		1,533,437	1,406,867	2,198,178	758,447
Unrealised Increase/(Decrease) in Value of Investment Property		(48,337)	337,757	161,663	461,757
NET SURPLUS AFTER UNREALISED GAINS/(LOSSES)		\$1,485,100	\$1,744,624	\$2,359,841	\$1,220,204

Statement of Movements in Trust Capital for the year ended March 31, 2014

		Group		Wellington Tenth Trust	
	Note	2014	2013	2014	2013
Trust Capital At Beginning of Year		41,161,849	39,965,982	31,986,748	31,315,301
Net Surplus for the Year		1,485,100	1,744,624	2,359,841	1,220,204
Less Distributions to Owners		(475,591)	(548,757)	(475,591)	(548,757)
TRUST CAPITAL AT END OF YEAR		\$42,171,358	\$41,161,849	\$33,870,998	\$31,986,748

This statement should be read in conjunction with the Notes to the Financial Statements

Statement of Financial Position as at March 31, 2014

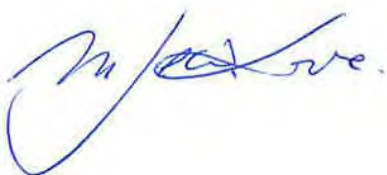
		Group		Wellington Tenth Trust	
	Note	2014	2013	2014	2013
TRUST CAPITAL		42,171,358	41,161,849	33,870,998	31,986,748
Represented By					
CURRENT ASSETS					
Accounts Receivable		402,947	64,763	195,323	58,749
Prepayments		88,330	1,725	12,240	1,725
Bank of New Zealand Limited	19	-	30,066	-	-
Westpac Banking Corporation	19	1,489,760	415,064	1,476,232	404,931
Rent Receivables		742	1,142	742	1,142
Accrued Interest		-	95	-	95
TOTAL CURRENT ASSETS		1,981,779	512,855	1,684,537	466,642
NON-CURRENT ASSETS					
FIXED ASSETS	10	188,267	206,208	133,321	158,194
INVESTMENTS					
Wharewaka Loan	11	1,324,905	949,905	1,324,905	949,905
Tenth Village Limited	12	7,980,971	9,096,805	7,980,971	9,096,805
Village at the Park Limited	12	634,842	633,792	1,329	60
Capital Hill Limited	13	-	-	1,068,408	1,312,653
Pipitea Properties Limited	13	-	-	-	(1,345,174)
Taranaki 10 Trust	13	-	-	2,392,201	2,509,471
Investment Properties	14	31,101,401	31,028,475	16,981,401	16,698,475
Pipitea Street Development JV	15	10,278,639	9,153,668	10,278,639	9,153,668
2-8 Lambton Quay JV	16	1,191,952	1,738,342	1,191,952	1,738,342
81-87 Thorndon Quay Development Costs		-	39,002	-	39,002
Hikoikoi Management Limited		731,971	1,688,118	731,971	1,688,118
Other Investments	17	210,097	136,560	210,136	126,600
TOTAL INVESTMENTS		53,454,778	54,464,667	42,161,913	41,967,925
INTANGIBLE ASSETS					
Westpac Stadium Seats	18	-	8,000	-	8,000
TOTAL NON-CURRENT ASSETS		-	8,000	-	8,000
TOTAL ASSETS		\$55,624,824	\$55,191,730	\$43,979,771	\$42,600,761

This statement should be read in conjunction with the Notes to the Financial Statements

Statement of Financial Position as at March 31, 2014

		Group		Wellington Tenth Trust	
	Note	2014	2013	2014	2013
Less					
CURRENT LIABILITIES					
Accounts Payable		281,857	224,738	162,527	195,854
Accrued Interest		34,718	37,088	22,302	24,473
Bank of New Zealand Limited		3,252	-	-	-
Income Received in Advance		297,898	327,090	238,648	263,851
Income Tax Payable	9	133,393	53,216	-	(5)
Goods and Services Tax Payable		70,504	8,851	39,405	11,848
Port Nicholson Block Vendor Loan		-	500,000	-	500,000
Bond Account		124,118	114,424	-	-
Unclaimed Distributions	20	1,908,466	1,792,390	1,908,466	1,792,390
Provision for Loss on Associate	5	-	28,939	-	-
Palmerston North Maori Reserve	21	66,425	34,602	66,425	34,602
Current Portion of Term Liabilities	22	375,708	375,708	120,000	120,000
TOTAL CURRENT LIABILITIES		3,296,339	3,497,046	2,557,773	2,943,013
TERM LIABILITIES					
Taranaki 217 Advance		-	-	1,000,000	1,000,000
Term Loans	22	10,532,835	10,908,543	6,671,000	6,791,000
Less Current Portion of Term Liabilities	22	(375,708)	(375,708)	(120,000)	(120,000)
TOTAL TERM LIABILITIES		10,157,127	10,532,835	7,551,000	7,671,000
TOTAL LIABILITIES		13,453,466	14,029,881	10,108,773	10,614,013
NET ASSETS		\$42,171,358	\$41,161,849	\$33,870,998	\$31,986,748

For and on behalf of the Managing Trustees:



Morris Te Whiti Love
Chairman



Mark Te One
Trustee

Date: August 8, 2014

This statement should be read in conjunction with the Notes to the Financial Statements

