

HeTūrangawaewae A PLACE TO STAND

Ko Pukeone, ko Tūao Wharepapa ngā maunga Ko Motueka te awa Ko Te Āwhina te marae Ko Tūrangapeke te wharenui Ko Ngāti Rārua, ko Te Āti Awa ngā iwi

Hapū

Ngāti Turangāpeke Ngāti Pareteata Ngāti Komako of Puketapu and Ngāti Hine of Ngāti Rahiri

Whainga vision statement

MOTUEKA

He Taonga; He Mana Tuku Iho; He Ipukarea

Kaupapa MISSION STATEMENT

Motueka-Whakarewa Connecting Ourselves, Our Lands and Our Legacy



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Business:

- Confirmation of Minutes of 2019 Annual General Meeting
- Chair's Report & Financial Statements for the Year Ended 2. 31 December 2019
- Appointment of Auditors 3
- Election of Trustees:

Ngāti Rārua Iwi

Paul Morgan and Jarrod B Being eligible, Paul Morga for a further three-year to stand for re-election

- <u>no will retire</u> by rotation.

Te Ātiawa Iwi

Emma Park will retire h offers herself for re-ele term.

Nomination of Trus

If you wish to be nor nomination form an Act 2005 declaration Level 1, Wakatū Ho contact info@nrait

Please note, unde 2005, all nomine disqualified from

Nominations clo Wakatū House, Thursday 9 Apri

- Distributions
- 6. Trustees' Fees
- General Business 7.

Annual reports and a copy of the minutes are available to download off our website www.nrait.co.nz.

If you are unable to access the web and require a physical copy, please contact the office on 03 548 0770.

ber of physical reports will be available at the

IMPORTANT NOTICE:

Ngāti Rārua Ātiawa Iwi Trust Annual General Meeting postponed,

E te whānau - Tēnā koutou

The health and well-being of our whānau is of utmost importance.

After a lot of consideration about the current situation with COVID-19 (coronavirus) and thinking about our wider community as well as the potential health and wellbeing risks of running an event in our town Motueka, the Trustees have decided to take a responsible lead and postpone this year's Annual General Meeting scheduled for 25

April 2020 as well as fully cancel our Ohu Maatu celebrations for that same weekend. The Board haven't taken this decision lightly, but a pragmatic decision has been made nonetheless, noting that this will be the first time in 27 years that the Annual General Meeting has been postponed.

We are currently unable to provide a new date for when the Annual General Meeting will be held, this will depend ultimately on the ongoing impact of COVID-19.

We will still provide access to the 2019 Annual Report once it is finallised later this month. Once a new date is confirmed, we will pānui this out to you.

If you have any questions about the annual general meeting, please contact the office directly either via email info@nrait.co.nz or via phone 03 548 0770.

As I write this today, I want to emphasise the importance of the global issue, but also offer a sense of unwavering optimism for the future. How we each respond at a time like this is a reflection of who we are and what we stand for. Noho ora maj

Rŏpata Taylor Chair

Chair's Report

Rōpata Taylor

Tēnā rā koutou

Ka mihi ki te hunga wairua kua ngaro atu i te ara whānui a Tāne-nui-ā-Rangi. Haere ki te hono i wairua, ki te kāhui o ngā tupuna. Koutou te hunga mate ki a koutou, tatou ngā uri o Ngāti Rārua Ātiawa ki Te Maatu e whakahoro atu ki ngā wāhi o te ao nei me ā tatou e noho mai nei i te rohe o Motueka, ka mihi..

On behalf of the Board of Trustees, it is my pleasure to provide the Chair's report for the financial year ended 31 December 2019.

As I write this, COVID-19 is causing unprecedented disruptions around the globe, affecting every continent on earth. It is because of the value we place on the wellbeing of our whānau, and the risk to the broader community that I have made the decision to postpone our AGM to a later date. This report covers the period before COVID-19 was an issue.

In summary, operationally the Trust achieved a headline net surplus after distributions of \$1,056,121 up 32.8% from the \$772,519 reported in 2018. On top of the reported operational result, the Trust achieved a top line growth rate of 10.75% in Total assets. Total assets have now grown \$58.6M from the original \$11.8M received in 1993 at the formation of the Trust, to today's current value of \$70.4M (2018 \$63.5M) representing a compound annual growth rate of 7.10% since inception of the Trust.

As noted in previous years the major areas of focus for the Trust's social and cultural program will be centred around Mātauranga and Rangatiratanga. In this regard we awarded our first ever Mātauranga Māori Kaitiaki Scholarship to Renee Thomas. You can read about Renee's exciting journey further on in this annual report. We also successfully held our second wānanga in February of this year to provide owners a sense of hapū identity. Here, participants were provided the opportunity to explore the whenua in Motueka and connect with the whenua through stories and history told by Trustees, manawhenua and kaumātua. We have started planning for the 2021 wānanga so if you are interested in attending please keep an eye out on our FaceBook page for application details.

We continue to wait on Te Āwhina Marae redevelopment plan and the likely funding requests to help support this development. Noting that our ability to fund the redevelopment will need to be set against our available resources and it may involve trade-offs against other future planned owner deliveries, that is, Trustees can't deliver everything with our resources so we need to choose the best options we can for the resources we have that best serves you as owners.

Discussions continued throughout the year between Trustees and Crown representatives with regard to resolving our issues pertaining to restoring justice and statutory reform over our leased lands. We were again hopeful that we could present you an offer to consider for acceptance or not at this year's AGM, however, further delays experienced with Government Officials has prevented this from happening again. We will update you all on any progress at the AGM and via regular pānui as these negotiations evolve.

Lastly, I wish to acknowledge and congratulate our Chief Executive John Charleton and Project Coordinator Nichola Vessey for their endless mahi throughout the year, as well as acknowledging my fellow Trustees and the ongoing support received from you our Owners and whānau.

Nāku noa, nā Rōpata Taylor Chair

Asset **Growth:**

1993 \$11.8m

2019 \$70.4m

Compound Annual Growth Rate:

7.10

Distributions Since 1993 **\$1.34m**







\$473,946

Koha \$304,360 **Education** \$522,047

Health \$39,675

35%

24%

39%

2%

Marae Grants Since 1993

65%	

Te Āwhina Marae

\$307,445

Parerarua Marae \$68,701

Onetahua Marae \$56,900

Whakatū Marae

\$25,900

Marokopa Marae \$15,000 "...a compound annual growth rate of 7.10% since inception of the Trust"

2019 Board of Trustees

Rōpata Taylor, Chair

(centre Left)

Rōpata is of Ngāti Rārua and Te Ātiawa descent. He is Chair of Ngāti Rārua Ātiawa Iwi Trust Board, ex-officio member to the Investment Committee and a member of the Education, Audit & Risk, Remuneration and Whakapapa Committees. Rōpata is also currently General Manager People & Culture with Wakatū Incorporation. He is a graduate of the University of Otago and prior to joining Wakatū was a secondary school teacher and tertiary lecturer.

Jeremy Banks, Vice Chair

(bottom middle)

Jeremy is of Ngāti Rārua, Rangitāne and Ngāti Kuia descent. He was appointed as a Trustee of Ngāti Rārua Ātiawa Iwi Trust in 2013 and is a member of the Investment, Audit & Risk, Remuneration and Whakapapa committees. Jeremy and his wife Melissa run Plink Software, a Nelson based kaupapa Māori software company. Jeremy is a Director for Wakatū Incorporation and also holds a variety of other governance roles.

