



# TE PŪRONGO Ā-TAU ANNUAL REPORT 2023





Whakatairangatia ngā marae katoa!  
Whakatāiritia te ngākau pono o tēnā hapū, o tēnā hapū, o tēnā hapū!  
Whakatōkia mai te āritarita ki roto i te whatumanawa!  
Tē motukia! Tē wetekia! Puritia kia mau! Kia ita!  
Ka whakamau ai kia tīna! Tīna! Haumī e, hui e, tāiki e

## **Hui-Ā-Tau 2023:**

### Annual General Meeting

Karawhiti mai rā, haere mai rā!  
Thursday 23 November 2023, 5pm.  
HTST Office, Level 2 -  
117 Heretaunga Street West, Hastings

## **Rārangi Take** Agenda

Karakia

Whakatau

Ngā Whakapāha (Apologies)

Governance Board - Introductions

*HTST Chairperson*

Minutes of AGM 2022

2022/2023 Annual Report

*HTST Chairperson/CEO*

2022/2023 Financial & Audit Report

*Adapt Accounting*

Trustee Remuneration

*HTST Chairperson*

Appoint Auditor

General Business

Karakia Whakamutunga

Kaweka Gwavas Forestry Company Limited AGM will  
precede the HTST AGM at 4pm.

For more information, please contact the office on  
06 876 6506 or visit our website to view reports:  
[www.heretaungatamatea.iwi.nz](http://www.heretaungatamatea.iwi.nz)

## Kua rehu atu rā ki te rua o te mate! Auē, auē, e hika ē!

E tangi nei ki ngā tapu, ki ngā mana, ki ngā ihi, ki ngā wehi, ki ngā reo o tāukiuki kua ngaro nei i a tātau. E kore pea e ea i ēnei kupu iti noa nei te wāhi ki o tātau mate nui i roto i ngā marama kua taha ake nei.

Ka mutu, me pēhea rā te wete i ngā kupu pākatokato kua ngangengangea te whatumanawa! Me pēhea rā hoki te pārai i ngā tai āniwhaniwha kua kōuru mai nei!

*E JB, kōrua ko Waireamana, kei te rangona tonutia te korenga o tō kōrua noho mai i waenganui i ā tātau hui maha. Ko te ngau a tūmatatenga, auē taukiri te mamae e! Nā reira, ko ngā mana o te pō kua huri ki tua o Nukutaurua e kore e hokia, haere i tō tira mokemoke. Ko tātou ngā mahuetanga iho ki a tātou, tēnā tātou katoa.*



John-Barry Heperi-Smith



Waireamana Kara

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Image:  
Waimārama Beach, Hawkes Bay, New Zealand.

# Ngā Kai o Roto

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***E te tuakana a John Barry Smith (JB) as I sit to write this report, I cannot do so without first acknowledging you and your life journey given to the betterment of us, your whanaunga, your whānau, your friends. Your untimely passing left us devastated and bereft, lost for lack of your sage advice, and leadership - trying to make sense of it all. Your final farewell was a testament to the man you had become and I know your legacy is strong and will live on.***

This is my seventh and final annual report presented as outgoing Chair on behalf of the Board.

Nothing could have heralded the horrific damage to the area of our Settlement Trust, over such a short period of time as that of Cyclone Gabrielle. This has had such an affect on all, but particularly on those in the areas most impacted. The effect of Gabrielle will remain with us forever: we are reminded of what was, yet with immense hope of what will arise from this devastation. In my time, never before have I seen an event with the capacity to unite our people as during this time. So, I would like to pay tribute to those of you who were at the forefront; ensuring the safety of those affected, housing them, feeding them, listening, seeking advice, lobbying and most of all giving up your time, employment and your own whānau time to be there then and now – thank you seems so inadequate – mā te Atua koutou katoa e manaaki!

I would like to acknowledge how very fortunate we are, and I have been, to work with Dr Darryn Russell as our Chief Executive. Darryn works with a straight-forward, no-nonsense approach and has a great rapport with his staff which sets a very positive tone in the engine room of Heretaunga Tamatea Settlement Trust (HTST). The office is a welcoming place and if you haven't already visited, I encourage you to do so and meet the friendly team who quietly and efficiently work behind the scenes. Thank you Chris Hilton and Darlene Carroll for making sure I have been kept up to date with all that can happen in one day, let alone a year. Thank you also Aeron who will normally be the friendly face who greets you, and Neala, Beverly and Tere who continue in their specific roles, ensuring we get to give opinion on issues that are historical or new to the table. Sara-Lee left with our blessing to follow her law career and a warm welcome back from maternity leave to Victoria. There are others too, who have worked contracts for us such as Horiana and Diane – thank you all for always going way over and beyond for your people.

The past months have flown by and I know it's been hard at times for our team to continue working within their specific job roles as well as facing the extra business that always seems to arrive in an untimely manner. It can be difficult for the governors to keep abreast, but our team does well in supplying us with relevant-to-each-issue information. Amongst this busy workload, I would like to focus on just two 'biggies' affecting us all.

First the Constitution and its review. We have endorsed some recommendations from that review with other recommendations still to be fleshed out and given opportunity for robust discussion.

In particular, I would like to mention the consideration for additional Marae to HTST. This issue is still in discussion and with the setting up of a Taumata Kaumātua it is hoped that the discussion will progress to a recommendation to the Board. Alas, I had hoped to have seen a proposal accepted before this AGM, but I am mindful of the power of wānanga-

and know that through this process this concern will be resolved. The Taumata Kaumātua, our new entity, will have the most important role to play in our next phase of re-establishing ourselves in Tamatea and Heretaunga – we look forward to their advice and recommendations as and when we needed.

Across the nation, indeed the world, te taiao is a key focus and the setting up of an entity, Te Mātai Ao, to which we have contributed, is a positive step. It is our hope that this approach will enable our mātauranga to inform and influence future decision-making across our rohe. We need to make sure that the knowledge we gained through the devastation to our area caused by Cyclone Gabrielle is used to ensure that our Government partners hear our concerns and heed our advice. I think it a positive step that we now have something in place so that when you share your concerns around te taiao with us, we can direct those issues to a legitimate body.

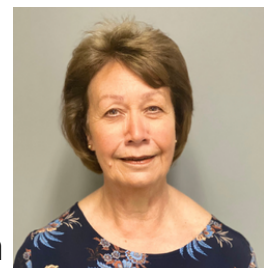


**Board of Trustee's Board Meeting 20th June 2023**

These are but two workloads from the past months that I have shared – there have been many more! Thank you to all Board representatives for continuing to serve your hapū and marae in the way that you do. We have shared some healthy, controversial, and robust discussions and yet we have managed to work well together – there is much to do and little time to waste so let's get on with our job! Welcome to the Chair role Pōhatu Paku – your dad would be so proud and that is an understatement.

A special thank you to those who chair and sit on our sub-committees: Audit and Risk and Heretaunga Tamatea Pou Tahua (our investment arm) and proposed Te Mātai Ao. The job is huge and at times overwhelming, knowing we rely on your expertise means you go the extra mile. Again, I thank you Darryn for all that I have learned from you.

On behalf of Heretaunga Tamatea Settlement Trust, I present our 2023 Annual Report.



**Liz Graham**

***E ngā rau rangatira mā, ngā kaupupuri i ngā taonga tūturu o ia whānau, ia hapū, ia marae o Heretaunga Tamatea puta noa, tēnā rā koutou katoa.***

It is a pleasure to present my report for the last fifteen months, from April 2022 to June 2023. It has been a year of continued transformation, enhanced performance, however, both outcomes have not been without challenges.

Before I share the 'Business' report, I must acknowledge the direct and indirect, impacts of Cyclone Gabrielle across our whānau, Marae and hapori. Such events displace and disrupt so much and so many. I note for Omahu and Porangahau the enormous burden being led by those communities as a result of the devastation. However, I also note across our twenty-three (23) Marae and forty-three (43) hapū, and other whānui, there are impacts for whānau as a result of Gabrielle. While the effects themselves are obvious, the enduring impact, and role in recovery is not as obvious. We continue to advocate, support and influence, where possible, decisions which form part of the wider regional recovery process.



***Ohiwia Bridge in Omahu during the Cyclone***

During this period I too would acknowledge the passing of J.B Smith. The sadness of the initial shock and loss, continues in terms of his personal support, but inherently his leadership across Tamatea and Kahungunu.

***E taku rangatira, JB, e mōteatea tonu nei te ngākau mōu. Kei pēnei mai koe kua mutu te mamee - he maonga āwhā noa iho kē tēnei.***

***Nāu i whakaaweawe te tini me te mano, ehara i te hanga ake! He momo koe!***

***Heoi anō, kua whakaroau tō reo i konei, nā reira moe mai rā koe, e te kirikawa o te kupu, e te kirikawa o te rākau, i roto i te ngākau aroha o te tangata.***

***Kua mahenotia koe kia haere ki ngā mana o te pō, okioki atu rā e!***

Transformation has been a continuing theme for 2022/2023. The process of the Constitutional Review came to a conclusion in this reporting period.

The culmination has confirmed a number of the recommendations drafted from the original consultation hui held in 2019 and reported in 2020. The secondary engagement across hui again supported the recommendations in April 2023.

The following represented the key recommendations of the Constitutional Review:

- i. Name Change;
- ii. Change Election Cycle to a 3 yearly process for all Trustees;
- iii. Allow registered members to vote in multiple Trustee electorates; and
- iv. Endorse establishment of Taumata Kaumātua.

Further recommendations associated with development of a 'Kawenata / Charter' were endorsed as was consideration of the Tono for additional Marae. This work will form part of the advice and leadership from the aforementioned Taumata Kaumātua. As the Board commences a process for a new Trust strategy, the constitutional decisions will see a launch and rebranding of Tamatea Pōkai Whenua as originally discussed in the AGM in 2022, similarly, the signalled work of the re-registration of all members. The convergence of all of these recommendations and processes will complete the transformation work sought by the Board in the evolution of post settlement.