Statement of Cash Flows for the year ended March 31, 2014

	Group		Wellington Tenth Trust	
	2014	2013	2014	2013
Cash flows from Operating Activities				
<i>Cash was provided from:</i>				
Receipts from Tenants and Clients	2,617,357	2,711,391	977,556	1,034,429
Interest Received	13,519	4,153	13,489	3,440
Other Income	543,750	542,725	543,750	542,747
Goods and Services Tax Refund (Net)	(1,849)	(30,308)	(16,369)	20,910
	3,172,777	3,227,961	1,518,426	1,601,526
<i>Cash was applied to:</i>				
Payments to Suppliers & Employees	1,761,720	1,477,249	1,142,257	844,603
Interest Paid	592,428	608,413	376,694	433,981
Income Tax Paid (Net)	173,028	178,514	(5)	-
	2,527,176	2,264,176	1,518,946	1,278,494
Net Cash flows from/(used in) Operating Activities	645,602	963,785	(520)	323,032
Cash flows from Investing Activities				
<i>Cash was provided from:</i>				
Sale of Investment Properties	-	178,195	-	178,915
	-	178,195	-	178,915
<i>Cash was applied to:</i>				
Purchase of Fixed Assets and Investment Properties	103,031	564,131	86,005	543,974
	103,031	564,131	86,005	543,974
Net Cash flows used in Investing Activities	(103,031)	(385,936)	(86,005)	(365,779)
Cash flows from Financing Activities				
<i>Cash was provided from:</i>				
Advances Received/(Paid)	1,234,029	(220,778)	1,637,341	184,080
	1,234,029	(220,778)	1,637,341	184,080
<i>Cash was applied to:</i>				
Term Loans Repaid/(Received)	375,707	(697,811)	120,000	(880,000)
Distributions to Owners	359,515	313,272	359,515	313,272
	735,222	(384,539)	479,515	(566,728)
Net Cash flows from/(used in) Financing Activities	498,807	163,761	1,157,826	750,808
Net Increase/(Decrease) in Cash Held	1,041,378	741,610	1,071,301	708,061
Cash Brought Forward	445,130	(296,480)	404,931	(303,130)
Ending Cash Carried Forward	1,486,508	445,130	1,476,232	404,931
Bank Consists of:				
Bank of New Zealand Limited	(3,252)	30,066	-	-
Westpac Banking Corporation	1,489,760	415,064	1,476,232	404,931
	\$1,486,508	\$445,130	\$1,476,232	\$404,931

Statement of Cash Flows for the year ended March 31, 2014

	Group		Wellington Tenth Trust	
	2014	2013	2014	2013
Reconciliation of Net Surplus After Tax with Net Cash Flows from Operating Activities				
Net Surplus After Tax	1,485,100	1,744,624	2,359,841	1,220,204
<i>Add/(Deduct) Non Cash Items:</i>				
Amortisation Expense	8,000	8,000	8,000	8,000
Depreciation	36,401	37,599	26,087	28,774
Change in Property Valuations	48,337	(337,757)	(161,663)	(461,757)
Management Fees	-	132,895	(33,016)	(4,121)
Interest and Dividends	(78,763)	(130,460)	(1,442,716)	(203,704)
Lambton Quay Joint Venture	546,390	(399,357)	546,390	(399,357)
Pipitea Street Development Joint Venture	(1,124,971)	(164,279)	(1,124,971)	(164,279)
Income Tax	-	-	-	5
Share in Net Surplus/(Deficit) of Associates	(28,939)	27,750	-	-
Loss on Wind up of Investments and Associates	-	50	-	186,582
Loss on Disposal of Fixed Assets	1,261	13,176	1,261	9,447
	(592,284)	(812,383)	(2,180,628)	(1,000,410)
<i>Add/(Deduct) Movement in Working Capital Items</i>				
Receivables and Rent Arrears				
Income Tax	(337,690)	115,063	(136,079)	54,355
Income Received in Advance	80,177	(60,654)	5	(5)
Payables	(29,192)	1,158	(25,203)	3,921
Prepayments	64,442	(18,365)	(35,498)	37,790
Goods and Services Tax	(86,605)	686	(10,515)	686
	61,653	(6,344)	27,557	6,491
	(247,215)	31,544	(179,733)	103,238
Net Cash flows from/(to) Operating Activities	\$645,602	\$963,785	\$(520)	\$323,032

This statement should be read in conjunction with the Notes to the Financial Statements

Notes to the Financial Statements for the year ended March 31, 2014

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION

Wellington Tenth Trust is an Ahu Whenua Trust constituted by the Māori Land Court Order of December 16, 2003, pursuant to Sec 244 of the Te Ture Whenua Māori Act 1993 which varied the original Trust Deed of 1977, and the subsequent variation of Deed made on July 17, 1996. These Financial Statements have been prepared in accordance with the Financial Reporting Act 1993.

GENERAL ACCOUNTING POLICIES

The measurement base adopted is that of historical cost, except that investment properties are stated at valuation. All amounts are presented in New Zealand Dollars (\$).

Consolidation of Subsidiaries and Associates

The Group Financial Statements incorporate the Financial Statements of the Trust and its subsidiaries and associates.

Subsidiaries

Subsidiaries are those entities controlled directly or indirectly by the Group. The Financial Statements of the subsidiaries are included in the consolidated Financial Statements using the purchase method of consolidation.

Associates

Associates are entities in which the Group has significant influence, but not control, over the operating and financial policies.

The Group's share of the net surplus of associates is recognised as a component in computing the operating surplus in the Statement of Financial Performance using the equity method of consolidation.

The Group's share of other gains and losses of associates is recognised as a component of net surplus for the year in the Statement of Movements in Trust Capital.