Russell (Barney) Thomas, Trustee

(centre right)

Through Barney's mother, his iwi connections are Ngāti Rārua, Ngāti Tama, Ngāti Toa and Te Ātiawa, and through his father, Ngāi Tahu. Barney has been a Trustee of Ngāti Rārua Ātiawa Iwi Trust since its inception and Vice Chair from 1998 until 2019. He is also a Director for Wakatū Incorporation. He is Chair of Te Whanake committee. Barney was Chair of Ngāti Rārua Iwi Trust until he retired in 2005 and served on the Board of Trustees for Whakarewa School from 1991 to 1993. He is currently the Pou Tairangahau for the Department of Conservation in the Nelson/Marlborough area, and was formerly with the Inland Revenue Department and the Department of Labour. Barney is married to Shona who is very patient and supportive, has three children (Renee, Fraser and Jackson), and a granddaughter, Sophia.

Paul Morgan, Trustee

(top middle)

Paul is of Ngāti Rārua and Te Mahurehure descent. He is a member of Te Whanake, Audit and Risk and Whakapapa committees. He has held a number of commercial directorships over many years including Chairman of Wakatū Incorporation and land trustee of Te Āwhina Marae. He has been a member of various government-appointed advisory groups and industry initiatives over the years.

Emma Park, Trustee

(bottom left)

Emma is of Te Ātiawa descent and was appointed as a Trustee in April 2008. She is the Chair of the Audit and Risk and Education committees and sits on the Investment committee. Emma is a Chartered Accountant and a member of the Institute of Directors. She is an independent contractor providing financial accounting services for various organisations and Iwi Trusts in Taranaki, where she now lives with her partner and their pēpi.

Jarrod Buchanan, Trustee

(top left)

Jarrod is of Ngāti Rārua and Te Ātiawa descent. He is the founder and operator of Nelson's largest holiday home marketing and property management service, Holiday Nelson. Jarrod's background is in sales and marketing with a career and education background in seafood and aquaculture. Jarrod is a graduate of the University of Tasmania and lived and worked in Japan for nine years in language teaching, seafood and in clinical research. Jarrod recently returned from Nelson to Tasmania with his wife and two children to allow his tāmariki to connect with their Tasmanian whakapapa. He continues to operate Holiday Nelson and returns to Nelson bimonthly to oversee operations and to continue his commitment to NRAIT

John Kātene, Trustee

(top right)

John is of Te Ātiawa descent. He was reappointed to the Board of Ngāti Rārua Ātiawa Iwi Trust in 2017, having spent several years previously as a Trustee. John is a member of the Te Whanake committee.

Mereama Chase, Trustee

(bottom right)

Mereama is of Ngāti Rārua and Te Ātiawa descent. She was appointed as a Trustee in 2015 and is a member of the Investment, Te Whanake and Education committees. Mereama has extensive experience in public management and is currently a Director at the State Services Commission where she leads advice on the design and direction of New Zealand's Public Service. Mereama is a graduate of Victoria University and has a Bachelor of Laws and a Bachelor of Arts in Criminology and Māori Studies. She lives in Wellington with her husband and three tamariki.





Our Trust's Governance

Legislative and Regulatory Framework

At its highest level, Ngāti Rārua Ātiawa Iwi Trust is regulated and guided by the provisions of the Ngāti Rārua Ātiawa Iwi Trust Empowering Act 1993 together with the Charities Trust Act 1957 and the Charities Act 2005.

The Board of Trustees

The Board is currently made up of eight elected Trustees, drawn from nominations received by registered owners of the Trust.

The Trustees are appointed via an election process by the owners for a term of three years. Current legislation permits Ngāti Rārua lwi owners to appoint six Trustees and Te Ātiawa Manawhenua ki Motueka lwi owners to appoint two Trustees. The terms of two or three Trustees expire each year and they are able to stand for re-election. This rotation allows for continuity and stability at Board level, whilst providing for the democratic election of new Trustees.

Details of Trustees' interests are recorded in the Interests Register section of this report.

Board Committees

The Board has set up the following four committees that operate continuously and in conjunction with the Board.

Full minutes are kept of all Board and Sub-Committee meetings.

Investment Committee

Chaired by Jarrod Buchanan the Investment Committee reviews and monitors the Trust's overall investments for compliance with respect to formal Investment Policy guidelines and investment strategies adopted.

Te Whanake Committee

Chaired by Barney Thomas the Te Whanake Committee review, monitor and enact the Trust's projects focusing on the social cultural deliverables of the Social Cultural Implementation Plan - Te Pae Mahutonga.

Audit & Risk Committee

Chaired by Emma Park the Audit and Risk Committee reviews and monitors the Trust's overall risk (both financial and non-financial) and its risk management strategies. It reviews the effectiveness of, and monitors compliance with, all internal controls. The Committee also reviews and monitors the external audit process.

Remuneration Committee

Chaired by Jeremy Banks the Remuneration Committee deals with the remuneration setting procedures for Trustees and the Chief Executive in a transparent and objective manner.

Governance Statement

The Trust and all its subsidiaries and joint ventures operate under corporate governance principles designed to ensure all its activities are managed as effectively and efficiently as possible.

The Trust's Board of Trustees is responsible to owners for the proper direction of the Trust's activities. This responsibility includes approval of business plans and strategies, identification of business risks, protecting assets, overseeing management, ensuring business is conducted in compliance with the law, and reporting to owners.

Legislation requires Trustees to prepare financial statements that give a true and fair view of the Trust's financial position, its cash flows, and those of its subsidiaries and joint ventures for the period under review.

The accounts for the financial year ended 31 December 2019 have an unqualified audit report attached.

Trustees comply with statutory requirements to maintain and disclose entries in an Interests Register covering particulars of Trustees' interests in certain transactions, Trustees' remuneration, and Trustees, Directors and Officers liability insurance.

Governance Policy

The role of the Trustees is to provide vision, values, and a mission. The Board establishes key objectives, employs the right people, determines strategies, ensures goals and standards are met, and determines a culture appropriate to the Trust's purpose.

The Trust also has a responsibility to ensure that there is an operative succession plan to cover all key governance and management roles within the current organisation, and to meet all expected future needs.

This plan requires identification and training of owners and others who might wish to participate in the Trust's governance and management.

The Trust looks forward to your participation.

Rōpata Taylor Chair

The Year in Review

John Charleton

Tēnā koutou te hapū o Ngāti Rārua Ātiawa ki Motueka

It is my pleasure to report to you on the Trust's performance for the financial year ended 31 December 2019. The total Trust operations, including social and cultural investment via Te Whanake initiatives and distributions paid, resulted in a headline net surplus after distributions of \$1,056,121, up 36.7% against last year's result of \$772,519.