Work has continued on the establishment of a new proposed Taiao Hub (Te Mātai Ao) which looks to bring a new approach in managing our taiao responsibilities in light of the RMA reforms driven out of central Government. HTST, Te Taiwhenua o Heretaunga and Te Taiwhenua o Tamatea progressed the work towards standing up a new entity in the next planning period to lead our work in this space. As noted the recovery work and 'Building Back Better' aspiration MUST be influenced by our mātauranga across taiao decisions which will impact the future for Heretaunga and Tamatea. This initial work undertaken on 'Mana o te Wai' across Heretaunga Tamatea for a Wai strategy will be picked up through this entity.



***Wai Wānanga held in the HTST office***

Another key outcome is the repatriation of taonga from Te Poho o Kahungunu. Te Poho o Kahungunu is one of three taonga initiatives provided for in the settlement. The repatriation of six carvings held at the Whanganui, Auckland and Otago museums had been a long held wish of the Tipene Matua family and wider Ngāti Kere hapū. With the support of repatriation researcher Dr Amber Aranui and following positive engagements with museums, the six carvings were successfully repatriated to Ngāti Kere this year.

*Te Pūrongo a te Kāhu Kōrako*

**CHIEF EXECUTIVE'S REPORT**



David Tipene Leach has kindly provided a report detailing the history and journey of the whare and its return to Porangahau, which can be viewed later in this report.

Significant progress has also been made in the repatriation of taonga from Te Whare o Heretaunga. Over 60 carvings from this whare are located in museums around New Zealand and the world. During this year all museums (domestically) have now been approached seeking ownership. Three of seven museums have also endorsed the repatriation of carvings from Te Whare o Heretaunga, including Otago Museum who hold the largest collection of carvings - 26 in total. We are very optimistic the remaining four institutions will support the return of the taonga to Heretaunga Tamatea and those descendants of such treasures. I would like to acknowledge the work of Amber Aranui and Migoto Eria from Te Papa who have so willingly supported our aspirations in the mahi.



**Taonga Repatriation visit to Ōtākou, Dunedin.**

Significant efforts in my time, have similarly been focussed on the financial performance of Trust assets, including a new statement of investment policy and objectives (SIPO). The report notes that a significant provision of cash reserves have now been deposited in managed funds with Russell Investments. This decision looks to yield a medium to long term return and growth, while also enabling cash flow certainty for the Trust when looking at operational costs for the Trust.

Sadly the global instability and economic uncertainty, has a material impact during this period. However, the cash-flow component of this investment has meant a surplus for the Trust. Paralleling the surplus is the significant work on the proposed Wairatahi residential development (Stock Road).

Fast-track consent is progressing well and the economic and social opportunity represented in this work is significant for the Trust and our community. These outcomes have also underpinned our efforts in work on whenua at Mangarau Crescent, Southampton Road and Boston Crescent.

Other investments and mahi are underway in order to generate performance. I would direct members to the Investment Committee (now known as Heretaunga Tamatea Pou Tahua) report for further details. I would like to personally acknowledge the work of Koau Capital Partners, in particular Brett Ellison our commercial analyst, alongside the Investment Committee to this kaupapa. The efforts to uplift performance have been a team effort, tēnā koutou.

I direct members to the activities of the Audit and Risk Committee and acknowledge the work of the members in this

critical role for the organisation. Noting the leadership of JB Smith and Pōhatu Paku as Chair of this Committee and those members who have provided leadership during the year.

I would in that same way acknowledge the team whom have supported our work in this period. To Christine Hilton, Darlene Carroll and Victoria Wilson (albeit while in part on personal leave) along with our new employees, Neala Rosandich, Aeron Kokaua-Mako, my extended thanks for the commitment and efforts in sometimes a challenging position.



**(L-R) Rear: Victoria Wilson, Darryn Russell, Christine Hilton, Tere Smith, Darlene Carroll. Front: Aeron Kokaua-Mako, Beverly Te Huia, Neala Rosandich**

Similarly, I would like to acknowledge the work of Beverly Te Huia supporting our Taiao work, Horiana Williams who supported some projects in this period and Tere Smith who has been on secondment from Kainga Ora, for their contributions to our vision of “Rei Kura, Rei Ora, Rei Ora te Mauri e – Tino rangatiranga over our whenua and our waters for our people”. I would also like to acknowledge Sara-Lee Hape who resigned from the Trust in this period. Leaving to exercise her legal qualifications with the Department of Justice. I thank her for all her efforts and wish her well in her legal career.

My gratitude also to the Governors of Heretaunga and Tamatea. The collective mana of the twenty-three (23) Marae and forty-three (43) Hapū is served well by those who hold that responsibility, but more so the Trust as an entity. In closing, I note this will be one of the last formal opportunities to acknowledge Liz Graham, recognising her decision to stand down as Chairperson of the Trust, having been appointed a role in 2018. Few know nor realise the efforts and support the Chair provides to staff and or the Trust personally. I have always been privileged to have seen these efforts and words don't encapsulate my gratitude, mihi and respect for your mahi Liz. I am grateful that your experience stays with us on the Board and available to the new Chairperson, who will be selected to take Tamatea Pōkai Whenua through its next phase of development.



**Dr Darryn Russell**

I am pleased to present the Chair's report for Heretaunga Tamatea Pou Tahua Limited Partnership (HTPT). This is the first time HTPT is reporting annual results as part of our consolidated reporting with Heretaunga Tamatea Settlement Trust (HTST). The 2023 Financial Year (FY23) marks the first year of establishment. This structure essentially ensures full flexibility over all funds and retained earnings for future generations.

As a result, all commercial assets, and delegations for HTST have been transferred to HTPT, a process that took significant time and effort. The foundations have now been laid for future years performance and, importantly, distribution from HTPT to HTST has now commenced without further eroding the value of Settlement. Consistency in distributions enables HTST, as the ultimate owner of HTPT, to fund Trust activities and core functions.

HTPT in turn has committed capital across a range of asset classes to ensure that a balanced portfolio is established to manage risk and maintain consistency in cash earnings. The portfolio currently consists of term deposits, development and investment property, agriculture (including forestry), and managed funds across various asset classes. Our managed funds portfolio, which is diversified across global and New Zealand equities, infrastructure, and fixed interest, is managed by Russell Investments - a leading global investment partner.

FY2023 has been a tough year for the global and domestic economy, and we remain in a period of significant uncertainty. High inflation rates are placing significant strains on households and businesses alike, whilst events such as the war in Ukraine, the downturn in the China economy, and the devastating impact of Cyclone Gabrielle further reinforces the need to take a long-term approach to investment. Despite these challenges, we have made significant progress towards our goal of establishing a strong, resilient, and sustainable portfolio for the Trust.

We have actively focused on establishing the transfer of assets, and the consolidation of the portfolio to generate sustainable returns for the Trust. With much of the portfolio (approximately \$53m) allocated to investments in shares (Russell's and Napier Port) we have been able to generate an acceptable cash return from those investments. We are seeking a significant improvement in FY24, as well as upside from capital invested into development properties (Mangarau Crescent and Wairatahi). Investment in collective iwi vehicles have also been pursued, with \$1m allocated to the New Zealand koura sector, via Puai Tangaroa, in FY23, and \$5m to be committed to Hāpai Commercial Property (capital to be placed in FY24).

As an intergenerational investor, we take care to ensure that the portfolio will be robust and can perform in line with our Investment Strategy. We believe in making sustained investments that will continue to bring value to our owners. We are proud to announce that 2 of our property development projects (Wairatahi and Waipukurau Growth Precinct) that we have been advancing are included in the Governments infrastructure acceleration funding (IAF).

This funding is provided direct to the respective local authorities and enables them to invest into infrastructure that could support these sites playing a positive role for addressing future housing needs for whānau. Hastings District Council have agreed \$18.5m, and Central Hawkes Bay District Council will receive \$10.9m. This funding was only possible due to the partnership approach from HTST with the Crown and local government, and further demonstrates the ability for HTST and HTPT to take a strategic leadership position in the rohe.

In addition, Wairatahi has also been advanced for fast-track consenting, via the Covid 19 Fast Track Consenting legislation. The project has been advanced with significant diligence and has now been referred to an expert consenting panel. We look forward to announcing significant development milestones for this project in the next financial year – including a programme for the delivery of houses for whānau.

Despite the economic headwinds and tough market conditions, in addition to the significant time taken to establish Pou Tahua, we are proud to report that our limited partnership has established a strong foundation from which to grow the HTST pūtea. Our starting equity position is approx. \$81.6m, with total assets under management of \$83.9m (the variance includes \$1.5m treated as an advance which enables HTST to call on additional funds if required).

The timing of establishment, and annual reporting, means that the operating returns are being reported at a consolidated level. Whilst not at a level we expect to achieve, the fact a return has been generated in the current market whilst we worked through asset transfers and structural requirements is positive. Our ability to meet distribution (\$1.125m) whilst achieving a small profit without diluting the long-term value of the portfolio is significant.

Therefore, the Group (HTST and HTPT) have established a foundation to ensure that the Settlement will not be further eroded to meet social investment objectives.

As we look to the future, our focus remains on ensuring a balance between our short-term obligations, such as distributions to HTST, and our long-term investment goals. We understand the importance of intergenerational investment and are committed to making sound decisions that will benefit not only the current but also future generations.

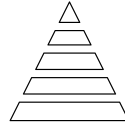
As we move into the new year, we are expecting further economic tightening and headwinds, our focus will continue to be on prudent portfolio management and sustainable returns for our owners. Our aim is not only to generate profits but also to have a wider impact on other sectors. We are actively seeking exposure to other asset classes, which will provide greater diversity and balance in our portfolio for future generations. We believe that a well-diversified and balanced portfolio is crucial for the future growth and stability for HTST.