The effects of the intra-group transactions are eliminated in preparing the consolidated Financial Statements.

Accounts Receivable

Accounts Receivable are valued at expected realisable value, after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

Fixed Assets

Fixed assets are recorded at cost less accumulated depreciation to date.

Depreciation

The Database and Hikoikoi are depreciated using straight line basis.

All other business fixed assets, excluding investment properties are depreciated on a diminishing value basis using the maximum rates allowed by the Inland Revenue Department. The estimated useful lives of fixed assets are as follows:

Leasehold Improvements	5 - 20 years
Furniture & Fittings	5 - 20 years
Office Equipment	3 - 15.5 years
Database	10 years
Hikoikoi	12 years

Investments

Except where noted otherwise, investments are recorded at cost. Investment income, other than dividend income, is recognised on an accruals basis where appropriate. Imputation credits are not recognised except for tax purposes.

Investment Properties

Investment properties are recorded at open market value, less anticipated costs of disposal, as determined by independent registered valuers. No depreciation has been allowed in respect of the investment properties. Investment properties are revalued annually in compliance with SSAP 17: *Accounting for Investment Properties*. Unrealised gains or losses on the value of investment properties have been included in the Statement of Financial Performance.

Investment properties held for resale are recorded at the lower of net realisable value and valuation.

Goods and Services Tax

Income which forms part of a GST activity is stated exclusive of GST. Expenditure is stated exclusive of GST to the extent that GST has been claimed back. Accounts Receivable and Accounts Payable are stated inclusive of GST in the Statement of Financial Position. All other assets and liabilities are stated exclusive of GST to the extent the GST has been claimed back.

Taxation

The "taxes payable" method of accounting for taxation has been followed. Provision has been made for taxation after taking full advantage of all deductions and concessions permitted.

Notes to the Financial Statements for the year ended March 31, 2014

NOTE 1. STATEMENT OF ACCOUNTING POLICIES (continued)

No deferred tax liability is recognised in respect of tax depreciation, as it is intended that ownership of the investment property portfolio will be long term. Accordingly, timing differences are not expected to reverse in the foreseeable future.

Statement of Cash Flows

The following are definitions of the terms used in the Statement of Cash Flows:

- Operating activities are those activities relating to the trading and management of the Trust's business and include all transactions and other events that are not investing or financing activities.
- Investing activities are those activities relating to the acquisition, holding and disposal of fixed assets, investments and investment properties.
- Financing activities are those activities that result in changes in the size and composition of the capital structure of the group.
- Cash comprises cash held on deposit at banks and bank overdraft balances.

Differential Reporting

This entity qualifies for Differential Reporting exemptions as it has no public accountability and does not classify as being large as the entity does not exceed two of the three size criteria of total revenue of \$20 million, total

assets of \$10 million or over 50 employees. All available reporting exemptions allowed under the Framework for Differential Reporting have been adopted except that a cash flow has been prepared in accordance with FRS 10.

Leasehold & Freehold Land Definitions

Freehold properties as referred to in the Financial Statements are those properties the Trust owns all interests in both the land, and any buildings and improvements.

Leasehold properties as referred to in the Financial Statements are those properties where the Trust owns the land but the land is subject to a lease in favour of another party. The Trust's interest in any such properties excludes any interest in any buildings or improvements owned by the other party.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policy. All accounting policies have been applied on a basis consistent with those used in previous years. Comparative figures have been reclassified to conform to current year classifications.

Notes to the Financial Statements for the year ended March 31, 2014

	Group		Wellington Tenth Trust	
	2014	2013	2014	2013
NOTE 2. RENTAL ACCOUNTS				
<u>Freehold Properties</u>				
Rent Received	2,004,803	1,684,925	164,111	144,304
Hostel Non Rental Income	51,683	58,473	-	9,162
Total Income	2,056,486	1,743,398	164,111	153,466
Less:				
Advertising	5,608	5,240	-	-
Electricity	63,469	76,017	-	270
Insurance	97,809	81,371	10,143	8,086
Rates	86,207	82,594	39,630	25,326
Repairs & Maintenance	66,496	52,865	9,210	11,699
Sundry Expenses	7,823	-	1,041	-
Property Expenses	327,412	298,087	60,024	45,381
Net Rental Income	\$1,729,074	\$1,445,311	\$104,087	\$108,085
<u>Leasehold Properties</u>				
Rent Received	822,504	825,540	822,504	825,540
Less:				
Bad Debts	-	(60)	-	(60)
Property Expenses	-	(60)	-	(60)
Net Rental Income	\$822,504	\$825,600	\$822,504	\$825,600
NOTE 3. INTEREST EXPENSE				
Interest—Palmerston North Maori Reserve	24,308	6,902	24,308	6,902
Interest—Capital Hill	-	-	43,816	30,694
Interest—Taranaki 217	-	-	32,287	-
Interest—Westpac	372,477	421,281	372,477	421,281
Interest—IRD	1,683	3,870	1,148	-
Interest—BNZ	214,944	155,674	-	-
Total Interest Expenses	\$613,412	\$587,727	\$474,036	\$458,877
NOTE 4. OTHER PROPERTY EXPENSES				
Property Management Fees	144,452	164,434	54,544	63,083
Property Valuation Fees	38,171	26,284	29,865	19,961
Wages	189,839	167,225	2,200	-
Total Other Property Expenses	\$372,462	\$357,943	\$86,609	\$83,044

Notes to the Financial Statements for the year ended March 31, 2014

Group

2014	2013
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NOTE 5. INVESTMENT IN ASSOCIATES

Carrying Amount in Associates

Carrying Amount at Beginning of Year	(28,939)	(11,444)
Net Gain of Associates	-	10,277
Equity Accounted Earnings of Associates	28,939	(27,772)
Carrying Amount at End of Year	-	\$(28,939)

Name of entity	Principal Activities	Interest Held by Group	
		2014	2013
Nicholson Fisheries Holdings Limited*	Non-trading	50%	50%
Hikoikoi Management Limited	Management Company	50%	50%

All of the associates have a March 31 balance date, and have been owned for the full financial year.