Key takeaways from the result are:

- The Trust's total revenue for the period of \$2.7M was up 9.2% in total over the prior corresponding period. This increase was driven by a 5.2% increase in underlying lease and rental revenue, weaker than expected mussel income down 32.3% due to quality and quantity issues caused by climatic conditions, offset by a 26.5% increase in earnings and dividends from our portfolio of investments and associated holdings.
- The net surplus (revenue less expenses) for the year
 of \$1,056,121 provides a prima-facie return on average
 annual assets of 1.6%. Whilst not a celebratory result in
 itself, it does reflect the Trust's overburden of property
 based assets versus the revenue those assets generate.
- When we combine the realised return above with the
 unrealised gains achieved from the Trust's assets during
 2019 of \$5.5 million, a total owner return of 9.8% [\$6.7M]
 has been achieved for the financial year [2018 \$4.9M or
 8.2%]. The total owner return is relatively pleasing in the
 current economic environment and continues to illustrate
 the achievement of a number of initiatives aimed at
 lifting the Trust's overall performance.
- Operationally our property assets and equities portfolios continue to underpin the performance of the Trust, supported by steady free cash flows. Earnings quality remains sound with operating free cash flow of \$1.2M for the year exceeding the surplus achieved due to non-cash expenses incurred such as depreciation. The Trust ended the year with a total cash position of \$3.8M, up 15.2% on the prior year of \$3.3M.
- The Trust balance sheet remains robust and strong with assets of \$70.4 million. Land based assets make up a significant portion of the balance at \$50.4 million [72%], with the balance spread over a diversified portfolio of assets to help the Trust achieve its operational objectives.

This was our fifth year of operations under our kete asset management structure and it is continuing to achieve the expected results. A summary of the annual performance of the three kete against their individual benchmarks is provided to the right of this report.

2019 was a somewhat slow year from an investment perspective as we conducted extensive due diligence on

numerous opportunities but failed to complete a transaction. With interest rates at historical lows we are finding the seller/ vendor price expectations do not meet prudent investment entry prices we aim for, as such, we have foregone some opportunities for the purposes of capital preservation and to allow us to await better entry prices in the future.

What 2019 also did illustrate was that in finance and investment, one has to be patient. Big money returns don't happen quickly. You need to sit and be patient and let a good story unfold – this is quite comforting as we begin to see the benefits of our kete portfolio management style come to fruition. Capital preservation remains a fundamental core value in our investment philosophy.

Major movements within our investment portfolio throughout 2019 was an additional \$250,000 invested into the Augusta Value Add No.1 Fund, a new \$200,000 investment into Miro-Meihana Koata LP (a berry growing veture), along with making the committed capital calls received from investee companies. Our Zespri Group investment also benefited from the 3-for-2 share split undertaken by Zespri where the Trust received a further 3 shares for every 2 previously held effectively increasing our underlying holding in Zespri by 135,175 shares. Moving into 2020 we continue to look forward to undertaking new investments and projects to help further drive the underlying earnings and asset growth of the Trust.

In ending, the Trust remains a high quality operating entity with somewhat defensive earnings streams. We will see growth in the years ahead as our investments continue to perform as expected. Ka anga whakamua tonu tātou (we will keep forging ahead).

Finally, I wish to express thanks to my Board of Trustees and staff Nichola and Amelia for their support and input throughout the past year.

Nō reira, tēnā koutou katoa

John Charleton Chief Executive



Whenua Tū

"to stand" - conservative

Predominantly the Trust's corpus lands and any surplus cash over operational requirements. Surplus funds are invested into a portfolio of defensive assets such as term deposits and fixed interest securities to provide a consistent and sustainable return.

AUM: \$48.7m REV: \$1.4m CM: (\$93k)

> 2018 AUM: \$44.4m (70%) 2018 TSR: 7.3%

TSR \rightarrow 6.7% Target Return 1-5%

69.2%

Whenua Tau "to rest" - balanced

Invests in a diversified portfolio of defensive assets (cash, fixed interest etc.) and growth assets (property, equities etc.) to provide the nest egg if required.

AUM: \$18.0m REV: \$1.2m CM: \$1.2m

2018 AUM: \$15.6m (25%)

2018 TSR: 12.4%

25.6%

TSR → 19.5%

Target Return 5–12%

19.5%

Kete asset management

total assets \$70.4m

> 2018: \$63.5m +10.8%

Whenua Tupu "to grow" - growth

Invests predominantly into growth assets with a small allocation to defensive assets to help grow the underlying asset base of the Trust.

5.2%

AUM: \$3.6m

REV: \$43.0K

CM: \$43.0K 2018 AUM: \$3.5m (5%) 2018 TSR: 9.81%

TSR → **15.6**% Target Return 12+%



Trustee Profile ~ Jeremy Banks, Vice Chair

Growing up in Central Otago, Jeremy's upbringing is quite a contrast to his world today. His grandparents and generations before them, grew up in a New Zealand where te reo was discouraged in schools and so naturally it was discouraged in the home, so there was little focus on the Māori language or culture through his schooling years. However, that is not the case in the Banks' household today. Jeremy, his wife Melissa and his three daughters speak reo fluently, and at home it is their first language and the foundation of their software company. Learning te reo, tikanga and his whakapapa came later in Jeremy's life.

So, how did one Otago, Computer Science graduate journey from not knowing a word of te reo to building apps to teach others the language?

Through teaching, we learn

In 2004, Jeremy and his wife Melissa travelled to Japan on their OE. As a registered teacher in Aotearoa, Melissa took the opportunity to teach English in rural communities. Jeremy knew next to no Japanese and very few people spoke English in the village they were in, so in his efforts to do a little English teaching himself, he set a challenge to also teach himself Japanese.

Jeremy used a specific repetitive 'building blocks' learning methodology where he would start the learning materials from the beginning each time he was ready to advance to the next level. With a few tweaks he would later refer to this style of learning as 'personalised progression memory'.

On Melissa and Jeremy's return to Aotearoa, they settled down in Wellington, got married and started their family.

Reconnecting

Jeremy is from Ngāti Rārua, Rangitāne and Ngāti Kuia, and whakapapa's to several tūpuna from the Te Tau Ihu rohe. Through his Ngāti Rārua whakapapa, Jeremy started attending Wakatū's annual hui and later the Ngāti Rārua Ātiawa Iwi Trust's annual hui. Like many who reconnect they first learn and explore their whakapapa at the AGM. Through Wakatū's hui, Jeremy applied for the governance succession programme, which he was successful in his second year applying. This began Jeremy's journey into governance roles and kick started his ambition to learn te reo.

Starting from the beginning

Applying the same principles and methodology he used to learn Japanese, Jeremy purchased a te reo book from Trade Me and started from the beginning.

The environment he grew up in did not promote the use of te reo, but he wanted his daughters to grow up learning their native language, and this presented an opportunity to learn with them. "When our tamariki are learning to speak they start with objects, actions and numbers, and move on to crafting sentences, for me learning to progress the same way with te reo was the perfect environment for us to all learn and develop our reo together."

As a computer science graduate Jeremy had the skills to build a rudimentary app to use his learning methodology in a more interactive way. What he didn't realise at the time was that he was building an app with far wider applications that would impact thousands of people.

An accidental entrepreneur

Using the basic structure of the app he had built for his personal learning, Jeremy came up with his idea now known today as Tipu – an educational mobile app that helps all ages to learn te reo.

With his idea for Tipu only being an idea at the time, he applied for funding grants through Te Taura Whiri i Te Reo Māori (The Māori Language Commission) via a former funding scheme Mā Te Reo. It took a great deal of perseverance and commitment, and some rejected applications, but Jeremy eventually had two separate applications accepted and approved for development.

Jeremy took the leap and left his day job to build Tipu. Plink Software was born.

Spread the knowledge

The key focus for Tipu was to improve access to learning te reo, and three years on Tipu's stats show the app teaches someone a new word or sentence every three minutes.

In 2017, Plink Software was nominated as a finalist for the New Zealand Innovation Awards in the 'Innovation in Māori Development' and 'Excellence in Social Innovation' categories. Their innovation approach was also Highly Commended in the Innovation in Māori Development Category.