*Growing our Investments*

**POU TAHUA LTD CHAIRMANS REPORT**



In conclusion, I would like to thank HTST, for their support and trust. HTPT operates with a lean structure, on high trust, high accountability, and low compliance cost. We are committed to creating a diverse and well-balanced portfolio while maintaining our social, cultural, and environmental obligations and we are confident that we are on the right path towards building a strong and sustainable portfolio for ngā uri o Heretaunga Tamatea.



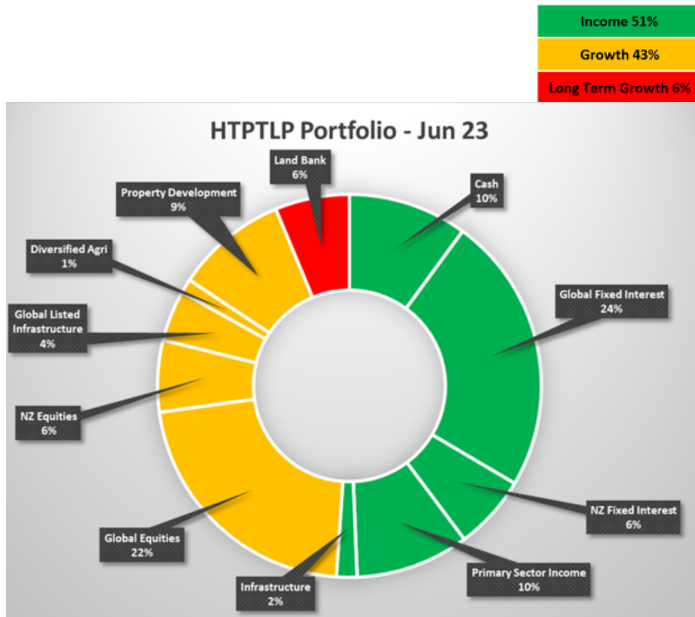
**Establishment:**  
Group structure now in-place to drive long-term wealth creation.



**Portfolio:**  
Settlement capital now being deployed into portfolio of asset classes.



**Distribution:**  
\$1.125m paid in FY23, from FY24 distribution capped at \$1.5m p/a



**Renata Hakiwai**

## TE KURA NUI

Kaua e hoki i te waewae tutuki, āpā anō hei te upoko pakaru!

E tukuna tonuhia ana ngā ki a JB Smith. Ko ia te tiamana o mua mō tēnei uepū, arā ko Te Kura Nui. Nā reira e tika ana kia mihia, kia kōrerotia. Nō hea e mahue i a ahau āna mahi nei. E kore pea hoki e ea i te kupu te wāhi ki a ia, e kore rawa atu. Tērā e ea ai, mā ngā whakareanga nei o muri nei e mōhio, ko ia te momo e whakapau i te katoa o tōna kaha ki ngā kaupapa tuatinitini huri, huri. Heoi anō, mā muri nei tātau o Te Kura Nui e takahi i ōna tapuwae, i te ara o mahi kia tika, o hapū whānui kia tiaki, o kaupapa pēnei nei nā kia whakauka.

Kia hoki kōmuri nei ngā mihi ki te tira nei o Te Kura Nui. Ko Sarah Reo, ko Anne-Marie Gillies, ko Viv Bull, ko Papara Carroll, ko Ben Nettleton, ā, ko Darryn Russell, ko Christine Hilton, ko Darlene Carroll - Mei kore ake koutou! Ka mutu pea!

## AUDIT AND RISK COMMITTEE (ARC)

Our Audit and Risk committee continues to work tirelessly on providing guidance and advice around challenges facing HTST. This includes financial reporting, risk management, system of internal controls, and external and internal audit matters - with particular focus on the variability of our delivery of outputs, impacts, and outcomes.

This committee comprises of Trustee appointed Committee members, Papara Carroll, and myself - Independent Committee members, Annemarie Gillies, Ben Nettleton, Sarah Reo and Viv Bull, along with our HTST CEO, Darryn Russell and Management.

Our Audit and Risk Committee continue to recommend actions to the Board that will support good governance and risk management and ensure we are meeting fiduciary obligations to HTST and its beneficiaries.

The Committee also provide specialist guidance and expert advice to the Board, and ensures any key documents developed are fit for purpose for HTST.

Our Audit and Risk committee continue to work on the compliance framework and Workplan, risk register, regularly reviewing and adjusting each respective section as we work through them.

Key areas we have focused on this last year are:

- Standing up the Risk Register
- Strengthening the relationship between HTPT Ltd Partnership
- Signing off of the RFP Process for Auditor 2023/2024.

Lastly, I would like to thank my fellow Audit and Risk committee members and management for their unwavering support, time and energy in supporting the delivering of further positive outcomes for HTST.

Mei kore ake koutou. Hai konā mai i roto i aku mihi whakamihia ki a koutou.



**Pōhatu Paku**

Te Poho o Kahungunu whareniui was commissioned by Henare Matua, rangatira of Ngāti Kere of Pōrangahau in 1874. It was a rūnanga house, established as a meeting place for the significant land resistance hui that were happening at this time and intimately connected with the group of Hawkes Bay rangatira who called themselves the Komiti but were known by settlers as the Repudiation Movement.



**Repatriated Pare from Te Poho o Kahungunu I**

Built in the ancient ways, the house only stood until the early 1900s when it was dismantled. The carvings were then transferred to the urupā where they stayed for around 20 years. An accidental fire destroyed many of them. Some were then taken away by Taketakenuiorangi Tipene Matua (Henare's nephew) and put into storage with the family retaining the poutokomanawa, a kōrupe, four poupou, five heke and the kōruru – all nested in the loft of his hayshed for the subsequent three generations!

Four pieces were purchased by William Goffe who on-sold them to various museums. The whakawae and a kōrupe were sold to Auckland Museum in the 1920s, as were the two amo to Whanganui Museum and the pare to Otago Museum.



**Rangitane Tipene Matua with a piece of the matapihi from Te Poho o Kahungunu I**

It was a magnificent house and the carvings were recognised as being quite outstanding. Most of these pieces have been reassembled together in 6 major exhibitions – three of which were organised by a grandson of Taketake, Rangitane Tipene Matua ie 'Hokowhitu' Ngā Taonga o Tamatea at Waipukurau Civic Theatre (1990), Ngā Taonga at the Te-Poho-o-Kahungunu Marae Centennial (2011) and Ngā Taonga o Tamatea at the Central Hawke's Bay Settlers Museum's (2019). Two exhibitions were organised by MTG Napier: Ngā Tukemata o Kahungunu (c.1996-2010) and Ūkaipō – o tātou whakapapa (2013-2014). They were most recently brought together in the Auaka Tumutumu Te Kura I Awarua exhibition run by Te Pūkenga in Hastings this July/August 2023.



**Repatriated Amo from Te Poho o Kahungunu I**

A repatriation claim under the He Toa Takitini Treaty of Waitangi claim was mounted in the mid 2000s and became one of three taonga claims that He Toa Takitini successfully pursued.

The ongoing settlement of this particular claim was handled by Heretaunga Tamatea Settlement Trust who provided management and oversight (Victoria Wilson and Neala Rosandich) and repatriation-deaccession research (Amber Aranui). This process brought about very positive responses from each museum – two of which (Otago and Whanganui) were able to send their particular pieces back for the Te Auaka Tumutumu exhibition.



**(L-R) Amber Aranui, Rangitane Tipene Matua and David Tipene-Leach**

The carving have all returned to Pōrangahau and are in the whareniui Te Poho-o-Kahungunu II while the marae is having post-cyclone repairs and the building to house these pieces is being built.

Ngāti Kere is extremely grateful to all those involved over the years in the repatriation of these taonga tuku iho to their rightful home.



**(L-R) David Tipene-Leach, Kauri Te Atua, Rangitane Tipene Matua**

**Dr David Tipene-Leach**

*Te Poho o Kahungunu*

**TAONGA REPATRIATION REPORT**



# Financial Statements

## Heretaunga Tamatea Settlement Trust For the 15 months ended 30 June 2023

Prepared by Adapt Accounting Limited

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## Heretaunga Tamatea Settlement Trust For the 15 months ended 30 June 2023

### Nature of Business

Post settlement governance entity for Heretaunga Tamatea established to receive the redress negotiated by He Toa Takitini in settlement of the historical treaty grievances of Heretaunga Tamatea against the Crown.

### Date of Formation

30 June 2015

### IRD Number

118-164-415

### Trustees

as at 30 June 2023

Elizabeth Graham	Pukehou Marae
Cordry Huata	Mangaroa Marae
Erin Sandilands	Te Whatuiapiti Marae
Tanira Te Au (replaced by Elizabeth Munroe as at 1 July 2023)	Houngarea Marae
Teiti Hapuku	Kahuranaki Marae
Tuakana August	Kairakau Marae
Margaret McGuire	Kohupatiki Marae
Laura Kele	Korongata Marae
Papara Carroll	Matahiwi Marae
Kohine Rata (replaced by Jenny Nelson-Smith as at 1 July 2023)	Mataweka Marae
Gilvrey Mohi	Mihiroa Marae
Renata Hakiwai	Omahu Marae
Robin Hape	Pourerere Marae
Brian Morris	Rakautatahi Marae
Keri Ropiha (replaced by Ahuriri Houkamau as at 1 July 2023)	Rongomaraeroa Marae
Pohatu Paku	Ruahapia Marae
Noel Berney	Runanga Marae
Waireamana Kara	Te Tapairu Pa Marae
Kane Koko	Taraia Marae
Natasha Hanara (replaced by Nathan Hanara as at 1 July 2023)	Te Awhina Marae



John-Barry Smith (replaced by Huria Heperi as at 1 July 2023)	Te Rongo a Tahu Marae
Wikitoria Osborne (replaced by Horiana Williams as at 1 July 2023)	Waimarama Marae
Ngahiwi Tomoana	Waipatu Marae

### Beneficiaries

Members of "Heretaunga Tamatea" as defined in the Trust Deed

### Bankers

BNZ  
Hastings

### Accountant

Adapt Accounting Limited  
Level One  
8 Porter Drive  
Havelock North 4130

### Auditors

Bay Audit & Accounting Limited  
Napier

### Solicitors

Baden Vertongen  
Wellington  
Greenwood Roche  
Wellington

# Approval of Financial Report

## Heretaunga Tamatea Settlement Trust For the 15 months ended 30 June 2023

The Trustees are pleased to present the approved financial report including the historical financial statements of Heretaunga Tamatea Settlement Trust for period ended 30 June 2023.