* Formerly Atiawa Nui Tonu Fisheries Limited. Name changed March 22, 2006.

Notes to the Financial Statements for the year ended March 31, 2014

	Group		Wellington Tenth Trust	
	Note	2014	2013	
		2014	2013	
NOTE 6. ADMINISTRATION AND OPERATING EXPENSES				
Accident Insurance/Levies		1,428	1,266	-
Accountancy Fees		123,739	151,581	109,512
Audit Fees		37,895	45,050	37,895
Bank Charges		13,320	12,474	7,022
Cleaning & Laundry		3,742	8,226	-
Computer Expenses		342	15,994	60
Consultancy Fees		13,472	47,577	10,322
Courier Charges		109	617	109
Distribution Expenses		2,793	2,206	2,793
Entertainment		-	3,503	-
Executive Office & Administration Fees		372,639	221,478	372,639
General Expenses		2,120	10,277	1,012
Interest—Bank Overdraft		954	31,439	709
Insurance		12,907	-	12,907
IRD Penalties		870	-	-
Loan Fees		3,646	10,750	-
Legal Fees		170,232	108,085	159,835
Membership & Subscriptions		2,788	1,779	2,788
Owners' Meetings		34,657	60,510	34,657
Office Expenses		165	4,267	165
Printing & Stationery		1,430	18,367	1,046
Rent		-	2,297	-
Secretarial Expenses		8,722	4,206	8,722
Security		548	2,203	-
Telephone & Tolls		11,161	28,704	4,420
Travel & Accommodation		35,582	42,988	35,582
Trustees' Fees	26	112,484	103,535	112,484
Trustees' Expenses		23,202	19,008	23,202
Total Administration & Operating Expenses		\$990,947	\$958,396	\$937,881
NOTE 7. DEPRECIATION				
Database		20,657	20,657	20,657
Furniture & Fittings		11,010	9,367	727
Office Equipment		4,531	7,069	4,500
Hikoikoi Reserve		-	-	-
Website Development		203	506	203
Total Depreciation		\$36,401	\$37,599	\$26,087

Depreciation rates used varied between 2% to 60%

Notes to the Financial Statements for the year ended March 31, 2014

	Group		Wellington Tenth Trust	
	2014	2013	2014	2013
NOTE 8. OTHER EXPENSES				
Sponsorship	-	146	-	146
Amortisation of Westpac Stadium Seats	8,000	8,000	8,000	8,000
Hikoikoi Activities	-	10,276	-	10,276
Koha	100	4,230	100	4,230
Te Aro Pa Expenses (50%)	4,268	7,346	4,268	7,346
Other Expenses	5,850	9,935	5,850	9,935
Total Other Expenses	\$18,218	\$39,933	\$18,218	\$39,933
NOTE 9. TAXATION				
Net Surplus Before Tax	1,786,642	1,524,727	2,198,178	758,447
ADD/(LESS):				
Depreciation Adjustment for Accounting	(5,123)	(6,110)	-	-
Pipitea Properties Limited Dividend Received	45,088	-	(1,300,086)	-
Imputation Credits	177	-	177	-
Imputation Credit Loss	(1,011)	-	(1,011)	-
Non-Deductible Other Expenses	56,408	58,112	51,682	28,865
Gain on Investments	-	50	-	186,582
Net Surplus of Associate	(28,939)	-	(28,989)	-
Amortisation Expense	8,000	8,000	8,000	8,000
Gain on Sale of Property—Non-Taxable	-	1,255	-	1,255
Pipitea Joint Venture	(1,142,686)	(138,535)	(1,142,686)	(138,535)
Lambton Quay Joint Venture	368,052	(553,491)	368,052	(553,491)
Taxable Income/(Loss)	1,086,608	894,008	182,306	291,123
Losses from Previous Years Utilised	(182,306)	(291,612)	(182,306)	(291,123)
TAXABLE INCOME FOR THE YEAR	\$904,302	\$602,396	-	-
Taxation Expense	253,205	117,860	-	-
LESS:				
Provisional Tax Paid	(119,812)	(115,456)	-	-
RWT Paid	-	(2)	-	-
Tax Transfer	-	-	-	(5)
Prior Period Adjustment	-	50,817	-	-
Prior Year Taxation Refund Due	-	(3)	-	-
TAXATION PAYABLE/(REFUND DUE)	\$133,393	\$53,216	-	\$(5)

The Distributions to Owners in the 2014 and 2013 financial years were made from prior year capital profits. They are non-taxable and cannot be claimed as a deduction.

Tax losses amounting to \$7,957,680 (2013: \$8,139,986) are to be carried forward to be offset against future taxable income by the Trust. The Group has \$7,957,680 (2013: \$8,139,986) of tax losses to be carried forward. These losses are subject to confirmation by the Inland Revenue Department.