In particular, the customised learning and dynamic sentences functionality, which were a key part of Jeremy's learning methodology, were recognised as the innovative aspects of the app. Jeremy's application of personalised progression memory is what makes Tipu so effective at teaching a user to speak te reo correctly, rather than just using common words or phrases.

Tipu has now been developed to be used as an in-schools programme where teachers and parents can access detailed information about the progress of their tamariki as they use Tipu.

Te Ao Hunga is another exciting platform Plink has developed to enable iwi to manage their members and strengthen connections for each other and to better understand who they are connected to.

Coming home and stepping up

Having started their family in Wellington, Jeremy and Melissa wanted to be closer to whānau and have their daughters grow up as manawhenua, so they returned to the rohe, and now reside in Nelson. Their move to Nelson has also strengthened business relationships and presented opportunities for their company to thrive.

Jeremy is a natural leader and has held several governance roles. In 2013 he was appointed as a Trustee of the Ngāti Rārua Ātiawa Iwi Trust, and after 26 years of the Vice Chair position only ever being held by Barney Thomas, the Board saw Jeremy appointed as the Trust's second Vice Chair in 2019.

With education and language being such a big part of Jeremy's mahi, working to advocate and promote the education programmes offered by the Ngāti Rārua Ātiawa Iwi Trust is a natural fit. Making the education programmes and the funding opportunities matter to the owners of Ngāti Rārua Ātiawa Iwi Trust is a key goal for Jeremy in the years ahead in his Vice Chair role.

"The environment he grew up in did not promote the use of te reo, but he wanted his daughters to grow up learning their native language, and this presented an opportunity to learn with them."





Education Grants and Scholarships 2019

Te Rākau Matauranga: To raise the level of education and training and to provide increased employment opportunities.

Under the revised and simplified distribution framework in 2018 and 2019 there was an increase in the number of applications. Actual funding distribution has increased from \$21,500 in 2016 to \$45,225 in 2019.

We aim to assist our members to realise their educational aspirations and academic success, and to financially assist those taking up vocational training, including apprenticeships.

NRAIT's education grants and scholarships programme commenced in 1996. To date \$522,047 has been distributed and 423 grants and scholarships have been awarded to 248 NRAIT members.

The Education policy is currently under review and any changes resulting from the review will be implemented in this year's funding round.

2019 Recipients

2017 Recipients
Ngāti Rārua
Atkins Mackey, Quinn
Banks, Ariana
Banks, Lucia
Banks, Xanthe
Carlson, Anya-Paige
Chase, Charlee
Chase, Keaton
Chase, Te Ahurewa
Chase, Tyson
Dekosta-Kupa, Milan
Ferrel, Chase
Ferrel, Petra
Ferrel, Tayla
Grant-Taylor, Hutana-Parana
Hare-Herbert, Te
Whareporera
Hare-Herbert, Turehu
Henry, Tui
Hinton, Lawrence
Howard, Andrew
Kahukura, Isabella
Kahukura, Kiwa
Kaveney-Gibb, Benjamin
Luke, Taimarino
Mako, Tremaine
Mawson Hapakuku, Skyla
Mawson, Brooklyn

Meihana, Raumati

Millan, Anikah Millan, Edwin Millan, Israel Morgan, Claire Morgan-Edmonds, Tiahorangi Morgan-Edmonds, Turanga Morrison, Tairoa Nelson, Natana Nuku, Halo Poihipi, Jaimee Rapata Witehira, Emanuiarangi Reece, Israel Scott, Sativa Semmens, Manaia Semmens, Tainui Shorrock, Joy Studd, Zayed Taiki Paratene, Te Haukopa Te Aho Rapata, Ngakau Thomas, Renee Yukich Rapata, Hawaiki Te Ātiawa Gotty, Lucy Korewha, Numia

Mason, Harriet Murphy, Caragh Witika-Park, Te Wainui



Distributions Since 1996: \$522,047 (2019 \$45,225)

Total Grant Scholarship Awarded to	ps	Ngāti Rārua	Te Ātiawa
	Scholarships	41	4
	Tertiary/ Education Grants	233	50
	Secondary School Grants	29	2
A) E H	Primary School Grants	23	1
3	Sports and Cultural Grants	11	
	Kip McGrath/ Study Assist Grants	27	2

Scholarship Recipient ~ Renee Thomas

Renee Thomas was awarded the Mātauranga Māori Kaitiaki Scholarship offered by the Ngāti Rārua Ātiawa Iwi Trust for the first time in 2019. This is a story about the past few decades of Renee's journey, which has led her to a place where she says, "it feels like everything fits." A life she explains is one which has released her from the grip of society's systems and expectations to one that can fuel her vision of meeting the needs of mana whenua, whānau and hapū.

Picnics on the Picton foreshore, swimming in the Pelorus River and BBQs on Moturoa/Rabbit Island was a classic summer outing for Renee Thomas growing up in Te Tau Ihu; the rohe where she was born, grew up, began her adult life, works, lives, protects and can never see herself leaving. It is these fond memories with her whānau, and her grandparents in particular, that were important in forming the foundation for her love of the region.

"I am trying to live my best version of life, as part of the legacy left to me from my tūpuna, and to build for my mokopuna to come."

After leaving high school in term one of her final year, Renee was done with school and settled into her first job, and after six years, it was time for her next move – Renee went back to education and began her accounting degree.

With the support of the Ngāti Rārua Ātiawa Iwi Trust and Wakatū Incorporation, Renee was granted scholarships throughout her study, and upon completion she received her Bachelor of Commerce in Accounting and Management. She went on to work in accounting and management roles within whānau/iwi/hapū entities gaining almost 10 years of experience.

During this time Renee also worked in a growing number of governance roles including Te Rūnanga o Ngāti Rārua – where she works to create a platform for the iwi members to fulfil their own dreams and aspirations, among many other responsibilities; Tiakina Te Taiao – which involves a large amount of work with councils to protect the rights of the tangata whenua to ensure that our environment and protection of it is upheld; and a voluntary role at Te Āwhina Marae to support the activities of the local Marae in Motueka.

After 10 years in accounting and management roles her feet started to itch again, and she was looking for her next move. It wasn't a change in jobs, it was a change in career, and a change in lifestyle that Renee was seeking. But she didn't realise it at the time.

Through her experience working within the Māori, iwi and environmental space and working closely alongside whānau, hapū and councils, Renee understood the importance of the environment and the role it played in a healthy, thriving economy. It was this combined with personal experiences camping at Mārahau for several summers Renee started

to realise the rapid pace at which our environment was changing, and the impact people were having on the whenua and moana.

Renee's path started to change. She began to seek out an environmental, and sustainable resources-focused life, and edge away from one that revolves around economic motivations.

"There's more to the world than money – and without our environment we have no economy. There was this moment where I didn't buy into the life the system asked of me, and I followed through with it."

Renee and her husband were offered the role of Kaitiaki in Mārahau – which to them meant they could wake up and do what they loved every day.

"It was a role we simply couldn't turn down. We sold our house, resigned from our jobs, then closed down our café in Nelson and moved to Mārahau."

Her and her husband's role as Kaitiaki for Wakatū at Mārahau ensures the whenua and our whānau are looked after for future generations to enjoy. They also own an iconic real fruit ice cream and coffee cart operating at Mārahau. Captain Cone NZ frequents the Mārahau beachside in the summer which keeps them busy alongside their Kaitiaki mahi.