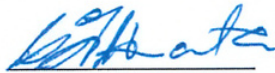
APPROVED

For and on behalf of the Trustees



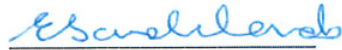
Trustee

Date 24/10/23



Trustee

Date 24/10/23



Trustee

Date 24.10.2023



# Statement of Comprehensive Income

Heretaunga Tamatea Settlement Trust  
For the 15 months ended 30 June 2023

	NOTES	2023	2022
<b>Revenue</b>			
Revenue	8	1,424,951	727,486
Total Revenue		1,424,951	727,486
<b>Expenses</b>			
Administrative expenses	9	2,894,433	1,992,781
Property expenses	10	100,916	55,204
Depreciation	18	91,839	59,057
Loss on Sale of Fixed Assets		245,982	7,704
Total Expenses		3,333,171	2,114,746
Operating loss before financing costs		(1,908,220)	(1,387,260)
<b>Net finance income</b>			
Finance income	11	951,244	782,445
Finance costs	12	35,374	-
Loss before income tax		(992,350)	(604,815)
<b>Taxation and Adjustments</b>			
Income Tax Expense		183,275	214,967
Total Taxation and Adjustments		183,275	214,967
Net Loss for the period		(1,175,626)	(819,782)
<b>Changes in the fair value of instruments through other comprehensive income</b>			
Changes in Fair Value of Investment Properties		1,673,974	-
Changes in Fair Value of Investments		(1,042,792)	(225,000)
Total Changes in the fair value of instruments through other comprehensive income		631,182	(225,000)
Net Loss for the period		(544,444)	(1,044,782)

These financial statements should be read in conjunction with the notes to the financial statements.

# Statement of Changes in Equity

Heretaunga Tamatea Settlement Trust  
For the 15 months ended 30 June 2023

	NOTES	2023	1 APRIL 2022 (RESTATED)	2022
<b>Trust Capital</b>				
Opening Balance		84,639,989	-	-
Opening Balance (transition year)		-	85,684,771	85,684,771
<b>Profit / (Loss) for the Year</b>				
Current year earnings		(544,444)	(1,073,448)	(1,044,782)
Total Profit / (Loss) for the Year		(544,444)	(1,073,448)	(1,044,782)
Total Trust Capital		84,095,545	84,611,323	84,639,989

These financial statements should be read in conjunction with the notes to the financial statements.



# Statement of Financial Position

## Heretaunga Tamatea Settlement Trust

As at 30 June 2023

	NOTES	30 JUN 2023	1 APRIL 2022 (RESTATED)	31 MAR 2022
<b>Assets</b>				
<b>Current Assets</b>				
Cash and Cash equivalents	13	11,402,976	75,191,079	75,191,079
Term Deposits	14	7,500,000	-	-
Trade and Other Receivables	15	249,005	138,067	138,067
Inventories	17	6,225,120	5,054,733	5,068,583
Income Tax Receivable	4	18,597	-	-
Deferred Tax	4	945	-	-
Related Party Receivables	16	-	15,238	15,238
Right-of-use asset	26	10,677	296,453	-
Lease Asset	26	25,580	207,490	-
<b>Total Current Assets</b>		<b>25,432,900</b>	<b>80,903,060</b>	<b>80,412,967</b>
<b>Non-Current Assets</b>				
Investment in Shares & Managed Fund	20	53,042,387	1,730,769	1,730,769
Property, Plant and Equipment	18	812,688	403,566	403,566
Investment Property	19	5,956,680	5,026,558	5,041,374
Investments in Associates	21	8,576,741	7,745,667	7,745,667
Investment at Fair Value	22	999,766	-	-
Lease Assets	26	181,911	-	-
Right of use assets	26	256,683	-	-
<b>Total Non-Current Assets</b>		<b>69,826,855</b>	<b>14,906,560</b>	<b>14,921,376</b>
<b>Total Assets</b>		<b>95,259,755</b>	<b>95,809,620</b>	<b>95,334,343</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Trade and Other Payables	24	225,927	124,057	124,057
Income Received in Advance	24	83,356	63,099	63,099
Income Tax Payable	4	-	33,292	33,292
Employee Entitlements	23	56,478	49,719	49,719
Loans	25	600	1,187	1,187
Lease Liability	26	189,267	503,943	-
Right-of-Use Asset	26	18,715	-	-
<b>Total Current Liabilities</b>		<b>574,343</b>	<b>775,297</b>	<b>271,354</b>
<b>Non-Current Liabilities</b>				
Provisions	30	10,323,000	10,423,000	10,423,000
Lease Liability	26	78,092	-	-
Right-of-use-Assets	26	188,776	-	-
<b>Total Non-Current Liabilities</b>		<b>10,589,868</b>	<b>10,423,000</b>	<b>10,423,000</b>
<b>Total Liabilities</b>		<b>11,164,210</b>	<b>11,198,297</b>	<b>10,694,354</b>

These financial statements should be read in conjunction with the notes to the financial statements.

	NOTES	30 JUN 2023	1 APRIL 2022 (RESTATED)	31 MAR 2022
<b>Net Assets</b>		84,095,545	84,611,323	84,639,989
<b>Equity</b>				
Accumulated Funds		84,095,545	84,611,323	84,639,989
Total Equity		84,095,545	84,611,323	84,639,989

These financial statements should be read in conjunction with the notes to the financial statements.



# Statement of Cash Flows

## Heretaunga Tamatea Settlement Trust For the 15 months ended 30 June 2023

	2023	2022
<b>Cash flows from operating activities</b>		
Donations, grants, koha and other similar receipts	464,618	31,760
Interest, Dividends and other investments receipts	951,010	1,405,705
Cash receipts from providing goods or services	68,076	53,148
GST	(51,820)	13,658
Income tax paid	(236,110)	(143,480)
Payments to suppliers	(1,602,649)	(371,945)
Payments to employees and trustees	(1,221,652)	(1,241,878)
<b>Total Cash flows from operating activities</b>	<b>(1,628,527)</b>	<b>(253,032)</b>
	2023	2022
<b>Cash flows from investing and financing activities</b>		
Payments to development costs	(1,102,411)	-
Payments to acquire property, plant and equipment	(330,863)	(1,643,191)
Investment in Managed Fund	(52,125,949)	-
Investment in Puai Tangaroa Limited Partnership	(999,766)	-
Loan repayments for property, plant and equipment	(587)	1,187
Payments on Deed of settlement provisions	(100,000)	(9,610,000)
<b>Total Cash flows from investing and financing activities</b>	<b>(54,659,576)</b>	<b>(11,252,004)</b>
	2023	2022
<b>Net Increase / (Decrease) in Cash</b>		
Net Increase / (Decrease) in Cash	(56,288,103)	(11,505,035)
<b>Total Net Increase / (Decrease) in Cash</b>	<b>(56,288,103)</b>	<b>(11,505,035)</b>
	2023	2022
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	75,191,079	86,696,114
Cash and cash equivalents at end of period	18,902,976	75,191,079
<b>Net change in cash for period</b>	<b>(56,288,103)</b>	<b>(11,505,035)</b>

# Notes to the Financial Statements

## Heretaunga Tamatea Settlement Trust For the 15 months ended 30 June 2023

### 1. Reporting Entity

Heretaunga Tamatea Settlement Trust (the "Trust") is a Trust domiciled in New Zealand and was established as the Post Settlement Governance Entity (PGSE) to receive the settlement redress from the Crown as part of the historical claim made under the Treaty of Waitangi. The financial statements comprising of the Trust and its controlled entities (together the "Group") are outlined in Note 3.

The trust was established by a trust deed dated 30 June 2015.

These group financial statements and the accompanying notes summarise the financial results of activities carried out by the Group.

The Trust and its associated entities within the Group have elected to be Maori authorities under the Income Tax Act 2007 on the basis they received and manage the settlement package received from the Crown.

### 2. Reporting Period

Heretaunga Tamatea Settlement Trust and its related entities have had a change in balance date from 31 March to 30 June.

Heretaunga Tamatea Settlement Trust are reporting for a 15-month period to 30 June 2023.

### 3. Basis of Preparation

These financial statements have been prepared in accordance with the Financial Reporting Act 2013 and the Trusts Act 2019. For this purpose, the Trust has designated itself as profit-orientated. The Trust is eligible to apply Tier 2 For-Profit Accounting Standards (New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime (NZ IFRS RDR) on the basis that it does not have public accountability and is not a large for-profit public sector entity. The Trust has elected to report in accordance with NZ IFRS RDR and has applied disclosure concessions.

#### **Basis of Measurement**

The financial statements have been prepared on a historical cost basis, except for assets and liabilities as disclosed below that have been measured at fair value.

The Accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

#### Presentation currency

The financial statements are presented in New Zealand dollars rounded to the nearest dollar, which is the Company's functional and presentation currency.

#### **Basis of Consolidation**

The consolidated financial statements comprise the financial statements of the Heretaunga Tamatea Settlement Trust and Controlled Entities as at 30 June 2023.