Notes to the Financial Statements for the year ended March 31, 2014

	Group		Wellington Tenth Trust	
	2014	2013	2014	2013
NOTE 10. FIXED ASSETS				
Description				
Database	206,571	206,571	206,571	206,571
Less Accumulated Depreciation	(173,706)	(153,049)	(173,706)	(153,049)
	32,865	53,522	32,865	53,522
Furniture & Fittings	186,792	167,072	24,865	22,390
Less Accumulated Depreciation	(111,802)	(100,792)	(4,759)	(4,032)
	74,990	66,280	20,106	18,358
Office Equipment	130,685	140,295	118,556	128,167
Less Accumulated Depreciation	(102,596)	(106,415)	(90,529)	(94,379)
	28,089	33,880	28,027	33,788
Website Development	15,456	15,456	15,456	15,456
Less Accumulated Depreciation	(15,321)	(15,118)	(15,321)	(15,118)
	135	338	135	338
Te Aro Pa Site	52,188	52,188	52,188	52,188
Total Fixed Assets	\$188,267	\$206,208	\$133,321	\$158,194

NOTE 11. LOAN TO WHAREWAKA O PONEKE CHARITABLE TRUST

Wellington Tenth Trust has made a loan of \$1,324,905 (2013: \$949,905) to Wharewaka o Poneke Charitable Trust. The loan was advanced on December 20, 2010 for an initial term of five years with interest only repayments during the term. Interest on the loan has been accrued up to March 31, 2013. No further interest has been accrued up to March 31, 2014. A further \$375,000 was advanced on November 5, 2013. The principal amount is to be repaid at the expiry of the initial term, if the term has not been renewed.

NOTE 12. ADVANCES TO TENTHS VILLAGE LIMITED AND VILLAGE AT THE PARK LIMITED

Wellington Tenth Trust has made advances of \$7,980,971 (2013: \$9,096,805) to Tenth Village Limited as corporate trustee for Tenth Village Trust. The advance is interest free and is repayable on demand. The beneficial owners of Wellington Tenth Trust are also the ultimate beneficiaries of Tenth Village Trust.

Tenth Village Limited has used this advance to acquire 100% of the shares in Village at the Park Limited for \$2,500,000 and to make advances to Village at the Park Limited as at March 31, 2014, secured by a second ranking debenture over the land, repayable on demand at least four years after draw down. As at March 31, 2014, Village at the Park Limited has advanced \$4,879,026 (2013: \$5,994,860) to the joint venture with the Hurst Group in Village at the Park Lifecare Limited, the operator of the Village at the Park Retirement Village and repayment will be determined by Village at the Park Limited. Village at the Park Limited has a 50% interest in Village at the Park Lifecare Limited.

Capital Hill Limited has made advances of \$634,842 (2013: \$633,792) to Village at the Park Limited. The advance is unsecured and interest free. It is not anticipated that repayment will be demanded within the next twelve months.

Notes to the Financial Statements for the year ended March 31, 2014

NOTE 12. ADVANCES TO TENTHS VILLAGE LIMITED AND VILLAGE AT THE PARK LIMITED (continued)

The Trustees have reviewed the independent valuation undertaken of the land, buildings and site improvements of Village at the Park at March 31, 2014 which values the investment property at \$50,130,000 (2013: \$42,900,000). The Trustees have reviewed the underlying net equity and it's secured loans in the Village at the Park at \$8,092,661 (2013: \$7,692,132) and this together with the Trust's value of the on-going business leads the Trustees to consider the Tenth's Village 50% investment to have a current value greater than the loans made to Tenth's Village Limited and Village at the Park Limited.

NOTE 13. INVESTMENT IN SUBSIDIARIES

Name of entity	Principal Activities	Interest Held by Group	
		2014	2013
Capital Hill Limited	Commercial Rental	100%	100%
Nga Tekau Seafoods Limited	Non-Trading	100%	100%
Pipitea Properties Limited	Commercial Rental	100%	100%
Taranaki 10 Trust	Investment Trust	100%	100%
Taranaki 217 Limited	Student Accommodation	100%	100%
Wellington Tenth's Lambton Quay Limited	Commercial Rental	100%	100%

All of the subsidiaries have a March 31 balance date and have been owned for the full financial year. Taranaki 217 Limited and Taranaki 2001 Limited are wholly-owned subsidiaries of Taranaki 10 Limited, as Trustee for the Taranaki 10 Trust, the beneficial owner of which is Wellington Tenth's Trust.

	Group		Wellington Tenth's Trust	
	2014 Valuations	2013 Valuations	2014 Valuations	2013 Valuations
NOTE 14. INVESTMENT PROPERTIES (at valuation)	\$	\$	\$	\$
Freehold Land & Improvements				
383-387 Adelaide Road, Wellington	1,960,000	1,863,000	1,960,000	1,863,000
81-87 Thorndon Quay, Wellington	1,024,000	1,000,000	1,024,000	1,000,000
433 Adelaide Road, Wellington	432,500	408,500	432,500	408,500
435 Adelaide Road, Wellington	610,000	582,000	610,000	582,000
437 Adelaide Road, Wellington	485,000	426,800	485,000	426,800
38 Buckle Street, Wellington	6,790,000	7,050,000	-	-
213-217 Taranaki Street, Wellington	7,330,000	7,280,000	-	-
40 Waripori Street, Wellington	213,000	203,000	213,000	203,000
42 Waripori Street, Wellington	465,600	423,250	465,600	423,250
64 Waripori Street, Wellington	446,200	407,000	446,200	407,000
64a Waripori Street, Wellington	436,500	412,500	436,500	412,500
Total Freehold Land & Improvements	\$20,192,800	\$20,056,050	\$6,072,800	\$5,726,050