Having been some time since completing her degree, Renee was keen to step back into study and is currently working on her Masters of Māori Indigenous Leadership through Aotahi University of Canterbury.

"It felt like a good fit with the governance and leadership roles I currently have. It was time to step back into study and upskill once again."

Involved with the study is a community-based project focused on connecting people to places, which will include a 10,000-word thesis and for Renee's project it'll involve creating more facilities in Mārahau including covered, dry outdoor areas and communal cooking areas. The community project aspect of the Master's program aligned well with the criteria of the Mātauranga Māori Kaitiaki Scholarship being offered by the Ngāti Rārua Ātiawa Iwi Trust for the first time (in 2019), so Renee applied and was the successful recipient.

Renee's ultimate goal is to meet the needs of our whānau and hapū – that includes looking after, protecting and championing sustainable use of the whenua and moana, and to help whānau achieve their dreams and aspirations.

"It's a big decision to give up full time employment to running your own business, and while it's scary, I encourage others to follow their dreams and don't be afraid."

Renee is already well on her way to achieving that ultimate goal. With new governance and kaitiaki roles in the rohe



she can deliver on her vision to protect and champion the whenua. As well as her current roles as Kaitiaki for Wakatū in Mārahau, Te Rūnanga o Ngāti Rārua, Tiakina Te Taiao, and Te Āwhina Marae, Renee is also starting on the Kaiteretere Recreation Reserve Board in April 2020 to support the governance of the area – a very special and significant place to tangata whenua. She is also on the Mārahau Rate Payers Association to ensure that Wakatū and mana whenua are kept up to date with what is happening in Mārahau – a busy and active little village.

While not living in Motueka or in Nelson where the Trust resides, Renee remains an active and engaged Ngāti Rārua

Atiawa Iwi Trust member. Whether it's attending Ohu Maatu and the AGM every year in Motueka, visiting and interacting with the Facebook page, or popping into the office whenever she passes by, Renee actively leans in and encourages others to do the same, either online on Facebook or when you're in the area.

Renee explains that while she may not choose to settle into one chosen profession or career and sees more study and development on her horizon, one thing she is sure of is her commitment to Te Tau Ihu and the whānau, hapū and iwi here.



Tautoko Putea

The Tautoko Putea grant programme provides financial assistance to individuals, groups and organisations participating in extra-curricular activities.

At the discretion and approval of the Board, a contribution to the value of a maximum of \$1,000 will be granted upon application. NRAIT's contribution will supplement the cost of the activity.

How to apply?

More information about the grant and how to apply can be found on our website: www.nrait.co.nz/our-owners/member-benefits/education-funding

In 2019 the Trust awarded Tautoko Putea grants to Te Puoho Stephens, Delane Luke, Haelyn Ngaia, Sheryl Takiari, Xanthe Banks, Lucia Banks, Ariana Banks, Joy Shorrock, Tahlea Young, Motueka Mai Tawhiti and the Motueka High School waka ama team...

Delane Luke

(Photo 5)

Delane travelled to South Africa as part of an International Scholar Laureate programme delegation on international relations and diplomacy.

Haelyn Ngaia

(Photo 6)

Haelyn competed at the Kenpo 5.0 Oceania Championships in Sydney, Australia. She achieved a 1st place in Form/Sets. Haelyn competed in the Grand Champion division and won the 2019 Kids Forms/Sets Oceania Grand Champion.

Te Puoho Stephens

Te Puoho was selected to play in the NZ Men's 7's Rugby team in Las Vegas and Vancouver.

Sheryl Takiari

Sheryl is enrolled on a Wairākau Rongoā Māori course.

Xanthe, Lucia and Ariana Banks

(Photo 4)

The Banks kōtiro performed at the 2019 National Kapa Haka Schools competition, Te Mana Kuratahi.

Joy Shorrock

(Photo 2)

As part of her study on the Masters in Māori Indigenous Leadership programme, Joy took part in an international cross-cultural research tour to Canada and the USA.

Tahlea Young

(Photo 3)

As part of her study on the Masters in Māori Indigenous Leadership programme, Tahlea took part in an international cross-cultural research tour to New Mexico and Hawaii.

Motueka Mai Tawhiti

(Photo 1)

This grant was used to assist with costs incurred for filming the ropu on their trip into the Abel Tasman National Park to visit the poupou at Anchorage and Medlands.

Motueka High School Waka Ama Team

(Photo 7)

Motueka High School were awarded a grant to assist their waka ama team compete at the national secondary school championships in Rotorua.

Manawaroa* ~ Cultural Wānanga

Recently, several of the Trustees went on a roadshow around Aotearoa to meet with manawhenua ki Motueka families to learn about what was important to them. A theme emerged that our owners want to learn about their history, culture, identity and whakapapa. So, the Trust has been working in the background to design a pilot programme, and in February 2019 the Ngāti Rārua Ātiawa Iwi Trust ran its first cultural wānanga.

Participants for our inaugural wānanga were selected to represent a broad range of whānau and iwi from around the country. We brought them back to their homelands, to Motueka, to learn and experience a range of activities built around the concepts of identity, culture and whakapapa and to engage them directly with the legacy of NRAIT and instil a strong sense of hapū identity.

"We're excited about using this pilot programme as a platform to learn about what works, what our people find of most value to them, and to open it up to more and more of the owners of the Ngāti Rārua Ātiawa Iwi Trust, so they too can experience a cultural wānanga through the lens of their own rohe, Motueka."

- Ropata Taylor, Chair, Ngāti Rārua Ātiawa Iwi Trust.

Participants attended workshops on traditional history, whakapapa, NRAIT's unique history and waiata and learnt about their identity and the role of NRAIT as an entity.

Through the weekend we explored the rohe by land and sea, seeing sites of significant importance to us in the Motueka area. It was an opportunity to also hear the korero from families in the rohe. Being present where each story took place gave the korero powerful context.

Participants were then encouraged to take what they learnt back to their whānau, to engage them on the themes, and become ambassadors of the Ngāti Rārua Ātiawa Iwi Trust.

We were privileged to have the wānanga facilitated by Bentham Ohia, and humbled to have kaumātua Uncle Rore Stafford with us for the weekend, whose kōrero was enjoyed by all.

When we asked what skills, knowledge or attitudes had changed for participants here's what some of them had to say:

"Te hononga ki a Ngāti Rārua Ātiawa Iwi Trust, me ōu koutou manaakitanga. Kei runga rawa atu koutou ngā kaimahi o NRAIT"

"Learnt new waiata, more aware of the sites of significance in the Motueka rohe. Core values such as relationships, responsibility, reciprocity, redistribution, respect."

"Increased knowledge about our whakapapa, whenua and moana. Increased skills in regard to a sense of place and how our tūpuna and whenua are expressed within our haka and waiata."