The Controlled Entities of the Trust at 30 June 2023 are controlled entities whose financial and operating policies are governed by the Group so as to obtain the benefit from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible as considered when assessing whether the group controls another entity.

The financial statements of the Controlled entities are prepared for the same reporting period as the trust, using consistent accounting policies. In preparing the consolidated financial statements, all intergroup balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.



Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Controlled entities are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred from the Group.

**Controlled entities:**

	Country of Incorporation	2023 % Control	2022 % Control
Heretaunga Tamatea Pou Tahua Limited Partnership	New Zealand	100%	n/a

**Comparatives**

Comparatives in the financial statements have been reclassified to conform with current year presentation.

**Impact of COVID19**

Although the Group has been impacted by COVID19, the trustees have concluded that the Group will be able to continue operating for at least 12 months from the date of signing these financial statements. That conclusion has been reached because the entity has sufficient cash resources that can maintain current expenditure for at least 12 months from the date of signing of these financial statements.

**Impact of Cyclone Gabrielle**

The Groups members have been impacted by Cyclone Gabrielle. However, the Group has managed to be able to provide support to its members by way of monetary support. This is recognised below. The trustees have concluded that the Group will be able to continue operating for at least 12 months from the date of signing these financial statements. That conclusion has been reached because the entity has sufficient cash resources that can maintain current expenditure for at least 12 months from the date of signing of these financial statements.

**Revenue Recognition**

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.

**Revenue from exchange transactions**

**Rendering of Services**

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract at the reporting date. The Group considers revenue from grants for services, memorandum of understanding and other similar revenue streams as rendering of services as they are considered exchange transactions by the Group and represent services provided by the Group to external parties

**Rental income**

Income from the rental of property is recognised within surplus and deficit in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

**Other revenue**

Other revenue is recognised on an accruals basis.

**Revenue from non-exchange transactions**

Non-exchange revenue is recognised on receipt, or when the entitlement to receipt has been established. Where the contract or agreement includes a condition to return the funds for non-performance, a liability is recognised and released to revenue as those conditions are satisfied.

**Koha**

Koha is recognised within surplus and deficit in the Statement of Comprehensive Revenue and Expense when received.

**Grant Funding**

The Group has received the grant funding from the following entities. Grant funding is recognised within surplus and deficit in the Statement of Comprehensive Revenue and Expenses when outputs in the funding agreement are satisfied.

Te Arawhiti	COVID19 funding for Taraia Marae, Pakipaki
Te Puni Kokiri	HTST Database Warehouse Project
Ministry for the Environment	Attendance at Environmental Commissioner Training on 4-5 July 2022
Department of Conservation	per Deed of Grant
NZ Lotteries Board	Environment and Heritage Grant
Taraia Marae	Collaboration of Data Storage Warehouse
Ministry for the Environment	Contribution towards costs associated with the reform process
Te Arawhiti	Iwi response funding for adverse weather events fund
Ka Uruora Aotearoa Trust	Cyclone Gabrielle Support
Ministry of Environment	Towards costs to agree a way to uphold the integrity and effect of Treaty Settlement in the proposed resource management system
Department of Conservation	Development and implementation of comprehensive management plan for Te Kauae-a-Maui.
Ministry of Social Development	Contribute to costs related to effective engagement with crown agencies
Department of Conservation	Whatumā Regeneration Project

#### Use of Estimates and Judgements

The preparation of the financial statements requires the use of judgement by management in the application of accounting policies, the use of estimate and determination of assumptions that affect reported results and financial position. Estimates and supporting assumptions are based on information which is believed to be realistic and reasonable in the circumstances. Actual results at a future point may differ from these estimates. The key judgements are in relation to the classification of property assets, useful life assessments, the appropriateness of fair value assumptions, the valuation of investments and accounts receivable, and the continued adoption of the going concern principle.

#### Property, Plant and Equipment - Useful Lives and Residual Values

Property, office equipment, furniture fittings and plant are stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing the parts that are eligible for capitalisation when the cost of the replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

#### Development Costs on Properties

Investment properties under development are 'assets in development' in nature. The assets in this category can not perform the full function until they are completed. The Trust holds assets in this category in a pool until the assets are fully functional and transfers them to relevant fixed assets category. The company is developing 2 properties being 238 Stock Road and 14 Mangarau Crescent, and the development costs associated to this project are accumulated under the development assets.

#### Depreciation

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period. Any Licenses and Royalty assets are depreciated over the period of the contractual term and the useful life of the underlying asset. An item of the property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising from the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation on the property, plant and equipment is calculated on a diminishing value basis using the following years:

Account	Method	Years
Furniture & Fittings	Diminishing Value	8 - 20
Office Equipment	Diminishing Value	4
Land	No Depreciation	n/a
Property Improvements	Diminishing Value	8 - 20

### Impairment of Non Financial Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flow (cash generating units).

### Financial Instruments

Financial instruments include receivables, payables, cash balances and deposits. Financial are stated in the Statement of Financial Position when the company becomes party to a financial contract.

#### Recognition and Derecognition

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows form the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, waived, cancelled or expires.

#### Classification and Initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with Revenue from exchange transactions, all financial asset are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income

The classification is determined by both:

- the entities business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset

Financial Instruments (NZIFRS 9) eliminates the previous financial instruments: recognition and measurement (NZ IAS 39) categories of held to maturity, loans and receivables and available for sale. Under NZ IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never bifurcated. Instead, the hybrid financial instrument as whole is assessed for classification.

All income and expenses relating to financial assets that are recognised in profit or loss are presented with in finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

#### Subsequent measurement of financial assets - Financial Assets at Amortised Cost

A financial asset is measured at amortised cost if the assets meets both of the following conditions (and are not designated as FVTPL):

- the financial asset is held within a business model whose objective is to hold the financial assets to collect contractual cash flows



- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

This category includes non-derivative financial assets like loans and receivables 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. Discounting is omitted where the effect of discounting is immaterial. The Trust's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held to maturity under NZ IAS 39.

#### Financial Assets at Fair Value through Profit or Loss (FVTPL)

Financial assets that are held within a different business model than 'hold to collect' or 'hold to collect and sell' and financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

#### Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

The Trust accounts for a financial asset at FVOCI if the asset meets both the following conditions:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- the contractual terms of the financial asset gives rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in OCI will be recycled upon derecognition of the asset. This category includes listed securities and debentures that were previously classified as 'available for sale' under NZ IAS 39.

#### **Impairment of Assets**

NZ IFRS 9 replaces the 'incurred' loss' model in NZ IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt-type financial assets at FVOCI, but not to investments in equity instruments. Under NZ IFRS 9, credit losses are recognised earlier than under NZ IAS 39.

Recognition of credit losses is no longer dependent on the trust first identifying a credit loss event, instead the Trust considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between

- Stage 1: financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk and
- Stage 2: financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low
- Stage 3 would cover whether the financial assets have objective evidence of impairment at the reporting date. '12 month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category,

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

#### *Trade and Other receivables*

The trust makes use of a simplified approach in accounting for trade and other receivables. If any assets meet the above criteria, it uses the loss allowance of the lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument, in calculating, the trust uses its historical experience, external indicators, and forward looking information to calculate the expected credit losses using a provision matrix.

#### Financial Assets at Fair Value through Other Comprehensive Income

The trust recognises 12 month expected credit losses for financial assets at FVOCI. As most of these instruments have an outstanding credit rating, the likelihood of default is deemed to be small. However, at each reporting date there is an assessment whether there has been a significant increase in the credit risk of the instrument.

In assessing these risks, reliance is on readily available information such as the credit ratings issued by the major credit rating agencies for the respective asset. The trust holds simple financial instruments for which specific credit ratings are usually available. In the unlikely event that there is no or only little information on factors influencing the ratings of the asset available, the trust would aggregate similar instruments into a portfolio to assess on this basis whether there has been a significant increase in credit risk.

In addition, other indicators are considered such as adverse changes in business, economic, or financial conditions that could affect the borrower's ability to meet its debt obligation or unexpected changes in the borrower's operating results.

Should any of these indicators imply a significant increase in the instrument's credit risk, lifetime ECL is recognised for this instrument or class of instruments.

#### Classification of Financial Liabilities

Financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the trust designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss, are included within finance costs or finance income.

#### Impairment of Financial Assets

The company recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the allowance is based on the asset's lifetime expected credit losses.

The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

## 4. Income Tax

### **Income tax expense**

Income tax on profits for the period comprises current tax, deferred tax and any adjustment for tax payable in previous periods. Income tax is recognised in the income statement as tax expense except when it relates to items credited directly to equity, in which case it is recorded in equity.

### **Current tax payable**

Current tax is the expected tax payable on the income for the period based on tax rates and tax laws which are enacted or substantively enacted by the reporting date.

### **Deferred tax**

Deferred tax is accounted for using the balance sheet method. Deferred tax arises by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the equivalent amounts used for tax

purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the asset and liability giving rise to them are realised or settled.

