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## Te Kotahitanga o Ngāti Whakaue Assets Trust

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# AGENDA

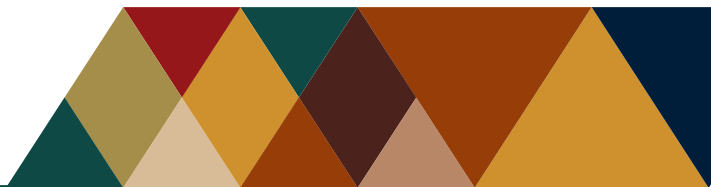
## 2019 ANNUAL GENERAL MEETING

TE PAPAĪOURU MARAE, ŌHINEMUTU  
SUNDAY 20 OCTOBER 2019 AT 10AM

1. MIHI/KARAKIA
2. APOLOGIES
3. 2018 AGM MINUTES
4. CHAIRPERSON'S REPORT
5. FINANCIAL REPORT
6. APPOINTMENT OF AUDITOR
7. DISTRIBUTIONS REPORT
8. INVESTMENT REPORT
9. TRUST DEED REVIEW UPDATE
10. LOAN UPDATE
11. GENERAL BUSINESS
12. MEETING CLOSED



# GOVERNANCE



## HEMI ROLLESTON

**Hemi Rolleston is Ngāti Whakaue through his father Mitai Rolleston and his mother Josephine Macfarlane.**

Hemi has a Bachelor of Management Studies and a Postgraduate Diploma in Arts - Te Reo, from the University of Waikato. Hemi is also a graduate of the Stanford University Business Leaders Bootcamp (2013 and 2015) and was the 2012 recipient of the NZ Institute of Director's Aspiring Director Award (for BOP Branch).

Hemi is currently General Manager Maori Forestry Futures at Scion.

Prior to joining Scion Hemi held a number of roles at NZ's Innovation Agency, Callaghan Innovation including Chief Executive and General Manager Sectors. Prior to that he was Chief Executive of Te Awanui Huakpak Ltd.



## ANA MORRISON

**Ana is from the Kingi and Morrison whānau of Ngāti Whakaue (Ngāti Tunohopu, Ngāti Pukaki koromatua hapū) and Ngāti Tuwharetoa. She is married to Greg Allen (Ngāti Te Roro o te Rangī) and has two children, Taokahu and Reone.**

A qualified commercial lawyer (BSc/LLB) with international experience; her technical skills are in the areas of risk and compliance, and strategy. Ana is also an advisory board member of Sprout Agritech and a member of Te Tatau o Te Arawa and a Lakes DHB Board appointee. Ana is a graduate of the Stanford University Business

Leaders Bootcamp 2016, Global Women Breakthrough Leaders Programme 2014 and the US Department of State's International Visitor Leadership Programme 2017.

Ana is the Executive Director - Strategic Partnerships and Māori Success at Toi Ohomai Institute of Technology.



## JASON ROGERS

**Jason's father is Graham Rogers and he is from the Rogers whānau of Ngāti Whakaue (Ngāti Te Roro o te Rangī koromatua hapū) and the Leonard whānau of Ngāti Rangiwewehi.**

Jason has a Bachelor of Management Studies (BMS with Honours) from Waikato University and is a qualified CA.

He has a wide range of experience in governance, land development, property investment, property syndication, partnerships, strategy, business development, key account

management, direct investment and private equity.

Jason also Chairs and sits on a number of Boards and Land Trusts.



## TUPARA MORRISON

**Tupara is from the Morrison and Mitchell whānau of Ngāti Whakaue (Ngāti Hurungaterangi, Ngāti Pukaki koromatua hapū).**

A Fellow of Chartered Accountants Australia and New Zealand, Tupara is an accounting and finance graduate from Massey

University and brings over 30 years of executive and governance experience in both the public and private sectors. He was a foundation trustee of Ngāti Whakaue Assets Trust in 2009 leaving in 2012 to be the Chief Executive of Ngāti Whātua Orākei Whai Maia Ltd.

Tupara is currently a Māori Outcomes consultant to HLC Limited, a project delivery company formed to develop

land for Crown housing purposes. He is also a director on the NZ Māori Arts and Crafts Institute, industry training organisation Competenz, and state owned enterprise MetService. Tupara has strong relationships with local and central Government and his technical skills are in governance, financial management, business development and strategic partnerships.

# MINUTES OF THE AGM

## TE KOTAHITANGA O NGĀTI WHAKAUE ASSETS TRUST MINUTES OF THE ANNUAL GENERAL MEETING

HELD AT TE PAPAIOURU MARAE

ON 14 OCTOBER 2018

AT 2.00 PM

### PRESENT

#### Board of Trustees:

Katie Paul (Chair), Jason Rogers,  
Hemi Rolleston and Ana Morrison.

#### Ngāti Whakaue Members:

Violet Waiariki, Brook Grant, Maxine W Rennie, Huhana Clayton-Evans, Kingi Biddle, Josie Scott, Wikitoria Kake-Flavell, Tamarapa Lloyd, David Thomas, Andrew Te Amo, Robyn Hemmings, Ngaire Pelamau, Kerri Anne Hancock, Veronica Butterworth, Homman Tapsell, Maureen Jehly, Melissa Bennett, Jody Paul, Tony Wihapi, Wiremu Keepa, Geoff Rolleston, Lorraine Power, Patangata Te Aranga, Josie Rolleston, Margaret Herbert, Rawiri Bhana, Mihaere Kirby, Alex Wilson, Sonia Hawkins, Greg Allen, Ike Reti, Kiri Mitchell, James Manley, Pouariki Ngatai, Monty Morrison, Zara Morrison, Jeremy Te Huia, Kirikowhai Mikaere, Vicki Bhana, Wendy Biddle, Tania Hinehou Butcher, Rui Corbett, Clem Tapsell, Teze Tapsell, Judy Tapsell, Lawrence Ehau, Terry Tapsell, Bridgette Tapsell, Jason Helms, Hamuera Mitchell, Robert Wiri, Norma Sturley, Guy Kingi, Robert Gillies, Timi Peri, Tarewa Rota, Raewyn Bennett, J. Curtis, N Tapsell, Joe Edwards, Pita Anaru, Faenza Tapsell, Iris Thomas, Lani Kereopa, Tony Pecotic, Lori Paul and Tony Waiomio

#### In attendance:

Glenn Hawkins (Accountant – GHA),  
Rachel Hoffman (Board Secretary – GHA)

### APOLOGIES

Rawiri Waru, Ernest Jacky Butcher,  
Hiria Witaiiu Whanau Trust

### MIHI & KARAKIA

Monty Morrison opened the hui at 2.10pm with a mihi and karakia. Katie Paul welcomed everyone to the meeting and called upon her fellow trustees to introduce themselves. Katie called for General Business items and the following items were added:

- ▲ St Faiths tono
- ▲ Elections

### PREVIOUS AGM MINUTES

The minutes of the Annual General Meeting held 29 October 2017 were taken as read and approved.

**RESOLVED:** “To accept the Annual General Meeting minutes of 29 October 2017 as a true and accurate record of that meeting”.  
(Tony Wihapi / Josie Scott) **Carried**

### MATTERS ARISING

Tony Wihapi asked whether his query in the 2017 minutes regarding Marae grants was the reason Waikuta Marae did not receive a Marae grant. It was confirmed this was not the reason.

### CHAIRPERSON’S REPORT

Katie presented her report and noted the successful year the Trust has had in achieving the goal of reaching a \$20m asset base.

A focus has been made on building partnerships with the other Whakaue entities to establish the best way to maximise distributions. There were a number of successful events throughout the year including, Maketu Whanau day, Koeke Dinner, Whakanuia, World Indigenous Business Forum Conference and the success of Whakaue Kapahaka making it through to the 2019 Matatini.

Katie discussed the Trust’s core business, being to invest, and she noted some of the successful investments recently undertaken, as well as the engagement of Brook Grant as the Trust’s Investment Manager. Katie also noted the Trust’s commitment to distributing funds which Ana will discuss further.

Katie then discussed some of the challenges for the Trust throughout the year which included being sued by four Ngati Whakaue members, she noted that to date \$242,000 had been spent on lawyer’s fees.

Katie spoke about the Te Komiti Nui loan, noting that on 12 October 2018, the Trust resolved to adopt a Whakaue tikanga process to try to resolve this issue. She sought advice on what this should look like.

Katie spoke about the need for a Trust Deed review to de-link from Te Komiti Nui, noting that the respective Trust deeds were written over a decade ago.

Katie discussed the upcoming Trustee elections noting that there is no beneficiary register in place, therefore any member of the public can vote. This is consistent with the need to review the Trust Deed in order to future-proof the Trust.

Katie concluded her report discussing the future opportunities and called for any questions.

**RESOLVED:** “To accept the Chairperson’s Report”. (Josie Scott / Norma Sturley)  
**Carried**

Tony Wihapi commended the Trust and acknowledged the achievements to date. He noted matters to defer to General Business being the tikanga process Katie mentioned, clarification of legal proceedings, the beneficiary register and Trustee elections.

Hamu Mitchell sought clarification as to whether the loan to Te Komiti Nui is before the courts. Katie confirmed that Assets Trust were looking to initiate court proceedings for this, as no agreement had been reached kano ki te kano, between the two entities. However, the tikanga process resolved on Friday is for the loan and no court proceedings will be undertaken for the loan.