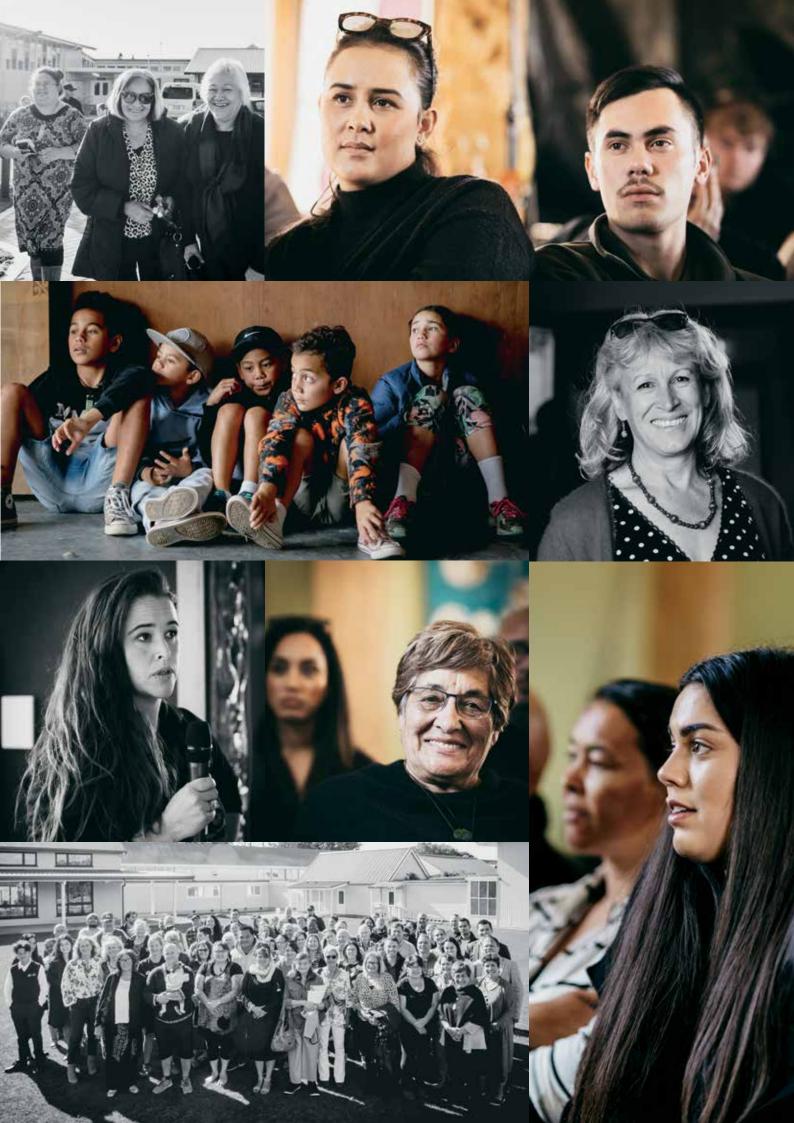
Based on feedback from everyone involved with the wānanga, we concluded the weekend was a resounding success, and we'll be holding it annually.

Check out our Facebook page and website for videos and images.

^{*} We named our wānanga Manawaroa. We selected the name as it epitomises resilience and felt like a really good fit for us, based on the feedback we've received from our whānau – about what benefits they would like us to focus upon.













Thank you to the 1,290 whānau following us on Facebook and joining in on the korero of our digital kainga throughout 2019.

Facebook is where we share stories we've written about our people, communities or history, and it's where you can find opportunities such as scholarships, relevant jobs within the rohe, or competitions we think you may be interested in. You'll also find upcoming events, and videos and photos we've captured when the whānau and hapū have come together.

It's great to have a place for everyone outside the rohe to be together beyond our annual events, so we encourage our owners to join in - like, share, comment and show the aroha.

Here's a few of the posts from the past year that you liked and loved the most. Visit facebook.com/ohumaatu to join in.







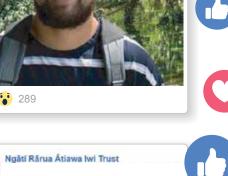


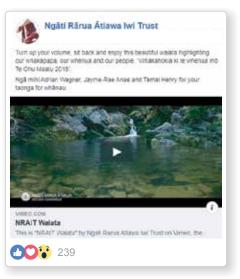
in October 1876 petition No. 303 was the first of three petitions made to Parliament by Merenako, a high-ranking Te Adaws one Waka-a-Mau kuia



Ngāti Rārua Átiawa Iwi Trust

Last year NRATT awarded an education grant to Defane Luke. He is:









Our tūpuna, our land, our kōrero tuku iho and our tikanga is our connection that unites us as a unique hapū. All elements need to be nourished, handed down, and retained for our future generations to thrive.

We are proudly unique

Our owners make the difference to our success

We are kaitiaki

Our shared korero unites us

Coming together is how we stay connected



Land Reform

The Ngāti Rārua Ātiawa Iwi Trust Board (NRAIT) are seeking the same property rights over the Whakarewa lands as all other property owners in New Zealand.

The Whakarewa lands, located in the Nelson and Motueka Districts, were originally granted to the Anglican Church by way of a Crown grant in 1853. The lands were administered by the Whakarewa School Board on a similar or identical leasing regime to the adjacent Māori reserves that were subject to the Māori Reserved Land Act 1955 and its predecessors.

Over time, the operation of these perpetual leases meant that Māori beneficial owners received less than fair market rents for their lands. In the case of the Whakarewa lands, the lands themselves (and associated income) were not returned on trust for the benefit of the descendants of the original owners until 1993.

Whilst NRAIT came into existence in 1993 as a consequence of the return of the lands at Whakarewa, its role extends beyond those lands, and involves protecting the rights of the beneficiaries more broadly and includes the protection of our property rights. The existing perpetual lease impost means that NRAIT does not have the same rights as any other property owner in New Zealand, which puts earning potential from our lands at a significant disadvantage.

In 1997 lands administered under the Māori Reserved Land Act 1955 and its predecessors were subject to amendments under the Māori Reserved Land Amendment Act 1997 that provided them with more favourable commercial terms such as more regular rent reviews, ability to charge interest and, more importantly, the provision of a right of first refusal – enabling the land owners to take back control of their lands. NRAIT didn't receive these changes.

The Te Tau Ihu Waitangi Tribunal investigations found that the Crown has a responsibility to remedy the defects of the NRAIT leases. The Tribunal's finding was that there were considerations that make it reasonable to expect the Crown to intervene with legislation to put the NRAIT land on the same footing as other Māori land administered under the Māori Reserved Land Amendment Act 1997.

In 2010 NRAIT entered into a Memorandum of Understanding with the Crown that resulted as a matter of fairness, NRAIT receiving an ex-gratia payment that approximated the payment NRAIT may have received had it been included in settlement of the commitment made in Schedule 5 of the Māori Reserved Land Amendment Act 1997.

Roll forward 10 years here we are again in discussion with Te Puni Kökiri officials regarding the removal of the perpetual leases imposed on our lands. The Trustees are seeking statutory reform of our leases, as well as associated compensation, and amendment to the Ngāti Rārua Ātiawa Iwi Trust Empowering Act 1993 to address several revenue-generating constraints.

High level discussions continue on simplistic possible solutions which may involve an ex-gratia payment for "lost rentals" (similar to the 2010 ex-gratia settlement), coupled with some form of compensation to cover future rental losses and perhaps the use of suspensory loans to enable NRAIT to purchase lessees interests that would provide finality in respect of the perpetual leases regime.

As always it will be the devil in the detail that will need to be fully explored and extrapolated to ensure the offer (if any eventuates) is robust and durable to justify acceptance.

Once Trustees have received an offer to formally consider we will be back to you as owners to gather and consider your views of acceptance or otherwise to any proposed settlement package.



Our Current Investments

Above anything else, good investors should be well diversified with exposure to different sectors and asset classes, formulated around their risk profile and investment time horizon. Here is a brief summary of the Trust's current investments excluding our land and direct commercial property investments....