Deferred tax assets, including those related to the tax effect of income tax losses available to be carried forward are recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses can be realised. Deferred tax assets are reviewed each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised

	2023	2022
<b>Income Tax Expense</b>		
<b>Net Trustees Income for the Year per Financial Statements</b>		
Current Year Earnings	(769,444)	(1,044,782)
<b>Additions to Taxable Profit</b>		
Imputation credits attached to dividends received	-	16,923
Income Tax Expense	183,275	214,967
Non-deductible expenses	3,524,011	2,026,733
Expenditure added back for taxable activity	(550,221)	(81,991)
Depreciation allowed for income tax purposes	24,228	-
<b>Total Additions to Taxable Profit</b>	<b>3,181,293</b>	<b>2,176,632</b>
<b>Deductions from Taxable Profit</b>		
Interest PIE Income Net of Tax	252,520	-
Non-taxable income	418,228	31,760
Revaluation reserves	655,410	(225,000)
Losses Bought Forward	-	-
Prior period correction	33,000	-
<b>Total Deductions from Taxable Profit</b>	<b>1,359,158</b>	<b>(193,240)</b>
<b>Taxable Profit</b>	<b>1,052,691</b>	<b>1,325,090</b>
Tax Payable at 17.5%	184,221	231,891
<b>Deductions from Tax Payable</b>		
Resident Withholding Tax	135,183	181,676
Provisional Tax Paid	41,019	-
Imputation Credits on Dividend Received	20,842	16,923
Prior period terminal tax overpaid	5,775	-
<b>Total Deductions from Tax Payable</b>	<b>202,819</b>	<b>198,599</b>
<b>Income Tax Payable (Refund Due)</b>	<b>(18,598)</b>	<b>33,292</b>
	2023	2022

## 5. Maori Authority Tax Credit

Opening Balance	1,967,982	1,807,576
Movements	236,105	160,406
<b>Total Maori Authority Tax Credit</b>	<b>2,204,087</b>	<b>1,967,982</b>



	2023	2022
<b>6. Tax expense</b>		
Tax effect in net income / loss (current tax expense)	183,275	231,891
Deferred Tax liability	-	-
Deferred tax asset	945	-
<b>Total Tax expense</b>	<b>184,221</b>	<b>231,891</b>

## 7. GST

All amounts are shown exclusive of GST, except receivables and payables that are stated inclusive of GST.

## 8. Revenue

Refer to Note 3 on breakdown of types of revenue

	2023	2022
<b>Revenue</b>		
<b>Rental Income</b>		
Rental Income	69,703	48,141
Lease Income	83,886	56,069
Outgoings Reimbursement	(4,096)	19,467
<b>Total Rental Income</b>	<b>149,493</b>	<b>123,677</b>
<b>Grants &amp; Koha</b>		
Donations/Koha Received	-	760
Grants Received	444,618	31,000
<b>Total Grants &amp; Koha</b>	<b>444,618</b>	<b>31,760</b>
<b>Distributions</b>		
Kaweka Gwavas Forestry Trust Distributions Received	831,074	572,049
<b>Total Distributions</b>	<b>831,074</b>	<b>572,049</b>
<b>Other Revenue</b>		
Share of Puai Tangaroa Limited Partnership Profit / (Loss)	(234)	-
<b>Total Other Revenue</b>	<b>(234)</b>	<b>-</b>
<b>Total Revenue</b>	<b>1,424,951</b>	<b>727,486</b>
	2023	2022

## 9. Administrative expenses

<b>Compliance</b>		
Accountancy Fees	54,762	42,903
AGM Expenses	7,138	-
Audit Fee	5,000	3,900
<b>Total Compliance</b>	<b>66,900</b>	<b>46,803</b>
<b>Consultancy</b>		
Consultancy Fees	228,439	134,608

	2023	2022
Legal Expenses	89,197	68,841
Investment Management Fee	231,704	-
<b>Total Consultancy</b>	<b>549,340</b>	<b>203,449</b>
<b>Cultural services</b>		
Donations/Koha Paid	1,000	1,195
<b>Total Cultural services</b>	<b>1,000</b>	<b>1,195</b>
<b>Governance</b>		
Directors Fees	61,333	-
Trustee Meeting Fees	294,730	398,144
Trustee Meeting Travel Allowances	16,960	15,595
Meeting Costs	23,771	31,369
Independent Meeting Fees	42,126	-
Independent Meeting Travel Allowances	7,869	-
Election Costs	28,109	3,000
<b>Total Governance</b>	<b>474,898</b>	<b>448,108</b>
<b>Member engagement</b>		
Member Engagement	60,000	-
Cyclone Relief Koha	362,500	-
<b>Total Member engagement</b>	<b>422,500</b>	<b>-</b>
<b>Office expenses</b>		
Advertising	24,106	15,807
ACC Levies	2,422	2,866
Low Value asset	4,298	3,198
Bank Fees	761	359
Bad Debts	-	160
Cleaning	12,790	-
Computer Expenses	17,193	14,362
Entertainment	7,119	-
Equipment Hire	24,442	22,932
General Expenses	946	-
Insurance	45,081	42,318
Light, Heat & Power	11,321	10,706
Office Moving Costs	-	13,742
Printing, Stationery & Postage	16,434	17,208
Rent	256,645	146,208
Repairs & Maintenance	-	1,743
Settlement Costs	-	30,475
Subscriptions & Licences	52,738	28,048
Subcontractors	27,556	120,448
Telephone & Internet	7,226	9,843
Travel Expenses	48,487	17,768
Venue Hire and Catering	13,526	883

	2023	2022
Taxation Penalties	-	250
Total Office expenses	573,091	499,324
<b>Personnel</b>		
Staff Expenses	3,495	17,129
Staff Training	1,150	822
Staff Travel Reimbursements	3,425	6,316
Wages and Salaries	798,634	769,635
Total Personnel	806,704	793,902
Total Administrative expenses	2,894,433	1,992,781
	2023	2022

### 10. Property expenses

Advertising	3,291	-
Electricity	1,279	990
Insurance	42,006	11,849
Legal Expenses	-	634
Property Management Fees	6,496	4,527
Rates	38,271	31,238
Repairs & Maintenance	9,574	5,966
Total Property expenses	100,916	55,204

### 11. Financing Income

Finance income comprises interest income and dividend income on funds invested using the effective interest method.

	2023	2022
<b>Finance income</b>		
Interest Income	837,022	738,929
Interest PIE Income Net of Tax	39,711	-
Dividend Income	74,434	43,516
Interest - IRD Use of Money	77	-
Total Finance income	951,244	782,445

### 12. Finance Costs

Finance costs comprise interest expense including any bank overdrafts and the lease interest chargeable under IFRS 16 at the average borrowing rate.

### 13. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial instruments, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.



2023 2022

## Cash and Cash Equivalents

	2023	2022
<b>Heretaunga Tamatea Settlement Trust</b>		
ANZ -00 Account	6,765	6,895
BNZ -00 Account	522,565	156,287
BNZ -02 Account	9,715,427	75,027,834
Westpac -00 account	63	63
<b>Total Heretaunga Tamatea Settlement Trust</b>	<b>10,244,820</b>	<b>75,191,079</b>
<b>Heretaunga Tamatea Pou Tahua Limited Partnership</b>		
BNZ 00 Business Account (HTPT)	1,158,216	-
ASB	(60)	-
<b>Total Heretaunga Tamatea Pou Tahua Limited Partnership</b>	<b>1,158,156</b>	<b>-</b>
<b>Total Cash and Cash Equivalents</b>	<b>11,402,976</b>	<b>75,191,079</b>

## 14. Term Deposits

Term Deposits are invested with BNZ with an original maturity of three months or more.

2023 2022

	2023	2022
<b>Term Deposits</b>		
BNZ Term Deposits	7,500,000	-
<b>Total Term Deposits</b>	<b>7,500,000</b>	<b>-</b>

## 15. Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. The Group applies the NZ IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Individually impaired accounts receivables relate to customers for whom there is objective evidence of inability to pay. The carrying amount of exchange receivables is assumed to be a reasonable approximation for their fair value.

The Group assesses the past payment history of customers and considers forward-looking information to determine the expected credit losses for trade receivables under the simplified approach under NZ IFRS 9. No expected credit losses have been recognised as at 30 June 2023.

No debts are considered impaired and consequently no provision for impairment losses have been made.

### GST

Revenues, expenses, assets and liabilities are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of Trade and Other Receivables or Trade and Other Payables in the Statement of Financial Position.

	2023	2022
<b>Trade and other receivables</b>		
Accounts Receivable	44,822	74,565
GST	70,948	582
Interest Income Accrual	73,145	1,850
Prepaid Expenses	60,090	61,070
<b>Total Trade and other receivables</b>	<b>249,005</b>	<b>138,067</b>

## 16. Related Party Receivables

In 2022, the Trust incurred costs in relation to the set up of its limited partnership. These were recognised as a related party transaction. This entry has been reversed on consolidation as at 30 June 2023.

	2023	2022
<b>Related Party Receivables</b>		
Heretaunga Tamatea Pou Tahua Limited Partnership	-	15,238
<b>Total Related Party Receivables</b>	<b>-</b>	<b>15,238</b>

## 17. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The following properties are under development for resale.

- 238 Stock Road and 49A Dundee Road otherwise known as Wairatahi
- 14 Mangarau Crescent

Valuation as at 22 March 2023 for each property plus development costs are deemed the net realisable value.

14 Mangarau Crescent has currently had development work halted, however the trustees have determined that the halting of the development does not impact the recoverability of costs incurred to date. Since balance date, the trustees have continued with the development and are on track for resale.

## 18. Property, plant and equipment

All property, plant and equipment is initially recorded at cost less accumulated depreciation and less any impairment loss. When an item of property, plant and equipment is disposed of, any gain or loss is recognised in the Statement of Comprehensive Income and is calculated as the difference between the sale price and the carrying value of the item.

Depreciation is provided for on all tangible property, plant and equipment other than freehold land and capital work in progress, at depreciation rates calculated to allocate the asset's cost or valuation less estimated residual value, over their estimated useful lives.

The following depreciation rates have been applied:

- Plant & Equipment
- Furniture & Fittings
- Leasehold Improvements

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### Impairment

The carrying amounts of property, plant and equipment are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of the assets and are recognised in profit and loss.