Hamu asked the Trust how much more they anticipate spending on legal costs given the Whaka Joint Trust litigation proceedings are still in the interlocutory stages. Katie responded that they’ve been asking the Trust’s lawyers the same question and it is subject to how long the plaintiffs keep proceeding. Tony sought clarification around the different legal proceedings and suggested the discussion be deferred to General Business. Discussion ensued regarding the court case, and it was noted that the Whaka Joint Trust appointment decisions case in subject is currently with the High Court. It was agreed that this discussion is best reported on at a special hui as it is not the core business of Assets Trust.

Hamu discussed the Trust Deed review, noting that the two entities are tied, and Assets Trust is accountable to Te Komiti Nui, whereby a Trust Deed review must go through Te Komiti Nui and a special voting hui should be called. Katie noted that this confirms why a Trust Deed review and decoupling is necessary.

Kerri Anne Hancock discussed amending the Deed, noting she can understand why the review is necessary. She asked whether there was any thought to use this opportunity to set up a post-settlement governance entity (PSGE). Kerri Anne noted the crown agencies and authorities don’t know who to talk to and she sees it as a good opportunity to set up an entity. Katie commended Kerri Anne’s suggestion and noted the Board are open to ideas.

Tony Wihapi clarified that Assets Trust are subject to Te Komiti Nui under the current deed. Katie confirmed what Hamu said is correct. Tony discussed the outstanding claims in which Te Komiti Nui need to settle in order for the entities to move forward.

Rapata Wiri noted his concerns regarding the number of issues raised particularly between the two entities. He noted his disappointment in the claims not being settled by Te Komiti Nui and that he feels “robbed”. He noted that Te Komiti Nui, particularly Hamu are responsible for the debt incurred. Rapata supported setting up a new PSGE and decoupling from Te Komiti Nui and acknowledged the achievements of the Assets Trust to date.

Rawiri Bhana noted his recent appointment to the Te Komiti Nui board of trustees and said he looks forward to working with Assets Trust and to ultimately achieve the end goal.

## FINANCIAL REPORT

Glenn Hawkins presented the financial statements for the year ended 31 March 2018. He noted that the 2018 accounts were audited by BDO and signed off on 3 October 2018.

Glenn discussed the following reports:

- ▲ Statement of Financial Performance for the year end 31 March 2018;
- ▲ Statement of Financial Position as at 31 March 2018; and
- ▲ Statement of Cashflows for the year ended 31 March 2018.

Glenn noted it was another strong year for income, growth and investments. Income was down against the 2017 year, the distribution from Te Komiti Nui was less than last year. The Trust has strong revenue streams and is always looking to diversify the portfolio.

Expenses have decreased overall; but legal expenses have had a significant rise due to the ongoing litigation costs.

The rest of the expenses are mainly made up of administration costs, governance and interest on the loan. The current financial position shows that there is money in the bank set aside for further investment opportunities.

Rapata Wiri asked what the Te Komiti Nui loan is. Glenn explained that Assets Trust loaned the money to Te Komiti Nui to help with the claims process. Tony Wihapi explained the terms and conditions of the loan.

Tony Wihapi queried why the revenue from Te Komiti Nui changes. Glenn explained the process of CNI distributing to Te Komiti Nui and Te Komiti Nui then distributing surpluses to the Assets Trust. Katie explained the difference in funds distributed to Te Komiti Nui and what is received by Assets Trust, noting Whakaue need to ask why the full amount is not being distributed to Assets Trust.

Discussion ensued regarding the Taurus investment and whether it was a successful decision to invest. Jason confirmed that Taurus have made good decisions resulting in a valuation uplift. The Trust will be exiting at the end of March 2019.

Kingi Biddle spoke on behalf of Te Komiti Nui to ‘clear the air’. He noted the Trustees of Te Komiti Nui are good people who want to progress the claims and have the iwi move forward together. Te Komiti Nui are happy to korero and invited anyone with questions to ask them.

**RESOLVED:** “To accept the financial report for the year ended 31 March 2018”. (Kingi Biddle / Tony Wihapi) **Carried**

## APPOINTMENT OF AUDITOR

**RESOLVED:** “To reappoint the auditors - BDO”. (Monty Morrison / Norma Sturley)  
**Carried**

## INVESTMENT UPDATE

Jason Rogers presented the Investment Report and noted the following:

- ▲ Key decisions were made including increasing the shareholding in Kakano.
- ▲ Work is being undertaken to collaborate with other iwi on investment projects.
- ▲ Jason referred to the presentation which showed the make up of the Trust’s portfolios.
- ▲ Current key investments.
- ▲ The Bennetts Road due diligence that was undertaken which did not result in any further interest.



Maru Tapsell asked whether the Trust would look into geothermal and renewable energy investments. Jason confirmed that if an investment meets the criteria and the due diligence stacks up, then they will always look at an investment opportunity. Melissa Bennett asked if any interest had been put towards a kaupapa Maori retirement village. Jason confirmed there is a study going on with NZ Super Fund in Rotorua at the moment and the Trust is keeping up-to-date on this.

Jason provided a further explanation about the potential Bennetts Road development the Trust looked into. Jason explained the engineering costs would have been high, so the development wouldn't have been financially viable.

Tony Wihapi asked if Assets Trust had approached Ngati Whakaue Tribal Lands or Pukeroa Oruawhata Trust and Jason confirmed Assets Trust works alongside these entities.

**RESOLVED:** "To accept the Investments Report for the year ended 31 March 2018". (Tony Wihapi / Monty Morrison) **Carried**

## DISTRIBUTIONS REPORT

Ana Morrison presented the Distributions report for year ended 31 March 2018.

Ana explained the obligations of the Trust to distributed 25-75% of the annual surplus. She discussed Rachel Hoffman's role within the Trust and the grant approval process, noting any conflicts are declared at the Trust meetings.

Ana referred to the distributions report noting Waikuta marae are one of the six marae funded by Assets Trust. Discussion ensued regarding the marae that sit under Te Pumautanga not qualifying for the marae tautoko grant as per the Policy and Trust Deed. Ana clarified they can still apply for other Assets Trust grants. Ana also noted that Waikuta are entitled to apply so long as they can provide the necessary requirements. Discussion ensued regarding Te Roro o Te Rangi and Owhata marae being under Te Pumautanga. Ana noted for the record that Assets Trust will engage with the marae to generate korero.

Ana presented a summary of the distributions paid in the 2018 year. She discussed the wahi tupuna fund being set up to support St. Faiths and other places of spiritual significance. 2018 was the first year this fund was available.

Melissa Bennett discussed the royal visit and the need for a tidy-up at St. Faiths and Te Ao Marama in time for the royal visit. Ana acknowledged the tono and Melissa was instructed to go through the application process with Rachel.

Josie Scott supported Melissa's tono and acknowledged the Trust for their grant and suggested they increase the amount for the wahi tupuna distribution allocation.

Ana presented the proposed distribution allocations for the 2018/19 year noting that \$460k was allocated and \$304k was spent in 2018 therefore the remainder will be carried forward to the 2019 allocation totalling \$500k.

**RESOLVED:** "To increase the wahi tupuna fund to \$10,000". (Tony Wihapi / Monty Morrison) **Carried**

Tony Wihapi and Vicki-Mae Bhana acknowledged the tikanga fund.

Greg Allen and Lani Kereopa acknowledged the Trustees for their grants received.

## GENERAL BUSINESS

### Elections

Katie discussed the plan to hold the Trustee elections in March 2019 at an SGM due to ongoing litigation and the need to establish a beneficiary register.

### Litigation

Discussion ensued regarding the current litigation. It was clarified that Assets Trust are the defendants in the Whaka Joint Trust case which has been ongoing for over a year. This is the only litigation proceeding at present.

Discussion ensued regarding Te Komiti Nui's recent mandate. Kingi Biddle said that Te Komiti Nui had these discussions last week at their AGM. He noted it is important to korero and speak to the Trusts directly.

Katie acknowledged everyone for coming and how well Whakaue are doing. She discussed the koha of honey and native seedlings for all in attendance and closed the hui.

## WHAKAKAPI:

Close of AGM is 4.35pm following the karakia whakamutunga by Monty Morrison.



# HIGHLIGHTS



**Total Assets**  
**= \$24m**



**Total Distributions**  
made to Marae since 2009  
**= \$1,534,000**



**Total Distributions**  
to Ngāti Whakaue since 2009  
**= \$2,267,370**



# CHAIRPERSON'S REPORT

It is my pleasure to present to you my first annual report as Chairperson of the Trust. I am honoured to be in such a privileged position helping steer this very important Trust. I am also very grateful to the previous Chairperson Katie Paul who played a key role in ensuring the success of the Trust. On behalf of the Board and my fellow Trustees, we wish to thank Katie for the years of tireless work she undertook to steer the Trust to the position it is now in.

## Marking Ten Years

*This year marks a milestone for the Trust in completing its first ten years.*

The Trust was established in 2009 with the purpose of being the recipient of the Accumulated Rentals from the Central North Island Forests Land Collective Settlement Act 2008 and to take a lead role within Ngāti Whakaue to advance charitable purposes. The Trust's objective is to be the trusted asset manager and wealth creator for the iwi by firstly protecting the capital base, secondly sustainably growing the capital base and thirdly distributing earnings to Ngāti Whakaue iwi members. In terms of protecting and growing the capital base, the financial results will demonstrate the performance has been exceptional.