Notes to the Financial Statements for the year ended March 31, 2014

	Group		Wellington Tenth Trust	
	2014 Valuations	2013 Valuations	2014 Valuations	2013 Valuations
NOTE 14. INVESTMENT PROPERTIES (at valuation) continued				
Leasehold Land				
381 Adelaide Road, Wellington	1,765,000	1,750,000	1,765,000	1,750,000
557-567 Adelaide Road, Wellington	2,696,000	2,646,000	2,696,000	2,646,000
28-32 Russell Terrace, Wellington	4,865,000	5,090,000	4,865,000	5,090,000
44 Waripori Street, Wellington	243,000	218,000	243,000	218,000
Gilbert Road, Upper Hutt	1,339,601	1,268,425	1,339,601	1,268,425
Total Leasehold Land	10,908,601	10,972,425	10,908,601	10,972,425
Total Investment Properties	\$31,101,401	\$31,028,475	\$16,981,401	\$16,698,475

The investment properties owned by the Wellington Tenth Trust, and its subsidiaries, with the exception of the property listed below, have been valued based on a valuation performed by independent registered public valuer, Colliers International, as at March 31, 2014. The investment property located at Gilbert Road, Upper Hutt has been valued based on a valuation performed by independent registered public valuer, Allison Associates Ltd, as at March 31, 2014. The valuation basis used was open market value less disposal costs.

NOTE 15. PIPITEA STREET PROJECT

Wellington Tenth Trust entered into an Unincorporated Joint Venture agreement dated May 25, 2008 relating to the development of the properties previously owned at Pipitea Street, Wellington. The Joint Venture is known as "Pipitea Street Project". The parties to the Joint Venture agreement are Wellington Tenth Trust (25%) and Pipitea Street Trust (Redwood Group Limited) (75%). The agreement involved the sale of the properties at Pipitea Street to the Joint Venture. Wellington Tenth Trust has advanced \$9,000,000 to the Joint Venture as at March 31, 2014 (2013: \$9,000,000). Construction commenced in July 2008 and was completed in December 2010. The building is fully tenanted to a Government agency.

	Group		Wellington Tenth Trust	
	2014	2013	2014	2013
Opening Balance	9,153,668	8,989,389	9,153,668	8,989,389
Share of equity accounted profits	1,664,971	704,279	1,664,971	704,279
Cash receipts	(540,000)	(540,000)	(540,000)	(540,000)
Closing Balance	\$10,278,639	\$9,153,668	\$10,278,639	\$9,153,668

NOTE 16. LAMBTON QUAY PROJECT

Wellington Tenth Trust entered into an Unincorporated Joint Venture agreement dated September 30, 2008 relating to the development of the properties previously owned at 2-8 Lambton Quay, Wellington. The Joint Venture is known as "KS Exchange Joint Venture". The parties to the Joint Venture agreement are Wellington Tenth Trust (25%) and Lambton Quay Trust (Redwood Group Limited) (75%).

Notes to the Financial Statements for the year ended March 31, 2014

	Group		Wellington Tenth Trust	
	2014	2013	2014	2013
NOTE 16. LAMBTON QUAY PROJECT continued				
Opening Balance	1,738,342	1,338,985	1,738,342	1,338,985
Share of equity accounted profits	(546,390)	399,357	(546,390)	399,357
Closing Balance	\$1,191,952	\$1,738,342	\$1,191,952	\$1,738,342
NOTE 17. OTHER INVESTMENTS				
Wellington Tenth Development Trust	106,454	32,917	106,454	22,918
Adelaide Road Development Costs	103,643	103,643	103,643	103,643
Wellington Tenth Lambton Quay Limited	-	-	39	39
Total Other Investments	\$210,097	\$136,560	\$210,136	\$126,600

NOTE 18. INTANGIBLE ASSETS

Description				
Westpac Stadium Seats	-	8,000	-	8,000
Total Intangible Assets	-	\$8,000	-	\$8,000

The \$120,000 purchase of 10 Westpac Stadium seats is being amortised on a straight line basis, over a period of 15 years from 2000 to 2014.

NOTE 19. BANK OVERDRAFTS

The Wellington Tenth Trust has an overdraft facility with Westpac Banking Corporation for \$350,000. This facility has been secured over the Trust's properties located at 28-32 Russell Terrace, 381 Adelaide Road, 383 to 387 Adelaide Road, 557 to 559 Adelaide Road, 433 Adelaide Road and 435 Adelaide Road, Wellington.

Taranaki 217 Limited has an overdraft facility with BNZ bank for \$100,000. This facility has been secured over 213-217 Taranaki Street, Wellington.

NOTE 20. UNCLAIMED DISTRIBUTIONS

Unclaimed Distributions at Beginning of Year	1,792,390	1,556,905	1,792,390	1,556,905
Distribution Declared	475,591	548,757	475,591	548,757
	2,267,981	2,105,662	2,267,981	2,105,662
Less:				
Distributions Claimed	359,515	313,272	359,515	313,272
Unclaimed Distributions at End of Year	\$1,908,466	\$1,792,390	\$1,908,466	\$1,792,390

NOTE 21. PALMERSTON NORTH MAORI RESERVE TRUST

Funds are transferred between Palmerston North Māori Reserve Trust and Wellington Tenth Trust. The balance also includes expenses paid by the Trusts on behalf of the other Trust. Any cash advances owing to Palmerston North Māori Reserve Trust are charged interest at 5.90%.