	Office Equipment	Furniture & Fittings	Leasehold & Property Improvements	21 Boston Crescent, Flaxmere	Total
<b>Balance at 1 April 2022</b>	<b>126,711</b>	<b>28,243</b>	<b>32,879</b>	<b>297,416</b>	<b>485,249</b>
<b>Additions</b>		<b>3,985</b>	<b>419,237</b>	<b>7,804</b>	<b>431,026</b>
<b>Disposals</b>	<b>4,445</b>	-	-	-	<b>4,445</b>
<b>Balance at 30 June 2023</b>	<b>122,326</b>	<b>32,228</b>	<b>452,116</b>	<b>305,220</b>	<b>911,890</b>
<b>Depreciation and impairment losses</b>					
<b>Balance at 1 April 2022</b>	<b>75,322</b>	<b>5,669</b>	<b>754</b>	-	<b>81,745</b>
<b>Depreciation for the year</b>	<b>(4,203)</b>	<b>4,220</b>	<b>17,442</b>	-	<b>17,459</b>
<b>Balance at 30 June 2023</b>	<b>71,118</b>	<b>9,889</b>	<b>18,197</b>	-	<b>99,204</b>
<b>Carrying Amount</b>					
<b>As at 30 June 2023</b>	<b>51,208</b>	<b>22,339</b>	<b>433,919</b>	<b>305,220</b>	<b>812,688</b>
<b>As at 31 March 2022</b>	<b>51,450</b>	<b>22,574</b>	<b>32,125</b>	<b>297,416</b>	<b>403,565</b>

## 19. Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, for supply of goods or services or for administrative purposes. Investment properties are measured initially at cost, including transaction costs less accumulated depreciation and impairment losses.

Investment property is depreciated at the following rates:

- Land - 0% Diminishing Value
- Building and Improvements - 0% Diminishing Value
- Chattels
- Orchard Chattels

Subsequent to initial recognition, investment properties are measured at fair value with any change recognised in the reported surplus or deficit in accordance with NZ IAS 40.



Investment Property comprises a number of commercial properties some of which that are leased to third parties. Each of the leases contain individual non-cancellable periods of which subsequent renewals are negotiated with the lessee.

The methods applied in determining fair values include reviewing relevant lease documentation, rates information, recent market evidence and valuations prepared by registered valuers.

	78 Stock Road	Pukeora	204-206 Southhampton Street	Total
<b>Balance at 1 April 2022</b>	<b>3,366,543</b>	<b>1,175,067</b>	<b>505,097</b>	<b>5,046,707</b>
<b>Revaluation</b>	<b>420,457</b>	<b>(50,067)</b>	<b>544,903</b>	<b>915,293</b>
<b>Purchases</b>	-	-	-	
<b>Balance at 30 June 2023</b>	<b>3,787,000</b>	<b>1,125,000</b>	<b>1,050,000</b>	<b>5,962,000</b>
<b>Depreciation and impairment losses</b>				
<b>Balance at 1 April 2022</b>	<b>5,333</b>	-	-	<b>5,333</b>
<b>Depreciation for the year</b>	<b>(3,513)</b>	-	<b>3,500</b>	<b>13</b>
<b>Balance at 30 June 2023</b>	<b>1,820</b>	-	<b>3,500</b>	<b>5,320</b>
<b>Carrying Amount</b>				
<b>As at 30 June 2023</b>	<b>3,785,180</b>	<b>1,125,000</b>	<b>1,046,500</b>	<b>5,956,680</b>
<b>As at 31 March 2022 (restated)</b>	<b>3,361,210</b>	<b>1,175,067</b>	<b>505,097</b>	<b>5,041,374</b>

The group engaged Logan Stone Limited (registered valuers) to prepare an independent appraisal of the market value of the land, land development, buildings above as at 22 March 2023, in accordance with the revaluation policy. The principal valuer from Logan Stone Limited was Frank Spencer. The valuation was based on recent comparable sales.

## 20. Investments in Shares and Managed Fund

Shares in listed NZ companies and Managed Fund are shown at market value as at 30 June 2023.

	2023	2022
<b>Investments</b>		
<b>Shares</b>		
Shares - Napier Port Holdings Ltd (576,923)	1,442,308	1,730,769
Total Shares	1,442,308	1,730,769
Managed Fund Portfolio	51,600,079	-
Total Investments	53,042,387	1,730,769

## 21. Investments in associates

Investments in associates are accounted for by using the equity method of accounting and are initially recognised at cost. The share of associate's post acquisition profits or losses is recognised in the Statement of Comprehensive Income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the share of losses in an associate equals or exceeds the group's interest in the associate, including any other unsecured receivables, the company does not recognise further losses, unless the company has incurred obligations or made payments on behalf of the associate.

	2023	2022
<b>Investments</b>		
<b>Kaweka Gwavas Forestry Trust</b>		
Beneficial Interest - Kaweka Gwavas Forestry Trust	7,989,060	7,989,060
<b>Total Kaweka Gwavas Forestry Trust</b>	<b>7,989,060</b>	<b>7,989,060</b>
<b>Beneficiary Advance Account</b>		
Beneficiary Advance Account - Kaweka Gwavas Forestry Trust	587,681	(243,393)
<b>Total Beneficiary Advance Account</b>	<b>587,681</b>	<b>(243,393)</b>
<b>Total Investments</b>	<b>8,576,741</b>	<b>7,745,667</b>

## 22. Investment at Fair Value

Refer to Note 2

	2023	2022
<b>Investments</b>		
Pūai Tangaroa Limited Partnership	999,766	-
<b>Total Investments</b>	<b>999,766</b>	<b>-</b>

	2023	2022
<b>Share of Profit or Loss</b>		
Share of Pūai Tangaroa Limited Partnership Profit / (Loss)	234	-
<b>Total Share of Profit or Loss</b>	<b>234</b>	<b>-</b>

## 23. Employee Entitlements

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and accumulated sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

The liability for employee entitlements is carried at the present value of the estimated future cash flows.

## 24. Trade and other payables

Trade and other payables are measured at cost, being their fair value. These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

	2023	2022
<b>Trade and other payables</b>		
Accounts Payable	209,063	124,057
Accrued Expenses	15,781	-
Income Received in Advance	83,356	63,099
<b>Credit Cards</b>		
Credit Card	28	-
C H Hilton	181	-
D Russell	874	-
Total Credit Cards	1,083	-
<b>Total Trade and other payables</b>	<b>309,282</b>	<b>187,156</b>

### Income Received in Advance

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be estimated reliably.

	2023	2022
<b>Deferred Income</b>		
Income Received in Advance	83,356	63,099
<b>Total Deferred Income</b>	<b>83,356</b>	<b>63,099</b>

### 25. Non Interest bearing loans and borrowings

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after balance date

The Group repaid 2 interest free 12 month repayment plans with Spark on 16 May 2022 which was drawn down on 21 September 2021.

The Group then purchased an Iphone 13Pro on the 21 July 2022 on another 12 month repayment plan. This was settled in full in 21 August 2022.

The Group purchased an Iphone 14ProMax for \$2,399 on the 21 October 2022, which was placed on an interest free 12 month repayment plan. Repayments are \$199.92 per month. \$799.63 remaining at 30 June 2023.

### 26. Lease Liability

Set out below are the carrying amounts of the lease liabilities and the movements during the period:

#### Lessor

	2023	2022 (not included)



Balance as at 1 April 2022	134,317	-
Additions		-
Payments	73,174	-
<b>Total</b>	<b>207,491</b>	<b>-</b>
Current (due in next 12 months)	25,580	-
Term (due in 2 - 5 years)	181,911	-
<b>Total</b>	<b>207,491</b>	<b>-</b>

**Lessee**

	2023	2022
Balance as at 1 April 2022	503,943	431,324
Additions		-
Payments	236,584	72,619
<b>Total</b>	<b>267,359</b>	<b>503,943</b>
Current (due in next 12 months)	189,267	503,943
Term (due in 2 - 5 years)	78,092	-
<b>Total</b>	<b>267,359</b>	<b>503,943</b>

The Group recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases.

Short-term leases and leases of low value assets

Short term leases are defined as leases with a lease term of 12 months or less, and leases of low value assets. For these leases the Group recognises the lease payments as an operating lease on a straight-line basis over the term of the lease. It also applies the lease of low-value assets recognition exemption to lease of office equipment that are considered to be low value.

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If the rate cannot be readily determined the Group uses its incremental borrowing rate (IBR).

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the liability, using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

Right of Use Assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term or useful life of the underlying asset. The estimation of the IBR relies on the trustees considering the credit risk of the Group. If the credit risk of the Group differs from what is estimated, the IBR may differ, and consequently the future net present value of the lease cash flows may be over or understated.

The determination of the lease term relies on the trustees view of the likelihood of any lease renewal options being renewed. If the lease renewal options included and then not taken up, or are not included and are taken up, the net present value of the lease cash flows may be over or understated. The Group leases several assets including buildings and office equipment. The weighted average lease term is 2 years.

## 27. Reserves

### Nature and purpose of reserves

Revaluation reserve - Investment Properties and Investment Portfolio

Changes in the fair value of land, buildings and investment funds, are taken to the reserves as below.

Contributed equity relates to original settlement funds

	2023	2022
<b>Investment Portfolio</b>		
Opening	230,769	455,769
Movement	(1,042,792)	(225,000)
Closing	<b>(812,023)</b>	<b>230,769</b>
<b>Investment Property Reserve</b>		
Opening	-	-
Movement	1,673,974	-
Closing	<b>1,673,974</b>	-
<b>Contributed Equity</b>		
Opening	72,289,011	72,289,011
Movement	-	-
Closing	<b>72,289,011</b>	<b>72,289,011</b>
<b>Retained Earnings</b>		
Opening	12,120,209	12,939,991
Movement	(1,175,626)	(819,782)
Closing	<b>10,944,583</b>	<b>12,120,209</b>

## 28. Heritage Assets

The Group holds the following heritage assets as part of the cultural redress section of the settlement:

- a Blackhead property
- an Omahu property
- a Parimahu Beach property

- Lake Whatumā property, as a recreation reserve
- Purimu Lake property, as a recreation reserve

Heritage assets have not been included with the Statement of Financial Position as they are difficult to value. Management have determined that due to their cultural significance the value is unlikely to be fully reflected in a valuation.