We have grown the total asset base from \$9.5 million to \$24 million. This equates to an average annual growth rate of 10%, which is outstanding. When benchmarking this against other post settlement iwi we are in the top quartile which is a very positive result. Some of the key investments that have played a role in this return include:

- ▲ Te Kāhano Whakatipu – our forestry investment in Kāingaroa Timberlands. This has been the driver of our asset growth. We initially invested \$2.9 million in 2014, then increased this to \$6.7 million in 2017. Our investment is now valued at \$12.1 million.
- ▲ Healthpoint – our investment in Radius Residential Care Ltd, one of the largest privately held aged care management companies in New Zealand. We invested \$3.5 million in

2013 and divested in 2016 for \$5.8 million, realising an average annual return of nearly 20%. Our equities portfolio with Craigs has achieved an average annual return of 15% since inception in 2013.

As noted, we also have the role of distributing earnings to Ngāti Whakaue iwi members. Our challenge is to ensure we optimise the impact that these distributions have for our iwi members. The excellent returns over the last 10 years have allowed the Trust to distribute a total of \$2,267,370 and successfully host five Whakaue Whakanuia and koeke dinner.

## 2019 Performance

*Turning to the year ended 31 March 2019, I am pleased to report another stellar year. In fact, from a commercial perspective this has been one of our most successful years. This was underpinned by some strong returns on our forestry investment and continued strong returns on our share portfolio.*

In terms of distributions you will note from our distribution report another positive year totalling over \$290,000 in distributions. This includes our annual distribution of \$125,000 to our marae and the annual Whakaue Whakanuia, which has become a flagship Whakaue event. Alongside these we have also supported a number of key initiatives through the Whakaue Tikanga fund, which upholds the mana of Whakaue, as well as supporting Ngāti Whakaue Kapa Haka's return to Te Matatini.

## Key Updates

At the Special General Meeting held on 30 June 2019 we highlighted some key kaupapa that we were working on, namely the review of the Trust Deed and the outstanding loan to Te Komiti Nui o Ngāti Whakaue (Te Komiti Nui).

The review of the Trust Deed is in progress and we will give a formal update at the AGM.

In relation to the outstanding loan, an amount of \$307,500 was loaned to Te Komiti Nui in 2015 to undertake crown negotiations. This loan remains due and we are working with Te Komiti Nui to find a suitable pathway forward. In relation to this, I report the following - settlement negotiations between Te Komiti Nui and the Crown have been paused for some time. The Crown have asked Te Komiti Nui to re-mandate before it will re-enter negotiations with Te Komiti Nui. In September representatives of Te Komiti Nui met with representatives of the Pukeroa Oruawhata Trust, Ngāti Whakaue Tribal Lands and Ngāti Whakaue Assets Trusts to discuss these matters. These meetings were positive. We have agreed to work together to assist Te Komiti Nui to progress the Ngāti Whakaue negotiations. This will take some time to work through. The plan is to report back to Ngāti Whakaue early next year with a draft Settlement Plan, including a mandate strategy.

The Trust has also been involved in legal proceedings regarding its fiduciary duties as an appointor to the Whakarewarewa Joint Trust (WJT). This has been a long and costly process. We are optimistic that we will be able to give a positive update at the 2020 SGM.



## Looking Forward

While we have achieved outstanding success over the first ten years, we cannot rest on our past record and we continue to strive for improving results. We anticipate a more challenging investment environment in the year ahead, which could impact our investment performance. This is predominantly due to the headwinds to global growth, notably minimal inflationary pressures despite the extraordinary levels of monetary policy stimulus, the US/China trade war and Brexit. In particular there are concerns around the outlook for the log market, which will directly impact our major asset (forestry).

To strengthen our future investment activities, we will be reviewing our investment portfolio and have engaged independent expertise to assist us with this process. That said, we continue to explore investment opportunities as they arise, and are currently looking at some joint investment opportunities locally in the property and tourism sectors, which we will elaborate on at the AGM. In another move to bolster the Trust's capabilities, we are in the final part of a process to appoint a permanent C.E.O and we hope to announce this appointment at the AGM.

At the same time as reviewing the investment strategy we intend to undertake a comprehensive review of our Distribution Policy. We want to ensure we have a policy that makes the biggest impact for Ngāti Whakaue iwi members. While we are pleased with the distributions to date, we are aware of the challenges that our iwi members are constantly facing.

At a personal level we are all very excited to be able to play a key role in helping our iwi succeed. Although we only have a relatively small pūtea to manage compared to other iwi, we are extremely proud of the results we have had to date in terms of returns on our assets and the impact we have been able to have by way of distributions. I am privileged to have the exceptional skill set around me at the board table through my fellow Trustees, who not only have extensive skills and experience, which I contend would rival the capability of most boards, but more importantly they all have the well-being of Ngāti Whakaue at heart. I am also very grateful of the support we receive through GHA, with Brook our Interim C.E.O and Rachel our board secretary and administrator.

Finally, to you the iwi of Ngāti Whakaue it is a privilege to be chosen to serve you

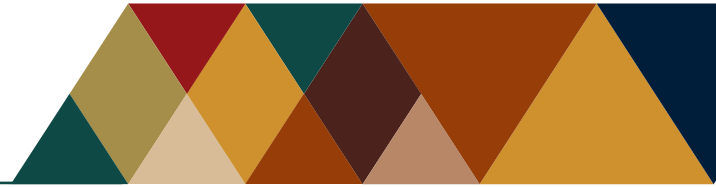
and we will continue to strive for the best outcomes on your behalf. We hope you are able to attend the AGM and hear our updates and plans for the future and of course challenge us to ensure we are continually striving for the best on your behalf.

*Ngā manaakitanga*



**Hemi Rolleston**  
Chairperson

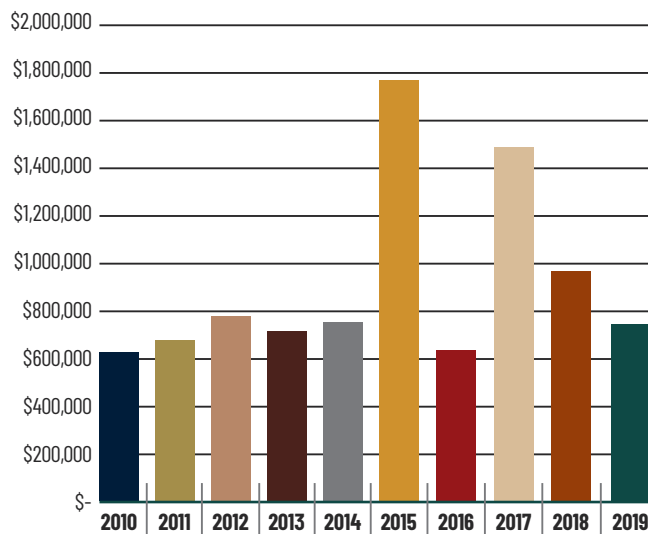
# FINANCIAL REPORT



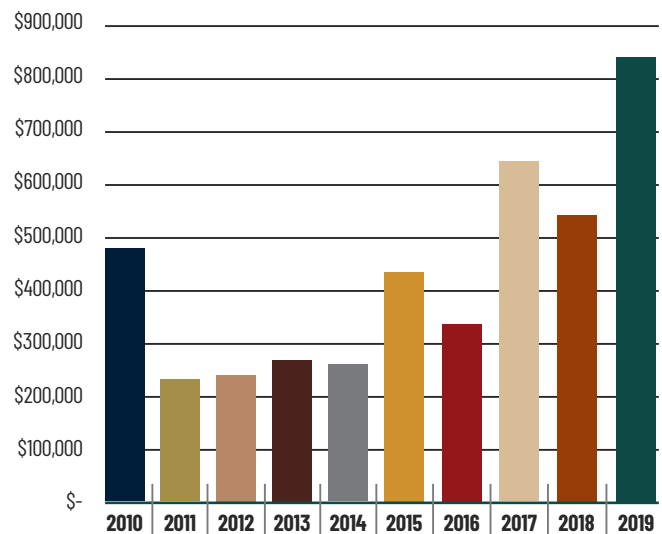
The Trust has received a clear audit opinion for the year ended 31 March 2019. The surplus for the year, after deducting grants paid is \$1,618,378 in comparison to \$125,579 in 2018. The Trust's asset base continues to grow with total assets now at \$24m, up from \$20m last year.

Key financial figures and comparisons are identified in the graphs following:

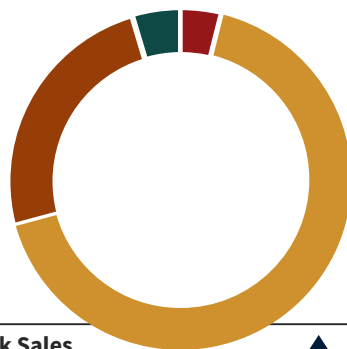
## INCOME (2010 - 2019)



## EXPENSES (2010 - 2019)

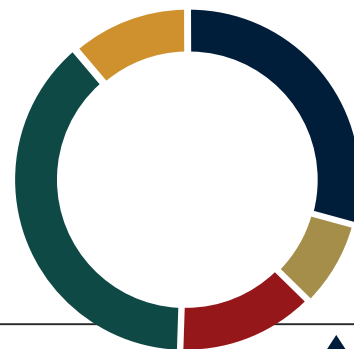


## INCOME STREAMS 2019



Commemorative Book Sales	▲	0%
Grants & Donations	▲	3.9%
Te Komiti Nui Distribution	▲	66.9%
Interest, Dividends & Other Investment Revenue	▲	24.6%
Other Revenue	▲	4.6%

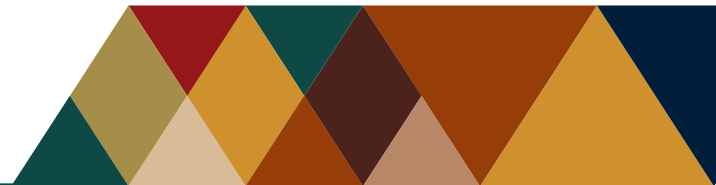
## EXPENSES 2019



Legal Expenses	▲	29.36%
Investment Expenses	▲	8.1%
Governance	▲	13.0%
Administration	▲	38.3%
Interest	▲	11.1%
Depreciation	▲	0.1%

Costs are up this year as the Trust's growth continues, the largest cost being legal fees associated with the litigation proceedings. The Trust has continued to contract secretarial and accounting services from GHA. The Trust also accessed Government funding to assist with management services provided by GHA during the past year. The Trust has progressed the appointment of a General Manager in the new financial year.