Notes to the Financial Statements for the year ended March 31, 2014

	Group		Wellington Tenth Trust	
	2014	2013	2014	2013
NOTE 22. TERM LOANS				
Description—Maturity Date—Interest Rate				
Bank of New Zealand (04)—18/9/2017—5.46%	2,861,835	3,117,543	-	-
Bank of New Zealand (05)—14/8/2017—5.54%	1,000,000	1,000,000	-	-
Westpac Banking Corporation (91)—5.35%	1,500,000	1,500,000	1,500,000	1,500,000
Westpac Banking Corporation (92)—5.35%	615,000	615,000	615,000	615,000
Westpac Banking Corporation (93)—5.35%	750,000	750,000	750,000	750,000
Westpac Banking Corporation (94)—5.25%	3,156,000	3,156,000	3,156,000	3,156,000
Westpac Banking Corporation (95)—5.15%	650,000	770,000	650,000	770,000
Total Commitment	10,532,835	10,908,543	6,671,000	6,791,000
Less Current Portion (next 12 months)	375,708	375,708	120,000	120,000
Net Term Liability	\$10,157,127	\$10,532,835	\$6,551,000	\$6,671,000

The Bank of New Zealand loan is secured by a registered 1st mortgage over 217 Taranaki Street, Wellington together with a General Security Agreement over all companies in the Group.

The Westpac Banking Corporations loans are secured over the properties located at 26-32 Russell Terrace, 381 Adelaide Road, 383-387 Adelaide Road, 557-559 Adelaide Road, 433 Adelaide Road and 435 Adelaide Road.

NOTE 23. CONTINGENT LIABILITIES & COMMITMENTS

Taranaki 217 Limited

The Wellington Tenth Trust and Taranaki 10 Limited have guaranteed an advance of \$4,750,000 from the Bank of New Zealand Limited to Taranaki 217 Limited.

The amount advanced consists of a Line of Credit facility of \$100,000 for five years at the Bank of New Zealand Line of Credit Prime Rate, together with a Term Loan of \$4,650,000 for five years at an interest rate 1.25% above the 90 day Bank Bill Rate. The advance is secured by way of first mortgage over the property located at 213-217 Taranaki Street, Wellington, together with joint guarantees, each in the sum of \$4,750,000 (2013: \$4,750,000) plus interest and costs, from the Wellington Tenth Trust and Taranaki 10 Limited.

Village at the Park Healthcare Limited and Village at the Park Lifecare Limited

The Wellington Tenth Trust (on behalf of Village at the Park Limited), Hurst Holdings Limited, Terence Leonard Pratley and Geoffrey Ewan McPhail are the joint guarantors of the mortgage from Westpac Banking Corporation to Village at the Park Lifecare Limited, and of the CreditLine facility to Village at the Park Healthcare Limited. The mortgage to Village at the Park Lifecare Limited, and CreditLine facility to Village at the Park Healthcare Limited are secured by way of a first ranking exclusive mortgage from Village at the Park Lifecare Limited over the property situated at 71 Rintoul Street, Wellington, and first ranking exclusive general security agreements charging the personal and non-personal property of Village at the Park Lifecare Limited and Village at the Park Healthcare Limited.

The Wellington Tenth Trust's liability in respect of the guarantees provided for Village at the Park Healthcare Limited and Village at the Park Lifecare Limited are limited to an amount equivalent to 50% of guaranteed monies, reflecting the shareholding of Village at the Park Limited in the joint venture companies.

Notes to the Financial Statements for the year ended March 31, 2014

NOTE 24. RELATED PARTY TRANSACTIONS

All members of the Wellington Tenth Trust group, as listed in Notes 5,12 & 13 are related parties of the Trust. During the year, the Trust has advanced loans to support its subsidiaries and associates as required, and received loan repayments from its subsidiaries and associates, in the normal course of business.

The Wellington Tenth Trust has received advances from the Palmerston North Māori Reserve Trust of which Mark Te One, Sir Ngatata Love, Jeanie Hughes, Catherine Love and Matthew Love-Parata are Trustees.

Hikoikoi Management Limited, an associate of the Wellington Tenth Trust provided administration and management services to the Wellington Tenth Trust.

Hikoikoi Management Limited is owned 50% each by Palmerston North Maori Reserve Trust and the Wellington Tenth Trust. It is charged with running the administration of both these trusts.

Pipitea Properties Limited, is a wholly owned subsidiary of the Wellington Tenth Trust. The company was wound up as at March 31, 2013.

On March 31, 2014, the Wellington Tenth Trust charged Capital Hill Limited, a wholly-owned subsidiary, a management fee of \$85,016 (2013: \$85,016) for management services for the year.

On March 31, 2014, the Wellington Tenth Trust charged Taranaki 217, a wholly-owned subsidiary, a management fee of \$52,000 (2013: \$52,000) for management services for the year.

All the above related party transactions are conducted on a normal trading basis, at fair market rates, as if transactions were conducted between parties at arm's length except for interest on advances which is not charged.

Some Trustees of Wellington Tenth Trust are directors of the above named wholly owned or partially owned subsidiaries of Wellington Tenth Trust.

