

Waitutu Incorporation

Chairman's Report

2020/2021

The main functions of the Incorporation are: The management and investment of monies from the Settlement with the Crown, the distribution of dividends to shareholders, managing the Waitutu land and Lodge, and maintaining the register of shareholders.

We have had a positive year, which began with so much uncertainty with what could be the fallout from Covid-19. Financially we leapt ahead from last year and the Lodge has improved with a lot of maintenance carried out and is in good order for many years ahead.

Investments

The Finance Sub-Committee attends to the investment of all monies available, after taking advice from our financial consultants at Forsyth Barr.

The Incorporation's investments are split as follows: Term Deposits (66.5%), Equities (Shares) (27.01%), Bonds (6.47%) and cash at Forsyth Barr (0.06%).

The Equities are split over 3 different indexes: The NZX (77%), the ASX (17%) and World (6%).

We received dividends of \$188,788 from the managed funds portfolio for the year. Returns of 28.66% (after fees) were achieved for this year, and the 3-year annualised return was 11.71%. As at 31 March there was \$8,038,399 including cash deposits, under management.

The stock markets have bounced back well since last year's Covid-related drop. I am happy that the value of our portfolio has increased by 28.66% which equates to \$1,789,075 over the financial year.

Interest earned on our cash investments (bank term deposits and share market fixed-interest income) was \$373,104.

This year, the market rate for bank term deposits lowered in comparison to last year, ranging from 1.34% to 3.03%. Inflation was 1.5% compared to 2.5% last year. During the year, investment terms ranged from 181-273 days to achieve the best rates possible.

With Interest rates continuing to move lower and seemingly no substantial rise in sight, we have been looking at and implementing ways to both increase our returns and to decrease costs in terms of our investments. These are not reflected in this financial year.

Waitutu Land and Lodge

Forest Land – No pest control operations are scheduled currently, although DOC is monitoring a potential mast year which would then trigger a pest control operation.

Coastal Clean-Up – Johan & Joyce from Wairaurahiri Jet, organised another clean-up of the coast, which resulted in 66 fadges (which is approximately 66 cubic metres) of rubbish being removed from the southern coast. We provided 4 nights accommodation for the volunteers and organisers. This arrangement is a win/win situation for all involved. A win for the volunteers and the environment, and a win for the Incorporation and Lodge, both from the environmental perspective and people exposed to our facilities, which has already led to enquiries on pricing and potential future bookings.

Mataitai Reserve - No news to report.

Seabird Colony - Miles Dunnett is taking the lead on the seabird colony now, due to time constraints I have been facing, with increased workload around finances for the Incorporation.

Waitutu Lodge - We had to spend some capital on the Lodge & Lodge Host's cottage this year, but it will future proof the Lodge for many years to come. Details are contained in the Subcommittee report.

For accommodation at the Lodge, each shareholder is entitled to a reimbursement for themselves and their spouse, for the nights they stay at the Lodge.

You can apply to the Ngai Tahu Fund to help get you to the Lodge. I have included 2 links to the fund. The 1st link tells you about the fund and what its priorities are, and the 2nd link is the application form itself which gives you greater detail on what would be accepted. This fund can grant up to \$5000 per person for their projects.

<https://ngaitahu.iwi.nz/culture/ngai-tahu-fund/>

<https://ngaitahu.iwi.nz/culture/ngai-tahu-fund/ngai-tahu-application-forms/>

Waitutu Lodge

For the 2020-21 year, the Lodge was occupied for 433 guest nights, a decrease of just 17 nights compared to last year. This period covered 5½ months of lockdowns at Level 2 and above, and 9 weeks when the river was too low for the jetboats to operate.

Lodge income was \$29,379 (up by \$3,700 from the previous year) and operating expenses were \$151,892 (up by \$49,609). This was due to the repairs, maintenance and upgrades that were undertaken this year. Otherwise costs have pretty much remained the same with the bulk being made up from wages and insurance.

Business Plan

An updated page for your copy of the Business Plan, covering the Objectives and Strategic Plan, is included with the annual reports.

The Share Register

As time goes on our share register grows as shares are passed down the generations. This year the number of shareholders increased by 38. The number of shares held by those we have contact information for also grew by 23. Despite this we are missing information for even more shareholders than last year.

We need your help to find them.

Do you know any of the names on the list?

<https://waitutu.co.nz/useful-information/unknown-shareholders/>

Please get them to contact us or provide us with any details you have.

The Incorporation comprises 5,365 shares.

We currently have contact information for 499 shareholders which represents 3,328 shares.

We are seeking contact information for 569 shareholders which represents 2,037 shares.

Daniel Gale
Chairman