# INVESTMENT REPORT



The Trust is proud to announce another strong investment performance in the year to 31 March 2019. The Trust reports a total asset value of \$24.0 million, which represents an increase of \$3.9 million, or 19%, on 31 March 2018. The Trust's asset base is weighted 59% income producing assets and 41% growth assets, which compares to 55% and 45% respectively as at 31 March 2018.

The increase in total assets over the year was driven by a valuation uplift in Te Kākano Whakatipu, the Trust's largest single investment. Te Kākano Whakatipu owns a 2.5% stake in Kāingaroa Timberlands forestry estate, a best in class forestry business. The Trust also recorded a net operating surplus of \$1.6 million for the year, again driven by Te Kākano Whakatipu, and in particular a one-off dividend distribution of \$1.5 million, which was lent back to the Kāingaroa Timberlands Partnership.

We have enjoyed a strong run with Te Kākano Whakatipu, with the valuation increasing to \$12.1 million since the Trust's initial investment in 2014, and earnings exceeding \$3.5 million. It should be noted however that subsequent to balance date, we have seen the demand for logs ease, which may negatively impact the financials in the coming year.

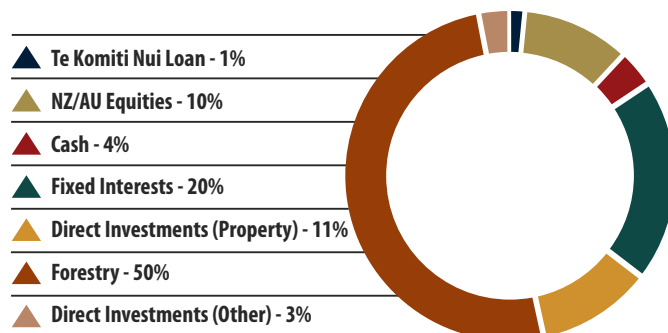
PORTFOLIO MONITOR SECTORS	MODEL MODERATE	TRUST PORTFOLIO
INCOME 	57.0%	59%
GROWTH 	43.0%	41%

## INVESTMENT PORTFOLIO 2018/2019

To reduce risk, we have increased the forestry investment, because forestry is counter-cyclical to other investment sectors, and increased our direct domestic property investments, where we have greater control and influence over what happens.

The recent property investment has been made without debt, enabling us to weather any market shocks should they occur. The forestry investment is in partnership with five other CNI iwi. The direct property investment is in partnership with one other iwi - Ngāti Manawa.

The Trust is also holding a fairly high level of short-term money-market securities which allows consideration of other more strategic investment opportunities to enhance the investment portfolio.



## KEY INVESTMENT HIGHLIGHTS:

### Golden Sands

This is a co-investment with Ngāti Manawa and Tiki te Kohu Ruamano Trust, which the Trust entered into at the end of 2018. Golden Sands is part of a larger super lot development being undertaken by Bluehaven Management and located in Golden Sands, Pāpāmoa. There are 38 lots in our specific development, targeting the affordable housing end of the market. Titled sections are sold to Generation Homes, who on-sell to the market as residential house and land packages. First title sales to Generation Homes are forecast for April 2020, with full divestment by December 2020. The Trust was attracted to this investment because of the lower price point of the house and land packages (below the average price in Tauranga) and the lack of supply in Tauranga. The investment has a projected return of 15% – 20%.

### Nui Development

This is a 23-lot residential subdivision development located in Pāpāmoa, where the Trust is an equal shareholder with Ngāti Manawa. This was one of the last coastal blocks available in central Pāpāmoa. The Trust entered the investment in May 2016, with the lots titled in October 2018 and as of 31 March 2019 five lots (house and land packages) have been sold. At the time of writing this report, a further eight lots have been sold, with the remaining 10 lots being marketed by ZB Homes (Tauranga).

## Managed Portfolio Funds

During the year the Trust conducted an independent review of our two portfolio managers – Craigs Investment Partners and First NZ Capital – to ensure that the portfolios and the respective managers were best fit to achieve our investment objectives. As a result of the review it was decided to increase the overall exposure of the managed portfolio funds to increase diversification across the total asset portfolio. In line with this, it was decided to withdraw our money (\$2.5 million) from First NZ Capital and invest in a specialised managed fund to support the diversification strategy. Russell Investments was appointed as the specialised managed fund, and funds were transferred over to them in the 2020 financial year. Accordingly, as at 31 March 2019 the managed portfolio funds are represented by:

- ▲ \$2.5 million with Craigs Investment Partners, invested in listed equities
- ▲ \$2.5 million cash in bank, ringfenced for investment with Russell Investment

### DGH Property Fund

This is a land acquisition and property underwrite fund where the Trust is a 10% shareholder. The fund has property in Rotokauri, Hamilton, Pāpāmoa and Tauranga. The Fund was established in January 2015 and is winding down, with expectations for the Trust to be fully divested by late 2019. Our investment in the DGH Property Fund has shown good returns during the year with a projected annual return on investment of 13%.

# DISTRIBUTIONS REPORT

The Assets Trust continue to support different Ngāti Whakaue initiatives, rōpū and marae through its Distributions Policy. In the 2019 financial year the Assets Trust distributed a total of \$290,530 to Ngāti Whakaue across a range of events including Te Matatini and Whakaue Whakanuia, as well as various community activities and marae capital works.

A summary of the 2019 distributions are as follows:



## MARAE TAUTOKO GRANTS

### \$125,000

▲ Hurungaterangi*	\$25,000
▲ Te Papaōouru	\$25,000
▲ Te Koutu	\$25,000
▲ Tunohopu	\$25,000
▲ Whakaue, Te Pāpaiouru*	\$25,000

\*Paid after balance date.

## Ngāti Whakaue Marae

The Trust's biggest distribution continues to be to our marae. For the 2019 financial year the Trust distributed \$125,000 in marae tautoko grants across five marae. In February 2019 Te Koutu Marae started construction on their brand new wharekai after almost nine years. The Trust are proud to have been able to contribute towards this journey through the marae tautoko grants provided to Te Koutu Marae.

Through the Tikanga fund, the Assets Trust supported the opening of Kaimatai at Te Kuirau marae.



## WHAKAUE WHAKANUIA

### \$90,860



## SPORTS, COMMUNITY & RECREATION FUND

### \$25,500

The funds were distributed to the following groups:

▲ Te Kapa Haka o Ngāti Whakaue	\$10,000
▲ Hei Matau Paddlers	\$3,000
▲ Maketū Educare	\$3,000
▲ Rotorua Primary School Parent Committee	\$3,000
▲ Ngāti Whakaue Strategy	\$3,000
▲ Te Toka Tu ki Maketū	\$3,000
▲ Tiaho Mirimiri wānanga	\$3,000
▲ (Returned grant unspent)	\$2,500



## TIKANGA FUND

### \$23,420



## WĀHI TŪPUNA

### \$10,000



## TUPUNA WHARE KOHA (TAMATEKAPUA)

### \$10,000



## WHAKAUE WHARE INITIATIVE

### \$5,750

## Whakaue Housing Strategy

The Trust continues to investigate Whakaue housing initiatives and options. The Trust has engaged Kaye Maree Dunn and Inez White to assess Ngāti Whakaue housing needs and provide a report to support the Trust's strategic thinking.

## Whakaue Whakanuia

One of the key highlight of 2018 was the Whakaue Whakanuia. The celebrations started with the annual koeke dinner where outstanding contributions across the iwi were acknowledged. Whakanuia continued the following weekend, with nine marae competing onstage at Te Papaiōuru with kapa haka performances. Waikuta marae won this year's Whakanuia, with Te Papaiōuru, Te Koutu and Ōwhata marae all highly commended. It was great to see the whakawhanaungatanga throughout the whole event. The Trust is proud to have supported Whakaue Whakanuia alongside the other Whakaue entities.



## Royal Visit

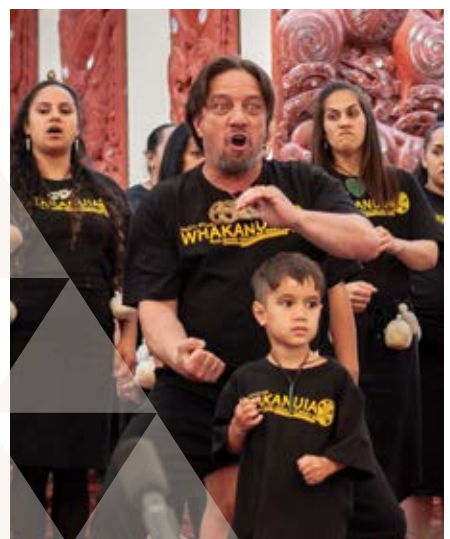
The Trust contributed funding for maintenance works for St Faiths and Te Ao Marama in time for the royal visit from the Duke and Duchess of Sussex to Te Papaiōuru marae in October 2018, along with covering different costs and expenses associated to the visit. This was a very positive event for Ngāti Whakaue with the world spotlight being shone on Te Arawa's manaakitanga.