## 29. Related party transactions

The key management personnel, as defined by Related Party Disclosures, are the members of the governing body which is comprised of the Board of Trustees of the Parent and Directors of the Commercial board of Heretaunga Tamatea Pou Tahua Limited Partnership. Remuneration of key management personnel is as follows:

### Heretaunga Tamatea Settlement Trust | Trustees & ARC

Related Party Payments	2023 (15 months)	2022 (12 months)
T August	\$9,040	\$17,388
N Berney	\$9,883	\$6,840
P Carroll	\$12,564	\$17,687
E H Graham	\$50,409	\$44,549
R Hakiwai (HTK Hakiwai/ Group Limited)	\$24,418	\$34,133
N Hanara	\$9,000	\$7,269
R Hape	\$9,151	\$3,638
O J Hapuku	\$1,219	\$7,979
JB Heperi-Smith	\$10,850	\$20,073
C Huata	\$11,376	\$16,010
H Kani	\$-	\$1,973
W Kara	\$9,126	\$8,472
L Kele	\$9,083	\$10,628
K Koko	\$12,683	\$24,504
M McGuire	\$9,000	\$11,569
B Morris (Puangi Limited)	\$10,350	\$10,121
W Osborne	\$9,000	\$10,902
P Paku	\$12,343	\$3,651
K Rata	\$9,071	\$12,412
S Reo (SMR Consulting)	\$2,325	\$15,371
K Ropiha (Reliant Consultancy Limited)	\$19,052	\$40,944
E Sandilinds	\$10,518	\$12,290
T Te Au	\$9,067	\$9,203
D Tipene Leach	\$-	\$600



N Tomoana	\$9,023	\$8,524
G Mohi	\$7,905	\$-
T Hapuku	\$7,868	\$-
V Bull	\$5,779	\$-
<b>Total</b>	<b>\$300,103</b>	<b>\$356,730</b>

**Heretaunga Tamatea Pou Tahua Limited Partnership | Directors & Independent Investment Committee under HTST**

Related Party Payments	2023 (15 months)	2022 (12 months)
R Hakiwai (HTK Hakiwai/ Group Limited)	\$14,666	\$-
K Koko	\$14,000	\$-
K Ropiha (Reliant Consultancy Limited)	\$9,333	\$-
B Nettleton (Nettleton & Co Limited)	\$18,725	\$-
D Mussett (Alsa Consulting)	\$18,725	\$-
J Kean	\$17,500	\$-
D Russell	\$-	\$-
S Reo (SMR Consulting)	\$3,881	\$-
P Ellis (Ease Consulting Limited)	\$3,795	\$-
<b>Total</b>	<b>\$103,459</b>	<b>\$-</b>

**30. Capital Expenditure Commitments**

The Group has an obligation to its members to provide the following

- \$1m Marae Distribution to each of the 23 Maraes - 8 remaining
- Habitat Restoration
- Marae Development

The Trustees confirm these obligations still exist as at 30 June 2023.

**31. Contingent Liabilities**

There are no contingent liabilities at balance date (Last Year: \$nil).

**32. Going Concern**

The trustees are satisfied that the going concern principle is appropriate in the preparation of the financial statements.

**33. Subsequent Events**

There were no events subsequent to year end.

**34. Name Change**

Pursuant to Clause 7.4, Fourth Schedule of the Deed of Trust, a special resolution poll was held between 17 May 2023 and 14 June 2023 to vote on a raft of constitutional changes of their Deed of Trust. The changes were

- A change of name - to better describe the trust and the whanau they represent
- Multiple Electorates - most trust members whakapapa to multiple Marae, therefore they should be eligible to register and vote for all marae they whakapapa to
- Tri-Annual Trustee Election - shifting to a single set of trustee elections once every three years
- Minor Amendments.

86.38% voted in favour of these changes, therefore the special resolution has been passed.  
 The voting was completed by Election Services

The new name of the trust is **Tamatea Pokai Whenua** from 1 July 2023

### 35. Trustee/Independent Members Remuneration Schedule 2023-2024

HERETAUNGA TAMATEA SETTLEMENT TRUST	AMOUNT
Chair	\$40,000
Deputy Chair	\$9,000
Treasurer	\$8,400
Trustees	\$7,200
<b>INVESTMENT COMMITTEE</b>	
Chair	\$22,000
Members	\$14,000
<b>AUDIT AND RISK COMMITTEE</b>	
Chair	\$7,500
Members	\$4,500



# Bay Audit & Accounting Ltd

## INDEPENDENT AUDITOR'S REPORT

To the Trustees of Heretaunga Tamatea Settlement Trust

### Opinion

We have audited the consolidated financial statements of Heretaunga Tamatea Settlement Trust and its subsidiaries (the Group) on pages 6 to 31, which comprise the consolidated statement of financial position as at 30 June 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Heretaunga Tamatea Settlement Trust as at 30 June 2023, and its consolidated financial performance and its consolidated cash flows for the period then ended in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR).

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 'International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand), 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, Heretaunga Tamatea Settlement Trust or any of its subsidiaries.

### Other Matters

The financial statements are for a 15 month period due to the change in balance date from 31 March 2023 to 30 June 2023. The prior period comparatives are for a 12 month period.

### Restriction on Responsibility

This report is made solely to the Trustees, as a body, in accordance with the Trust Deed of Heretaunga Tamatea Settlement Trust. Our audit work has been undertaken so that we might state to the Trustees those matters 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Trustees' Responsibility for the Consolidated Financial Statements

The Trustees are responsible on behalf of the group for the preparation and fair presentation of the consolidated financial statements in accordance with Tier 2 For-Profit, and for such internal control as the Trustees determine is necessary to enable the preparation of

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consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the group for assessing the group'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 group or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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) 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 decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at [www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-7/](http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-7/).

The engagement partner on the audit resulting in this independent auditor's report is Karreen Mathers.

Signed:



Napier  
25 October 2023

*Te Pūrongo Kaitātari Kaute*

**INDEPENDENT AUDITORS REPORT**



## *Pou Taiao* **Environmental**

- Whatumā Management Group Support
  - Support strategic discussion & operationally where possible.
  - Support financial independence for Operations plan.
  - Continue to explore lakebed repatriation.
- Taiao Hub
  - Finalise Business Case.
  - Negotiate TToT & TToH engagements.
  - Stand up Entity.
  - Actively seek sustainable & strategic investment in Hub.

## *Pou Tāhua* **Economic**

- Pou Tāhua implementation of SIPO
- Wairātahi:
  - Consent processes facilitated through Fast-Track consent process.
  - Partnerships (Investment, Development) advanced.
- Disposal of Boston Cres property to support whānau housing.
- Finalise business case and endorsement for Southampton Rd development.
- Continue to look to develop Mangarau Crescent.

## *Pou Tangata* **Our People**

- \$1 million distribution
- Taonga Repatriation
  - All domestic Taonga under ownership of mana-whenua
  - Establish a structure(s) to manage taonga repatriation and management
- Initiate process for Re-Registering membership for Tamatea Pōkai Whenua

## *Pou Tikanga* **Cultural**

- Develop strategic relationships
  - Prioritisation of key-agencies/organisations completed.
  - Framework developed for all strategic relationships
  - MoU completed for key relationships.
  - Archives of negotiation and other material.
  - Establish a key site for new HTST office
  - Claim to Heretaunga-Tamatea IP lodged with the Crown.
- Taumata Kaumātua:
  - Establish Terms of Reference.
  - Establish process for Board appointment.
  - Engage, develop and implement a work-plan for Taumata Kaumatua.

## *Pou Kitea* **Our Presence, Our Influence**

- Initiate a TPW process for now, design strategy for the Organisation.
- Compute implementation of Constitutional Review Process
- Te Matau-ā-Māui:
  - Complete 'Hand-Back' process, as agreed within Settlement.
  - Design + implement a model of 'Co-Governance' for Te Matau-a-Māui.
  - Provide administrative services, in conjunction with Department of Conservation to the Committee(s).
- Lead a process, with the Board for a new Tamatea Pōkai Whenua strategy:
  - Design Process
  - Undertake Process
  - Board Adoption

Image:  
Te Awa o Tukituki, Hawkes Bay, New Zealand.





Houngarea Marae - Tanira Te Au



Kahurānaki Marae - Teiti Hapuku



Kairākau Marae - Tuakana August



Kohupātiki Marae - Margie McGuire



Korongatā Marae - Laura Kele



Mangaroa Marae - Cordry Huata



Matahiwi Marae - Papara Carroll



Mataweka Marae - Kohine Rata



Mihiroa Marae - Gilvrey Mohi



Omahu Marae - Renata Hakiwai



Pourēre Marae - Robin Hape



Pukehou Marae - Elizabeth Graham

*Ngā Marae me ngā Taratī*  
**OUR MARAE & TRUSTEE'S**

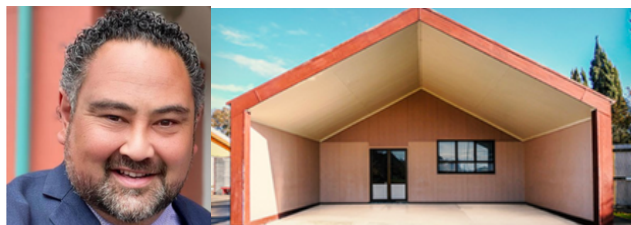




Rākautātahi Marae - Brian Morris



Rongomaraeroa Marae - Keri Ropiha



Ruahāpia Marae - Pōhatu Paku



Rūnanga Marae - Noel Berney



Te Tapairu Marae - Waireamana Kara



Taraia Marae - Kane Koko



Te Awhina Marae - Natasha Hanara



Te Rongo a Tahu Marae - JB Heperi Smith



Te Whatuiāpiti Marae - Erin Sandilands



Waimārama Marae - Wikitoria Osborne



Waipatu Marae - Ngahiwi Tomoana





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