Mussel Harvest

2019:



2018:



Hikapu Reach – Mussel Farm – The Trust owns 10.86ha of marine farm water space located in the Hikapu Reach locality of the Marlborough Sounds. The marine farm is managed under contract and the Trust receives its return from an annual harvest off the farm. Annual operating performance is a function of yield and quality of product. A net total of 71 GWT [106 GWT 2018] was harvested this year providing total revenue of \$73,434 [2018 \$108,603].



1360 Hives \$188.1k (2018 \$185.6k)

Beehives – At year end the Trust owns 1,360 beehives which are managed under contract by The True Honey Company. Under this agreement the Trust receives 25% of the final honey yield. Annual operating performance is a function of yield and quality of product. This year was our third harvest and our share of the total honey generated was 5.6 Tonne [Avg. 16.7kg/hive at \$34/kg] (2018 2.8 Tonne from 1,360 hives [Avg. 9.4kg/hive at \$65/kg]). The harvest proceeds provided total revenue to the Trust of \$188,069 (2018 \$185,635).



Managed Funds – The Trust currently has two service providers providing investment management and advice. The Trust has a total \$2.75M invested and these investments have grown to the current value at yearend of \$4.9M (+78% Absolute Return). The annual growth return achieved this year was 23.4%. The funds also generated \$72,470 in income representing a running yield of 1.8%. The Investment Committee will continue to monitor and grow these positions.



4.98% Interest in Honeylab

HoneyLab Limited – The Trust holds a direct share investment in this private unlisted company. HoneyLab has three key platforms: Dermatology, Pain Management and Nutrition and aims to position itself as a niche supplier and formulator of natural products in the multi-billion cosmetic, pharmaceutical and medical care markets. The Trust has a total of \$699,335 (227,304 shares) invested into the company representing a 4.98% interest in the Company. The average entry price over the various funding rounds is \$3.08 vs. the last trade price of \$4.50 (+46% Absolute Return) meaning an approximate value of these shares is \$1,022,868, however, due to current accounting rules applicable to the Trust, this asset is recorded at its historical cost of investment. Due to its current growth phase HoneyLab doesn't provide the Trust with any annual income.



Dividend Income **6.5%**

Augusta Industrial Fund – Is a limited liability company established as an open ended fund to invest in a portfolio of strategically selected industrial assets that provide both tenant and location diversification. Key objective is for the fund is to deliver a sustainable and stable 6.5% annual income return, plus the potential for capital growth.



Running Forecast Yield 14.5%

Zespri Group Limited – The Trust holds a direct share investment in this public unlisted company that has evolved from our historical position of being a Kiwifruit Operator as well as a perpetual lease landowner. During the year Zespri conducted a 3 for 2 share split resulting in the Trust receiving an additional 135,175 shares. Total shares held at 31 December 2019 are 405,525 with a market value of \$3.6M and a running forecast yield of 14.5%..



Miro Limited Partnership (MLP) – The Trust has made a \$250,000 committed capital investment into Miro Limited Partnership. As at 31 December 2019 \$210,000 has been called upon. The partnership's objective is to commercialise high-value varieties of berries in partnership with Maori Landowners. MLP also represents a unique opportunity to participate in one of the last freedom to operate areas within the horticulture industry and to own the complete value chain. This investment is about land utilization and owning a portion of the final value chain proceeds – not just an orchard gate return grower.



Te Puia Tāpata LP (Māori Direct Investment Fund) - The Trust has made a \$1,000,000 committed capital

investment into the Te Puia Tāpata LP Investment Fund. As at 31 December 2019 \$11,030 has been called upon. The Fund is an investment opportunity spearheaded by a Project Team with the support of the New Zealand Superannuation Fund (NZ Super) and with significant consultation from Māori and Iwi Investor Groups. The Fund will be a collective investment vehicle focused on large-scale direct investments in New Zealand businesses.

ADDITIONS THIS YEAR:

Augusta Industrial Fund – An additional \$250,000 was invested in 2019 bringing our total investment exposure to \$750,000.

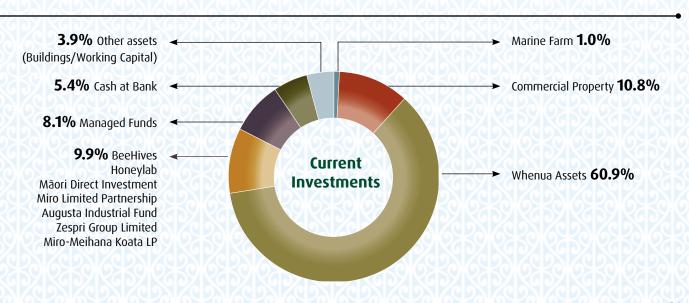
Miro-Meihana Koata LP – The Trust invested \$200,000 into the Miro-Meihana Koata LP – which is a blueberry growing partnership located in Te Teko. This is a complementary investment sitting alongside our Miro LP Partnership investment – to help gain direct berry growing exposure and learnings.

DISPOSALS FROM LAST YEAR

Meridian Energy Limited and Mercury Energy Limited – Both these direct investment holdings were transferred to the Craigs Investment Partners Education Fund.

NOTES:

Committed Capital investments mean the Trust has committed to a maximum total investment of the amount noted over a period of years. Actual investments are made when the respective capital calls are received from the various investment managers. This explains the difference between the committed capital quantum and the actual quantum completed as at balance date.



INDEPENDENT AUDITORS LTD

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of Ngāti Rārua Ātiawa Iwi Trust Board

Report on the Performance Report

Opinion

We have audited the performance report of Ngāti Rārua Ātiawa Iwi Trust Board, ("the Trust"), which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 December 2019, the statement of financial position as at 31 December 2019 and the statement of accounting policies and other explanatory information.

In our opinion:

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

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

Basis of Opinion

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

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

Other Matter

The financial statements of Ngāti Rārua Ātiawa Iwi Trust Board for the year ended 31 December 2018 were audited by another assurance provider, who expressed an unmodified opinion on those statements on 26 March 2019.

Responsibilities of the Trustees for the Performance Report

The Trustees are responsible for:

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

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



E-mail info@auditprofessionals.co.nz Mail PO Box 1042, Nelson 7040 Web www.auditprofessionals.co.nz

Phone 03 928 0371

Offices Level 2, Lucas House, 51 Halifax Street, Nelson 7010 Level 1, Hunter Building, 118 Hardy Street, Nelson 7010 such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Performance Report

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

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

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

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

INDEPENDENT AUDITORS LTD **NELSON**

Independent Acultors Ltd.

6 March 2020



E-mail info@auditprofessionals.co.nz PO Box 1042, Nelson 7040 Web www.auditprofessionals.co.nz

Phone 03 928 0371

Offices Level 2, Lucas House, 51 Halifax Street, Nelson 7010 Level 1, Hunter Building, 118 Hardy Street, Nelson 7010

Charities Statement

Ngāti Rārua Ātiawa Iwi Trust Board

Entity Information

For the year ended 31 December 2019

"Who are we?", "Why do we exist"

Legal Name of Entity: Ngāti Rārua Ātiawa Iwi Trust Board

Other name of entity (if any): NRAIT

Type of Entity and Legal Basis (if any): Charitable Trust and Registered Charity

Registration Number: CC20248

Entity Structure

Trust Structure:

Our Trust Deed states that we may have up to 10 Members of the Board (Trustees). We currently have eight Trustees that constitute our governance board plus an independent Secretary. Trustees/governance members may lead sub-committees as determined by our annual work plan and priorities.