## Whakaue Kapa Haka

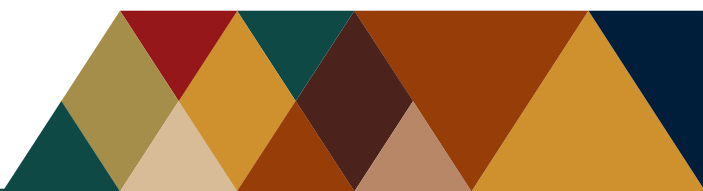
At Te Matatini 2019, held in February in Wellington, Te Kapa Haka o Ngāti Whakaue competed for the first time in nearly 40 year – ka rawe e te iwi. The Trust proudly contributed \$10,000 to the rōpū, as well as providing financial support for koeke attendance to tautoko the kapa.



# WHAKAUE WHAKANUIA 2018









## REPORT ON THE CONSOLIDATED PERFORMANCE REPORT

### Opinion

We have audited the consolidated performance report of Te Kotahitanga o Ngāti Whakaue Assets Trust (“the Trust”) and subsidiary (“the Group”), which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 March 2019, the statement of financial position as at 31 March 2019, and the statement of accounting policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the accompanying consolidated performance report presents fairly, in all material respects:
  - ▲ the entity information for the year ended 31 March 2019;
  - ▲ the service performance for the year then ended; and
  - ▲ the financial position of the Group as at balance date, and its financial performance, and cash flows for the year then ended

in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) Framework as issued by the New Zealand Accounting Standards Board.

### Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the consolidated performance report in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE (NZ) 3000 (Revised)”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Performance Report section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

### Emphasis of Matter

We draw attention to Note 10 of the consolidated performance report, which notes that the balance of the investment in Te Kakano Whakatipu Limited is based on interim unaudited financial statements provided. Our opinion is not modified in respect of this matter.

We draw attention to Note 10 of the consolidated performance report, which notes that the value of the investments in DGH Property Fund Limited Partnership, Te Whaihanga Limited Partnership and Hononga Limited Partnership are based on draft unaudited financial statements provided. Our opinion is not modified in respect of this matter.

### Responsibilities of the Trustees for the Consolidated Performance Report

The Trustees are responsible for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance; the preparation and fair presentation of the consolidated performance report on behalf of the Group which comprises:
  - ▲ the entity information;
  - ▲ the statement of service performance; and
  - ▲ the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the consolidated performance report

in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) Framework issued by the New Zealand Accounting Standards Board; and

- b) such internal control as the Trustees determine necessary to enable the preparation of the consolidated performance report that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated performance report, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Consolidated performance report**

Our objectives are to obtain reasonable assurance about whether the consolidated performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this consolidated performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▲ Identify and assess the risks of material misstatement of the consolidated performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▲ Obtain an understanding of internal control relevant to the audit 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 entity's internal control.
- ▲ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▲ Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▲ Evaluate the overall presentation, structure and content of the consolidated performance report, including the disclosures, and whether the consolidated performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- ▲ Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Who we Report to**

This report is made solely to the Trust's Trustees, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Trustees, as a body, for our audit work, for this report or for the opinions we have formed.



**BDO Rotorua Limited**

Rotorua, New Zealand

27 September 2019

## Audited Financial Report

# ENTITY INFORMATION

For the year ended 31 March 2019

### LEGAL NAME OF THE ENTITY

Te Kotahitanga o Ngāti Whakaue Assets Trust

### REGISTRATION NUMBER

CC41055

### POSTAL ADDRESS

PO Box 1712, Rotorua

### ENTITY TYPE AND LEGAL BASIS

Te Kotahitanga o Ngāti Whakaue Assets Trust (the Trust) is a Trust that is registered with the Charities Services on 26 June 2009 in accordance with the Charities Act 2005.

### ENTITY'S PURPOSE

The Trust's purpose is to support Ngāti Whakaue whether it relates to the relief of poverty, the advancement of education, their socio-economic position, or religion or to any other purposes beneficial to Ngāti Whakaue.

### ENTITY STRUCTURE

The Trust is governed by the Board of Trustees. The current trustees are as follows:

- ▲ Katie Paul (chairperson)
- ▲ Ana Morrison
- ▲ Hemi Rolleston
- ▲ Jason Rogers

### MAIN SOURCES OF THE ENTITY'S CASH AND RESOURCES

The Trust main source of revenue is its investments in managed portfolio funds and business ventures. The Trust is a beneficiary of Te Komiti Nui o Ngāti Whakaue Trust and receives beneficiary distributions.

### MAIN METHODS USED BY THE ENTITY TO RAISE FUNDS

Investment Activities

### ENTITY'S RELIANCE ON VOLUNTEERS AND DONATED GOODS OR SERVICES

The Trust does not rely on volunteers, nor did it receive any donated goods or services.

### ACCOUNTANTS

GHA Ltd  
Chartered Accountants  
PO Box 1712, Rotorua

### AUDITORS

BDO Rotorua Limited  
Chartered Accountants  
1130 Pukaki Street, Rotorua

### SOLICITORS

Tuia Group  
Level 2/202 Thorndon Quay, Pipitea  
Wellington

# STATEMENT OF SERVICE PERFORMANCE

For the year ended 31 March 2019

The Trust achieved the following objectives in line with the purposes of the Trust:		Output (amount distributed 2019 \$)	Output (amount distributed 2018 \$)
OUTCOME	DESCRIPTION		
<b>Marae Tautoko Grant</b>	<p>The purpose of the grant is to support the advancement of cultural connectedness and participation within Ngāti Whakaue marae and hapū by providing a grant to Ngāti Whakaue marae for specific project(s) that:</p> <ul style="list-style-type: none"> <li>▲ Enhance Ngāti Whakaue within the hapū; and/or</li> <li>▲ Enhance engagement and active participation by hapū/marae members with marae activities; and/or</li> <li>▲ Support capital works to maintain or rejuvenate places of cultural or spiritual significance to Ngāti Whakaue.</li> </ul>	125,000	150,000
<b>Community, Sports &amp; Recreation Fund</b>	<p>The activity or event that is funded must meet at least two of the following areas:</p> <ul style="list-style-type: none"> <li>▲ Maintenance and rejuvenation of places of cultural or spiritual significance to Ngāti Whakaue;</li> <li>▲ Advancing and promoting cultural education such as Ngāti Whakaue reo and tikanga;</li> <li>▲ Charitable purposes (being the relief of poverty, the advancement of education and socio-economic position, or religion) that are beneficial to Ngāti Whakaue;</li> <li>▲ Other purposes beneficial to Ngāti Whakaue;</li> <li>▲ Ngāti Whakaue Iho Ake: Growing, supporting and revitalizing our tribal capacity;</li> <li>▲ Collective Benefits: Ahi kaa, mana whenua and ūkaipō; and/or</li> <li>▲ Kotahitanga: Collaboration amongst iwi, hapū and whānau.</li> </ul>	25,500	24,876
<b>Socio-economic Projects Grant</b>	Advancing the socio-economic position of Ngāti Whakaue where there is an opportunity.	5,750	24,113
<b>Tamatekapua Grant</b>	Support for the main tūpuna whare with ongoing maintenance costs.	10,000	10,000
<b>Whakanuia Grant</b>	<ul style="list-style-type: none"> <li>▲ To showcase Ngāti Whakaue and celebrate our successes.</li> <li>▲ To successfully nurture leadership, inspiration and empowerment in our rangatahi.</li> <li>▲ Creating lifelong professional networks and re-establishing whānau connections.</li> <li>▲ To help grow connectivity between the individuals, whānau, hapū, marae and iwi of Ngāti Whakaue.</li> <li>▲ To encourage and motivate our people to come back to and learn more about, places of cultural or spiritual significance to Ngāti Whakaue.</li> </ul>	90,860	63,754
<b>Sustainable Marae Collective Grant</b>	<ul style="list-style-type: none"> <li>▲ The current project involves the instalment of and training around solar lighting and equipment at eligible Ngāti Whakaue marae.</li> </ul>	-	16,763
<b>Wahi Tupuna</b>	<ul style="list-style-type: none"> <li>▲ Enhance Whakaue places of spiritual and religious</li> <li>▲ Enhance spiritual growth amongst Whakaue</li> </ul>	10,000	5,000
<b>Tikanga fund</b>	To support te paepae tapu o Ngāti Whakaue through contributions to travel, koha and other reasonable actual expenses that they incur in discharging cultural responsibilities for Ngāti Whakaue.	23,420	10,325
<b>TOTAL DISTRIBUTION</b>		<b>290,529</b>	<b>304,831</b>

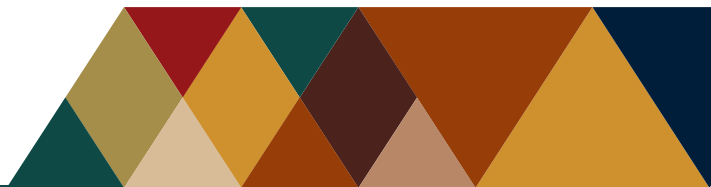
# STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 31 March 2019