NOTE 25. CONTINGENT ASSET

On June 26, 2014 the Wellington Tenth Trust entered arbitration proceedings against the Redwood Group Limited as provided for in the Joint Venture Agreement between the two parties. The arbitration relates to recovery of interest owing to the Wellington Tenth Trust by Redwood Group Limited for the period from May 25, 2008 to June 30, 2014 in respect of the Pipitea Street Development Joint Venture. The arbitration is currently in progress and the Wellington Tenth Trust has reasonable grounds to believe that the result of the arbitration will be in favour of the trust. The Wellington Tenth Trust is unable to quantify the financial effect of the interest recoverable with certainty, but it is expected to be significant.

	2014	2013
NOTE 26. TRUSTEE REMUNERATION		
Morris Te Whiti Love (Chairman)	20,443	9,900
Venessa Ede	10,227	9,900
Jeanie Hughes	10,227	9,900
Grant Knuckey	10,227	9,900
Dr Catherine Love	5,716	-
Lennox Love	10,227	9,900
Professor Sir Ngatata Love (leave of absence)	-	8,250
Matthew Love-Parata	5,716	-
Mark Te One	10,227	10,860
Richard Te One	10,227	4,950
Maurice Walden	10,227	4,950
Piki Carroll	4,510	9,900
Peter Love	4,510	9,075
Richard Carroll	-	4,400
Wayne Mulligan	-	1,650
Total Trustee Remuneration	\$112,484	\$103,535

Audit



Crowe Horwath
New Zealand Audit Partnership
Member Crowe Horwath International
Level 6 Westfield Tower
45 Knights Road, Lower Hutt
Wellington 5010 New Zealand
Tel +64 4 569 9069
Fax +64 4 566 6077
www.crowehorwath.co.nz

INDEPENDENT AUDITOR'S REPORT

To the Beneficial Owners of Wellington Tenth Trust (the "Trust")

Report on the Financial Statements

We have audited the financial statements of the Trust on pages 24 to 42, which comprise the Group and Trust's statement of financial position as at 31 March 2014, statement of financial performance, statement of movements in trust capital and statement of cash flows, for the year then ended, and a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The trustees are 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 trustees 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 an opinion on these financial statements based on our audit.

Furthermore, we are required to confirm whether the share register conforms to the requirements of section 263 of Te Ture Whenua Maori Act 1993.

We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those 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 Trust's preparation of financial statements that give a true and fair view of the matters to which they relate 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 Trust's 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 in our capacity as auditor we have no relationship with, or interests in, the Trust or any of its subsidiaries and associates.



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Opinion

In our opinion, the financial statements on pages 24 to 42:
Comply with generally accepted accounting practice in New Zealand; and
Give a true and fair view of the financial position of the Group and Trust as at 31 March 2014, the results of their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

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

In our opinion proper accounting records have been kept by the Group and Trust as far as appears from our examination of those records.

The share register has been duly and correctly kept in accordance with the requirements of section 263 of Te Ture Whenua Maori Act 1993.

A handwritten signature in blue ink that reads 'Crowe Horwath' in a cursive script.

CHARTERED ACCOUNTANTS
08 August 2014

Proxy Form—2014



P O Box 39294
Wellington Mail Centre, Lower Hutt 5045
24D Marine Parade, Hikoikoi 5012
Telephone: 04 4732502
Fax: 04 5898810

I _____
of _____
being an owner in the Wellington Tenth Trust (shareholder number _____)
do hereby appoint _____
or failing him/her _____ to act as my proxy

to attend and vote on all matters at the Annual General Meeting of beneficial owners to be held on Saturday, September 6, 2014, and at any adjournment thereof.

Dated this _____ day of _____ 2014.

Signature of Owner: _____

In the presence of
Witness _____

Occupation _____

Address _____

Notes:

1. Proxy forms when completed must either be handed in at the registration desk on the day of the meeting by 12.30pm or be lodged with the Secretary (Executive Office) before 10am on the working day before the meeting. A proxy must be a beneficial owner or a descendant of a beneficial owner.
2. The persons following are qualified to act as a witness to a signature on a proxy form:
Solicitors of the High Court, Justice of the Peace, Officer of the Maori Land Court, Licensed Interpreter of the Maori Language, Registered Medical Practitioner, Officiating Minister, Registered Nurse, School Teacher, Officer of the Department of Justice and Chartered Accountant



Contact Details

Trustees:

Morris Te Whiti Love (Chairman)
Venessa Ede
Jeanie Hughes
Grant Knuckey
Catherine Love
Lennox Love
Professor Sir Ngatata Love
Matthew Love-Parata
Mark Te One
Richard Te One
Maurice Walden

Executive Office (Hikoikoi)

Keith Hindle, Erini Shepherd, Ritihia Hailwood, Vicki Hollywell
Gilbert Douglas, Shamia Makarini, Chris Fox, Cherie Douglas

Secretariat

Mere Tahuparae-Luinstra, Aroha Thorpe

Physical Address: 24D Marine Parade, Hikoikoi, Petone, Wellington 5012
Postal Address: Level 1, Te Raukura, Odlins Plaza, Wellington 6011
Telephone: P O Box 39294, Wellington Mail Centre, Lower Hutt 5045
Facsimile: Hikoikoi: 04 4732502; Wellington: 04 9013332
Email: 04 5898810
Website: info@tekau.maori.nz
www.tekau.maori.nz

Banker:

Westpac Banking Corporation Limited

Accountants:

BDO Wellington Limited

Auditor:

Crowe Horwath

Legal Advisors:

Gibson Sheat
Bisson Moss

Property Managers:

Westerman Property Solutions Limited