	Note	2019 \$	2018 \$
<b>REVENUE</b>			
Grants and donations received	1	30,000	50,000
Interest, dividends and other investment revenue	2	190,936	252,368
Other revenue	3	554,293	361,789
Revenue from providing goods or services		-	30
<b>Total Revenue</b>		<b>775,229</b>	<b>664,187</b>
<b>EXPENSES</b>			
Administration expenses	4	254,541	180,779
Depreciation	11	1,114	1,792
Governance	15	109,125	106,875
Interest paid - BNZ loan		93,240	93,258
Investment management		67,615	7,161
Legal expenses		245,925	124,364
Management expenses		21,445	24,587
Other expenses	5	44,718	2,116
<b>Total Expenses</b>		<b>837,723</b>	<b>540,932</b>
<b>Surplus/(Deficit) before grants and donations</b>		<b>(62,494)</b>	<b>123,255</b>
Share of equity accounted investees surplus for the year	10	1,868,829	294,889
Net realised gain on sale of available-for-sale financial assets	10	27,572	12,266
Less Grants paid	1	(215,529)	(304,831)
<b>Surplus/(Deficit) for the year</b>		<b>1,618,378</b>	<b>125,579</b>
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSES</b>			
Changes in fair value of available-for-sale financial assets	10	274,593	240,464
Share of equity accounted investees other comprehensive revenue and expense	10	2,164,632	1,301,347
<b>Total Other comprehensive revenue and expenses</b>		<b>2,439,225</b>	<b>1,541,811</b>
<b>Total comprehensive revenue and expenses for the year</b>		<b>4,057,603</b>	<b>1,667,388</b>

# STATEMENT OF FINANCIAL POSITION

For the year ended 31 March 2019



	Note	2019 \$	2018 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Bank accounts and cash	6	4,772,903	774,850
Debtors other receivables	7	113,830	221,212
Inventory	8	16,500	170,775
Other current assets	15	354,173	354,173
Short-term deposits	9	759,834	1,768,474
<b>Total Current assets</b>		<b>6,017,239</b>	<b>3,289,483</b>
<b>Non-current assets</b>			
Investments	10	18,024,313	16,856,886
Property, plant and equipment	11	1,746	1,311
<b>Total non-current assets</b>		<b>18,026,059</b>	<b>16,858,197</b>
<b>Total assets</b>		<b>24,043,299</b>	<b>20,147,680</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Creditors and accrued expenses	12	116,557	278,539
Loans	13	2,000,000	2,000,000
<b>Total current liabilities</b>		<b>2,116,557</b>	<b>2,278,539</b>
<b>Total liabilities</b>		<b>2,116,557</b>	<b>2,278,539</b>
<b>Total assets less total liabilities</b>		<b>21,926,741</b>	<b>17,869,139</b>
<b>ACCUMULATED FUNDS</b>			
Contributed capital	14	9,233,304	9,233,304
Available for sale fair value reserve		6,300,804	3,861,579
Accumulated surpluses		6,392,633	4,774,255
<b>Total Accumulated funds</b>		<b>21,926,741</b>	<b>17,869,139</b>

For and on behalf of the Board of Trustees:

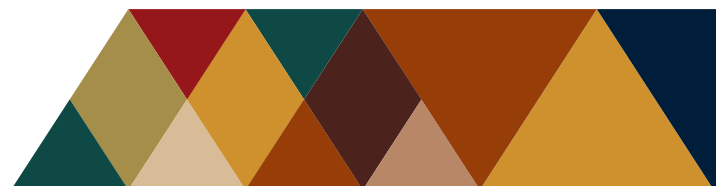
Trustee

Trustee

Date: **27 September 2019**

# STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2019



	Contributed capital \$	Accumulated surpluses or (deficits) \$	AFS fair value reserve \$	Total \$
<b>Opening balance 1 April 2018</b>	<b>9,233,304</b>	4,774,255	3,861,579	<b>17,869,138</b>
Surplus for the year	-	1,618,378	-	<b>1,618,378</b>
Other comprehensive income	-	-	2,439,225	<b>2,439,225</b>
<b>Closing balance 31 March 2019</b>	<b>9,233,304</b>	<b>6,392,633</b>	<b>6,300,804</b>	<b>21,926,741</b>
<b>Opening balance 1 April 2017</b>	9,233,304	4,768,676	2,319,768	<b>16,321,748</b>
Prior period adjustments	-	(120,000)	-	<b>(120,000)</b>
Restated opening balance	9,233,304	4,648,676	2,319,768	<b>16,201,748</b>
Surplus for the year	-	125,579	-	<b>125,579</b>
Other comprehensive income	-	-	1,541,811	<b>1,541,811</b>
<b>Closing balance 31 March 2018</b>	<b>9,233,304</b>	<b>4,774,255</b>	<b>3,861,579</b>	<b>17,869,139</b>



## STATEMENT OF CASH FLOWS

For the year ended 31 March 2019

Note	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Cash receipts</b>		
Donations, fundraising and grants received	115,108	30,000
Interest, dividends and other investment receipts	799,716	142,957
Distribution received - Te Komiti Nui o Ngāti Whakaue	518,964	400,948
Receipts from providing goods or services	-	30
Income Tax	184,982	-
<b>Total Cash receipts</b>	<b>1,618,770</b>	<b>573,935</b>
<b>Cash payments</b>		
Payments to suppliers and employees	(701,888)	(393,177)
Grants paid	(391,713)	(128,647)
Interest paid	(93,240)	(88,162)
<b>Total Cash payments</b>	<b>(1,186,841)</b>	<b>(609,986)</b>
<b>Net Cash flows from operating activities</b>	<b>431,929</b>	<b>(36,051)</b>
<b>CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES</b>		
<b>Cash receipts</b>		
Receipts from available for sale financial assets	4,506,598	842,055
<b>Total Cash receipts</b>	<b>4,506,598</b>	<b>842,055</b>
<b>Cash payments</b>		
Payments to purchase investments	(940,472)	(2,543,533)
<b>Total Cash payments</b>	<b>(940,472)</b>	<b>(2,543,533)</b>
<b>Net Cash flows from investing activities</b>	<b>3,566,126</b>	<b>(1,701,478)</b>
<b>Net Increase/ (decrease) in cash for the year</b>	<b>3,998,054</b>	<b>(1,737,529)</b>
<b>CASH BALANCES</b>		
Cash and cash equivalents at beginning of period	6 774,850	2,512,379
Cash and cash equivalents at end of period	6 4,772,903	774,850
<b>Net change in cash for period</b>	<b>3,998,054</b>	<b>(1,737,529)</b>

## BASIS OF PREPARATION

The consolidated performance report of Te Kotahitanga o Ngāti Whakaue Assets Trust (the Trust) for the year ended 31 March 2019 comprise the Trust (the Parent), and its subsidiary Ngāti Whakaue Investments Limited Partnership. The Group has elected to apply Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) (PBE SFR-A (NFP)) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. The Group has elected to step-up into PBE standards RDR to apply the requirements of these standards for certain transactions types as detailed below.

All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

## TIER 2 PBE ACCOUNTING STANDARDS APPLIED

The Group has elected to step-up and apply the following Tier 2 PBE accounting standards and the associated accounting policies are detailed below:

- ▲ PBE IPSAS 29 Financial Instruments: Recognition and Measurement
- ▲ PBE IPSAS 30 Financial Instruments: Disclosures
- ▲ PBE IPSAS 4 The Effects of Changes in Foreign Exchange Rates
- ▲ PBE IPSAS 7 Investments in Associates
- ▲ PBE IPSAS 8 Interests in Joint Ventures
- ▲ PBE IPSAS 35 Consolidated Financial Statements

## CHANGES IN ACCOUNTING POLICIES AND PRIOR PERIOD ERRORS

There have been no changes in accounting policies. All policies have been applied on bases consistent with the previous year.

### Comparatives

Short term deposits recoded under bank accounts and cash in the prior year, with an original maturity of more than 90 days have been reclassified as short-term deposits in the Statement of Financial Position and Statement of Cash Flows for the correct presentation.

### Prior period adjustments

The prior period adjustment in the Statement of Changes in Equity for the year ended 31 March 2018 relate to \$120,000 received from DGH Property Fund Limited Partnership in 2017 and included within the share of surplus rather than as a repayable amount. This amount was returned to DGH Property Fund Limited Partnership in the 2018 year and the accumulated surpluses amended to correctly reflect the transaction.

## BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Parent and subsidiaries controlled by the Parent. Control is achieved when the Parent has power over the investee and can determine the investee's operating and financing policies, such that the parent can direct the investee to assist it achieving the parent's own financial and public benefit objectives.

Consolidation of a subsidiary begins when a Parent obtains control over the subsidiary and ceases when a Parent loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent gains control until the date when a Parent ceases to control the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

## GOODS AND SERVICES TAX (GST)

The Group is registered for GST. All amounts are stated exclusive of goods and services tax (GST) as appropriate, except for debtors and creditors which are stated inclusive of GST.

## FOREIGN CURRENCY TRANSACTIONS

These financial statements are presented in New Zealand dollars (\$) which is the Group's functional and presentation currency. All numbers presented have been rounded to the nearest dollar.

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Monetary items denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical costs are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in surplus or deficit.

## REVENUE

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

### Donations, fundraising and other similar revenue

Donations are recognised as revenue upon receipt. Grant revenue includes grants given by other charitable organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.

### Revenue from providing goods and services

Revenue from the sale of goods is recognised when the goods are sold to the customer. Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

### Interest and dividend revenue

Interest revenue is recognised as it accrues, using the effective interest method. Dividend revenue is recognised when the dividend is declared.

## BANK ACCOUNTS AND CASH

Bank accounts and cash in the Statement of Cash Flows comprise cash on hand, cheque or savings accounts, and deposits held at call with banks, as well as call accounts held by managed portfolio funds.

## LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an activemarket. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Group's cash and cash equivalents, debtors and short-term deposits fall into this category.

## STOCK ON HAND

Stock on hand is initially recorded at cost. Goods held for sale are subsequently measured at the lower of cost and their selling price.

## FINANCIAL INSTRUMENTS

Financial instruments are initially recognised when the Group becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs. Subsequent measurement is dependent of classification of the financial instrument, and is specifically detailed in the accounting policies below.

### Financial assets

Financial assets within the scope of PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

#### *Financial assets at fair value through surplus or deficit*

Financial assets at fair value through surplus or deficit include items that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments or a derivative that is a financial guarantee contract.

Financial assets at fair value through surplus or deficit are subsequently measured at fair value with gains or losses being recognised in surplus or deficit. The Group has not designated any assets as fair value through surplus or deficit.

#### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Group's cash and cash equivalents and debtors fall into this category.

#### *Held-to-maturity investments*

If the Group has the positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses. The Group has not designated any assets as held-to-maturity investments.

#### *Available for sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

Available-for-sale financial assets comprise investments in portfolio funds managed by Craigs Investment Partners, First NZ Capital, Ord Minnett Management and Taurus Resources Fund. Available-for-sale financial assets are subsequently measured at fair value with gains or losses (other than foreign exchange gains or losses) recognised and presented in the investment revaluation reserve within net assets/equity, less impairment.

### Impairment of financial assets

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that

can be estimated reliably. Objective evidence that financial assets are impaired includes default or delinquency by a counterparty, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a counterparty or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an equity security classified as an available-for-sale financial asset, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

### Impairment of financial assets classified as available-for-sale

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in net assets/equity to surplus or deficit. In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. In the case of debt instruments classified as available-for-sale, the impairment is assessed based on the same criteria as financial assets at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in surplus or deficit. The cumulative loss that is reclassified from the fair value reserve in net assets/equity to surplus or deficit is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in surplus or deficit. Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed, with the amount of the reversal recognised in surplus or deficit. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive revenue and expense.

### Financial liabilities

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities. Financial liabilities classified as amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as amortised cost comprise creditors and loans.

## EQUITY ACCOUNTED INVESTEEES

Associates and Joint Ventures are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates and Joint Ventures are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

## PROPERTY, PLANT AND EQUIPMENT

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses. The depreciation rates of major classes of assets have been estimated as follows:

Office equipment                      40-67% DV

## INCOME TAX

The Group is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

# NOTES TO THE PERFORMANCE REPORT

For the year ended 31 March 2019

	Note	2019 \$	2018 \$
<b>1. GRANTS AND DONATIONS</b>			
<b>Whakaue Whakanuia</b>			
<b><u>Grants and donations received</u></b>			
Pukeroa Oruawhata Trust		-	30,000
Ngāti Whakaue Education Endowment Trust		20,000	20,000
Ngāti Whakaue Tribal Lands		10,000	-
<b>Total Grants and donations received</b>		<b>30,000</b>	<b>50,000</b>
<i>Less Whakaue Whakanuia expenses</i>			
Accounting & secretarial fees		475	643
Catering Expenses		13,850	16,317
Commemorative book		-	-
Contingency Fees		2,243	-
Entertainment		800	3,597
Hireage - Plant & Equipment		20,728	2,100
Other expenses		6,281	13,787
Project Co-ordinator		17,250	17,250
Promotional Expenses		11,634	1,000
Security		3,901	259
Stage Expenses		12,498	7,866
Venue Costs		1,200	935
<b>Total Whakaue Whakanuia expenses</b>		<b>90,860</b>	<b>63,754</b>
<b>Grants paid</b>			
Marae Tautoko grant		50,000	150,000
Ngāti Whakaue Sports & Recreation fund		25,500	24,876
Socio-Economic Projects grant		5,750	24,113
Sustainable Marae Collective		-	16,763
Tamatekapua grant		10,000	10,000
Wahi Tupuna		10,000	5,000
Whakaue Tikanga fund		23,420	10,325
Whakaue Whakanuia expenses (as detailed above)		90,860	63,754
<b>Total Grants paid</b>		<b>215,529</b>	<b>304,831</b>
<b>2. INTEREST, DIVIDENDS AND OTHER INVESTMENT REVENUE</b>			
Dividends received - Investments		70,102	70,201
Interest received - bank and term deposits		79,286	100,410
Interest received - investments		41,548	81,758
<b>Total Interest, dividends and other investment revenue</b>		<b>190,936</b>	<b>252,368</b>

	Note	2019 \$	2018 \$
<b>3. OTHER REVENUE</b>			
Distributions received - Te Komiti Nui o Ngāti Whakaue		518,964	355,990
MBIE funding		35,330	5,371
Other revenue		-	428
<b>Total Other revenue</b>		<b>554,293</b>	<b>361,789</b>
<b>4. ADMINISTRATION EXPENSES</b>			
Accountancy fees		46,276	34,823
AGM/SGM expenses		14,363	17,111
Audit fees		8,625	8,625
Communication		61,105	20,871
Consultancy		3,514	11,903
Due diligence		5,778	-
Insurance		10,561	8,888
Koha		23,409	-
Other expenses		11,190	7,387
Secretarial services		55,736	47,097
Trustee travel and other expenses		13,985	24,075
<b>Total Administration expenses</b>		<b>254,541</b>	<b>180,779</b>
<b>5. OTHER EXPENSES</b>			
Realised loss on sale of available-for-sale financial assets	10	-	2,116
Loss on honey held for sale		28,218	-
Impairment of honey held for sale		16,500	-
<b>Total Other expenses</b>		<b>44,718</b>	<b>2,116</b>
<b>6. BANK ACCOUNTS AND CASH</b>			
Cash at bank - NZD		729,811	176,835
Cash in managed portfolio funds - NZD	10	35,210	67,617
Cash in managed portfolio funds - AUD	10	4,608	14,658
Cash in managed portfolio funds - International	10	2,452	5,656
Term deposits		4,000,822	510,083
<b>Total Bank accounts and cash</b>		<b>4,772,903</b>	<b>774,850</b>
<b>7. DEBTORS AND OTHER RECEIVABLES</b>			
Receivables		3,640	25,371
Payments in advance		-	10,778
Income tax refund due		91,171	185,064
GST refund due		19,019	-
<b>Total Debtors and other receivables</b>		<b>113,830</b>	<b>221,212</b>

# NOTES TO THE PERFORMANCE REPORT

For the year ended 31 March 2019

	Note	2019 \$	2018 \$
<b>8. INVENTORY</b>			
Honey held for sale		16,500	170,775
<b>Total Inventory</b>		<b>16,500</b>	<b>170,775</b>
<b>9. SHORT-TERM DEPOSITS</b>			
Term deposits		759,834	1,768,474
<b>Total Short-term deposits</b>		<b>759,834</b>	<b>1,768,474</b>
<b>10. INVESTMENTS</b>			
<b>Available-for-sale financial assets</b>			
Managed portfolio funds		3,225,420	4,448,105
<b>Total Available-for-sale financial assets</b>		<b>3,225,420</b>	<b>4,448,105</b>
<b>Equity accounted investees</b>			
Te Kakano Whakatipu Limited		12,093,139	9,176,587
DGH Property Fund Limited Partnership		186,639	472,979
Te Whaihanga Limited Partnership		1,580,194	2,759,215
Hononga Limited Partnership		938,922	-
<b>Total equity accounted investees</b>		<b>14,798,894</b>	<b>12,408,781</b>
<b>Total Investments</b>		<b>18,024,313</b>	<b>16,856,886</b>
<b>Available-for-sale financial assets</b>			
<b>Managed portfolio funds</b>			
<i>Craigs Investment Partners</i>			
Balance at the beginning of the year		2,253,857	2,125,815
Contributions/(withdrawals)		-	-
Net investment revenue received		57,097	58,988
Realised gains/(losses)		29,827	8,977
Change in fair value		223,467	60,077
<b>Balance at the end of the year</b>		<b>2,564,248</b>	<b>2,253,857</b>
<i>Represented by:</i>			
Cash in call accounts		42,270	47,177
Listed securities		2,521,978	2,206,680
<i>First NZ Capital</i>			
Balance at the beginning of the year		1,629,862	1,859,980
Contributions/(withdrawals)		(1,657,593)	(300,000)
Net investment revenue received		29,987	68,341
Realised gains/(losses)		(2,255)	3,028
Change in fair value		-	(1,487)
<b>Balance at the end of the year</b>		<b>-</b>	<b>1,629,862</b>
<i>Represented by:</i>			
Cash in call accounts		-	40,754
Listed securities		-	1,589,109

	Note	2019 \$	2018 \$
<b>10. INVESTMENTS (CONTINUED)</b>			
<i>Ord Minnett</i>			
Balance at the beginning of the year		-	12,092
Contributions/(withdrawals)		-	(12,033)
Net investment revenue received		-	-
Realised gains/(losses)		-	261
Change in fair value		-	(320)
<b>Balance at the end of the year</b>		-	-
<u>Represented by:</u>			
Cash in call accounts		-	12,092
<i>Taurus Resources Fund No. 2</i>			
Balance at the beginning of the year		652,316	571,891
Contributions/(withdrawals)		-	(101,768)
Change in fair value		51,126	182,193
<b>Balance at the end of the year</b>		<b>703,442</b>	<b>652,316</b>
<u>Represented by:</u>			
Listed securities		703,442	652,316
<b>Total Managed portfolio funds</b>		<b>3,267,690</b>	<b>4,536,035</b>
<u>Represented by:</u>			
<b>Cash in call accounts</b>	6	<b>42,270</b>	<b>87,932</b>
<b>Listed securities</b>		<b>3,225,420</b>	<b>4,448,106</b>
<b>Total Realised gain/(loss) on sale of available-for-sale financial assets</b>		<b>27,572</b>	<b>12,266</b>
<b>Total Changes in fair value of available-for-sale financial assets</b>		<b>274,593</b>	<b>240,464</b>
<i>Te Kakano Whakatipu Limited</i>			
Balance at the beginning of the year		9,176,588	8,333,266
Share of surplus		1,527,409	250,942
Profit distributions		(272,120)	(251,003)
Capital distributions		(503,370)	(457,965)
Change in fair value		2,164,632	1,301,347
<b>Balance at the end of the year</b>		<b>12,093,139</b>	<b>9,176,588</b>

The Group has a 9.5% share in Te Kakano Whakatipu Ltd, a company created by six North Island iwi to buy 2.5% stake in Kaingaroa Timberlands, New Zealand's largest forestry business. Te Kakano Whakatipu Ltd has a 30 June financial year end.

Movements within the Limited Partnership balance are calculated and included based on interim unaudited financial statements of Te Kakano Whakatipu Ltd, prepared for the period ended 31 March 2019.

	Note	2019 \$	2018 \$
<b>10. INVESTMENTS (CONTINUED)</b>			
<b>Joint ventures</b>			
<b>DGH Property Fund Limited Partnership</b>			
Balance at the beginning of the year		472,979	445,938
Profit distributions		(318,162)	(31,320)
Share of surplus		31,822	58,361
<b>Balance at the end of the year</b>		<b>186,639</b>	<b>472,979</b>
<p>The Trust has entered into a partnership with Ngāti Manawa Development Ltd and four other private individuals, to finance and purchase land sections for the purpose of development. The partnership does not engage in any of the building development.</p> <p>The Trust owns a 10% share in DGH Property Fund Limited Partnership. The Trust's total commitment is \$500,000 of which \$391,500 has been paid to 31 March 2019 (2018: \$391,500). The value of the investment in DGH is based on a draft set of unaudited financial statements prepared for the period ended 31 March 2019.</p>			
<b>Te Whaihanga Limited Partnership</b>			
Balance at the beginning of the year		2,759,215	2,303,629
Contributions		-	470,000
Profit distributions		(1,488,619)	-
Share of surplus/(deficit)		309,598	(14,414)
<b>Balance at the end of the year</b>		<b>1,580,194</b>	<b>2,759,215</b>
<p>In May 2016, the Trust entered into a limited partnership agreement with Ngāti Manawa Development Limited to develop property in Papamoa with the anticipated investment commitment of \$2,700,000. The Limited partnership is called Te Whaihanga Limited Partnership. The Trust holds 50% shares in the partnership. The value of the investment in Te Whaihanga is based on a draft set of unaudited financial statements prepared for the period ending 31 March 2019.</p>			
<b>Hononga Limited Partnership</b>			
Balance at the beginning of the year		-	-
Contributions		938,922	-
<b>Balance at the end of the year</b>		<b>938,922</b>	-
<p>The Trust has entered into a partnership with Ngāti Manawa Development Ltd and Tiki Te Kohu Ruamano Trust, to finance and purchase land sections for the purpose of development. The partnership does not engage in any of the building development.</p> <p>The Trust owns a 44.19% share in Hononga Limited Partnership. The Trust's total commitment is \$2,737,577 of which \$928,295 has been paid to 31 March 2019. The value of the investment in Hononga Limited Partnership is based on a draft set of unaudited financial statements prepared for the period ending 31 March 2019.</p>			
<b>Total Share of equity accounted investees surplus for the year</b>		<b>1,868,829</b>	-
<b>Total Share of equity accounted associates other comprehensive revenue and expense</b>		<b>2,164,632</b>	-



## 11. PROPERTY, PLANT AND EQUIPMENT

	OFFICE EQUIPMENT \$	TOTAL \$
Carrying amount at 1 April 2018	1,311	1,311
Purchases	1,549	1,549
Depreciation expense	(1,114)	(1,114)
<b>Carrying amount at 31 March 2019</b>	<b>1,746</b>	<b>1,746</b>
Carrying amount at 1 April 2017	229	229
Purchases	2,874	2,874
Depreciation expense	(1,792)	(1,792)
<b>Carrying amount at 31 March 2018</b>	<b>1,311</b>	<b>1,311</b>

	2019 \$	2018 \$
Note		
<b>12. CREDITORS AND ACCRUED EXPENSES</b>		
Creditors	116,557	102,355
Grants accrued	-	176,184
<b>Total Creditors and accrued expenses</b>	<b>116,557</b>	<b>278,539</b>

## 13. LOANS

### Current portion

BNZ Loan	2,000,000	2,000,000
<b>Total Loans</b>	<b>2,000,000</b>	<b>2,000,000</b>

On 20 March 2017, the Trust entered into a loan agreement with the Bank of New Zealand. The term of the loan was two years, maturing on 11 March 2019 and has subsequently been extended to 11 July 2019. The loan is secured by a perfected security interest in all present and future acquired property. As at 31 March 2019, the average interest rate was 4.64% (2018: 4.65%).

## 14. CONTRIBUTED CAPITAL

CNI Iwi Collective (eight iwi from the central North Island) signed a final settlement with the Crown in June 2008. On 1 July 2009, the whenua, accumulated rentals and other settlement assets were transferred back for the benefit of all collective members. Te Komiti Nui o Ngāti Whakaue for Ngāti Whakaue Me Ona Hapu directed that Ngāti Whakaue's percentage of the accumulated rentals of \$9,233,304 be directed to Te Kotahitanga o Ngāti Whakaue Assets Trust.

	Note	2019 \$	2018 \$
<b>15. RELATED PARTY TRANSACTIONS</b>			
<b>The parent is a beneficiary of Te Komiti Nui o Ngāti Whakaue Trust.</b>			
<b>Amounts owed by related parties</b>			
Te Komiti Nui o Ngāti Whakaue loan - current		354,173	354,173
<b>Total Amounts owed by related parties</b>		<b>354,173</b>	<b>354,173</b>
<b>Distributions received related parties</b>			
Distributions received - Te Komiti Nui o Ngāti Whakaue		518,964	355,990
<b>Total Distributions received related parties</b>		<b>518,964</b>	<b>355,990</b>

#### Te Komiti Nui o Ngāti Whakaue Loan

The Trust entered into a Loan Agreement with Te Komiti Nui o Ngāti Whakaue dated 27 October 2009, for \$100,000, and an additional Loan Agreement dated 20 March 2015, for \$307,500. The loan will be repaid in full, or in part, when settlement proceeds are received from the Crown. The loan is interest free unless interest is demanded in accordance with the deed. \$100,000 was repaid in October 2015. On 18 September 2017 the remaining principal sum of \$307,500 and interest of \$46,673, was demanded. Both principal and interest remain outstanding at balance date. No further interest was demanded.

#### Governance

The total amount of trustees fees for the year ended 31 March 2019 was \$109,125 (2018: \$106,875). Other fees were fees paid to the trustees for representing the Trust at external boards.

#### Trustee fees

Jason Rogers	23,000	23,000
Ana Morrison	23,000	23,000
Katie Paul	34,500	32,250
Hemi Rolleston	20,000	20,000
<b>Total Trustee fees</b>	<b>100,500</b>	<b>98,250</b>

#### Other fees

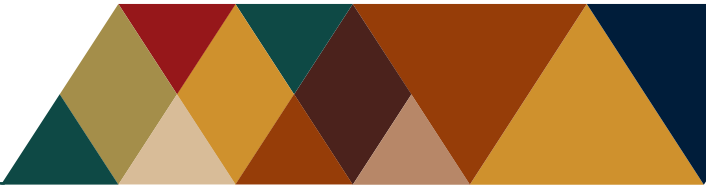
Jason Rogers	3,450	3,450
Katie Paul	5,175	5,175
<b>Total Other fees</b>	<b>8,625</b>	<b>8,625</b>

#### Total fees paid

<b>109,125</b>	<b>106,875</b>
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#### Other related party transactions

\$17,250 (incl. GST) was paid to CMM Management Limited for project management services (2018: \$17,250). CMM Management Limited is owned by parents of trustee, A Morrison.



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## 16. CONTINGENT LIABILITIES AND GUARANTEES

The Trust has a contingent Liability in regard to Hononga Limited Partnership. Hononga has underwritten sections to the value of \$3,858,368 and development costs of \$235,956. If these sections are not sold prior to their respective settlement dates, Hononga will be required to settle on the sections. As the Trust owns a 44.19% share, a contingent liability exists of \$1,705,012 for titles and \$104,269 for development costs.

At balance date court proceedings were pending in regards to a claim against Te Kotahitanga o Ngāti Whakaue Assets Trust for unspecified damages. The amount of potential settlement is unable to be quantified until proceedings are concluded.

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## 17. COMMITMENTS

At balance date, there is a further commitment of USD 18,786 (2018: USD 56,028) for investment in Taurus Resources No 2 Fund Ltd.

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## 18. EVENTS AFTER THE BALANCE DATE

Subsequent to balance date, the Group has resolved to invest \$2.6m in Russell Investments.



**Te Kotahitanga o  
Ngāti Whakaue Assets Trust**

**c/o GHA Ltd**

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