Purpose/Mission:

The Trustees hold the Trust property UPON TRUST to promote the education, vocational training, economic development, health, religious and spiritual welfare (including the promotion of Māoritanga), social services, hospital and residential care of beneficiaries and the relief of poverty and provision of social support and for indigent or impoverished beneficiaries in each case in New Zealand.

Operational Structure:

Our operations are managed by a team of 2.5 paid full time equivalent employees. We employ a Chief Executive, an Office Manager/Project Coordinator, and a part-time Accountant. Any project work required is completed by third party contractors.

Main Sources of Entity's Cash and Resources, and Methods used to Raise Funds:

Ngāti Rārua Ātiawa Iwi Trust Board has received its income from a mixture of lease rentals from lands and investment properties owned, income from operational assets held and interest and dividends from investments made.

Entity's reliance on Volunteers and Donated Goods or Services:

No reliance is placed on volunteers and donated goods or services to carry out operations of the Trust.

Contact Details

Physical Address: Level 1, Wakatū House,

28 Montgomery Square, Nelson

Postal Address: PO Box 13 Nelson

Phone: 03 5480770

Email: info@nrait.co.nz

Website: www.nrait.co.nz

Facebook: www.facebook.com/ohumaatu

Charities Statement

Ngāti Rārua Ātiawa Iwi Trust Board

Statement of Service Performance

For the year ended 31 December 2019

"What did we do?", "When did we do it"

Description of the Entity's Outcomes

The Trust's strategic intent is facilitating a mechanism to support and mentor whānau to create their own economic agenda or commercial goal. The key outcome to achieve this intent is the promotion of education grants upon application by owners. In 2019 54 grants were awarded up from the 28 awarded in 2018.

The Trust also continues to work closely with Te Āwhina Marae in regard the Marae's redevelopment plans and the ongoing sustainable operations of the Marae. No grants were provided to Te Āwhina in 2019 as we await the completion of the development plan. The Trust has provided a capital grant to Parerarua over the course of 2019.

The Trust held a pilot wānanga during the year that was designed to instil a strong sense of hapū identity and to explore the genesis hapū that the owners all come from. This pilot was deemed a success by the participants with a second larger wānanga planned for February 2020.

	Actual	2019	Actual	2018
Description and Quantification of the Entities Outputs:	No.	\$	No.	\$
Koha (including Sports and Culture Grants)	24	15,935	23	5,118
Education Grants	54	51,863	28	42,710
Marae Grants	1	2,802	2	18,440

"I would like to express my greatest gratitude and appreciation to NRAIT and the owners who have supported me (in many ways) throughout my whole educational journey. The funding I have received though NRAIT' has helped me so much and I am so grateful to have wider whaanau that have supported and continue to support rangatahi in the realm of maatauranga within our whaanau. I look forward to what the future holds for us!".

Recipient of education grant 2019

"Ngā mihi nui ki a koutou o NRAIT mo tēnei putea tautoku (Grant) hei awhina i ahau roto i aku mahi Kāmura (Building & Construction). Hei te tau kei to heke mai nei ka timata taku Apprenticeship. Nō reirā, anō te mihi maioha ki a koutou katoa."

Recipient of education grant 2019

Statement of Financial Performance

For the Year Ended 31 December 2019

How was it funded? and What did it cost?

	NOTE	2019	2018
REVENUE		\$	\$
Revenue from Providing Goods or Services		1,892,545	1,836,835
Interest, Dividends and Other Investment Revenue		825,937	652,832
TOTAL REVENUE	1	2,718,482	2,489,667
EXPENSES			
Costs related to Providing Goods or Services		602,677	695,775
Employee Related Costs		500,031	467,629
Other Expenses		489,053	487,476
TOTAL EXPENSES	2	1,591,761	1,650,880
NET SURPLUS BEFORE DISTRIBUTIONS		1,126,721	838,787
Less Distributions	12	70,600	66,268
NET SURPLUS AFTER DISTRIBUTIONS		1,056,121	772,519
OTHER UNREALISED GAINS/(LOSSES)			
Unrealised Gain on Revaluation Land & Buildings		3,181,177	3,337,210
Unrelaised Gain on Revaluation of Investments	Kabyikabyik	2,327,119	832,944
TOTAL OTHER UNREALISED GAINS/(LOSSES)	24642464	\$ 5,508,296	\$ 4,170,154
TOTAL INCOME	ze palze palz	\$ 6,564,417	\$ 4,942,673

REVENUE (Whiwhinga) - This is the Trust's income from rentals charged on our lands and commercial properties, income from marine farm operations and interest and dividends received from our investments.

EXPENSES (Utu) - These are all the costs we have had to pay to produce our income. This includes harvesting cost associated with marine farm operations, employee costs, governance costs, insurances, rentals, repairs and maintenance, valuations and legals.

NET SURPLUS (Hua) - This represents the surplus revenue generated throughout the year after deduction of all expenses, adding the share of associate results and subtracting distributions paid out. This is then reinvested to generate future income.

Statement of Movement in Equity

For the Year Ended 31 December 2019

	NOTE	2019	2018
TRUST CAPITAL		\$	\$
		22 040 522	22 010 522
Surplus at beginning of year		23,919,532	23,919,532
Capital Profits / (Losses)		72 010 522	22 010 522
TRUST CAPITAL - YEAR END		23,919,532	23,919,532
INVESTMENT REVALUATION RESERVE			
Surplus at beginning of year		2,020,477	1,187,533
Revaluations increase / (decrease)		2,327,119	832,944
INVESTMENT REVALUATION RESERVE - YEAR END		4,347,596	2,020,477
LAND AND BUILDING REVALUATION RESERVE			
Surplus at beginning of year		35,356,584	32,019,374
Revaluations increase / (decrease)		3,181,177	3,337,210
LAND AND BUILDING REVALUATION RESERVE - YEAR END		38,537,761	35,356,584
RETAINED EARNINGS			
Opening Balance		(283,986)	(1,056,504)
Net Operating Surplus / (Deficit) Before Distributions		1,126,721	838,787
Distributions	12	(70,600)	(66,268)
RETAINED EARNINGS - YEAR END		772,135	(283,986)
TOTAL ACCUMULATED FUNDS		\$ 67,577,024	\$ 61,012,607

Statement of Financial Position

As at 31 December 2019

(What we own and what we owe)

	NOTE	2019	2018
CURRENT ASSETS		\$	\$
Cash and cash equivalents	7	1,064,193	655,404
Mussel Crop on line		252,950	241,123
Honey Crop on Hand		179,850	-
Accounts Receivable - Trade & Sundry	3	149,011	419,808
Accounts Receivable and Accrued - Leased Land Rentals		112,633	123,598
Investments - Term Deposits	8	2,703,017	2,614,984
TOTAL CURRENT ASSETS		4,461,654	4,054,917
NON-CURRENT ASSETS			
Property, Plant & Equipment	4	54,461,851	51,132,479
Total Property, Plant & Equipment		54,461,851	51,132,479
INVESTMENTS			
Shares & Marketable Securities	5	11,128,077	8,072,606
Associate Companies	6	304,481	265,192
Total Investments		11,432,558	8,337,798
TOTAL NON CURRENT ASSETS		65,894,409	59,470,277
TOTAL ASSETS	943	70,356,063	63,525,194
LESS CURRENT LIABILITIES			
Accounts Payable	9	194,712	128,260
Trade Facilities	10	2,584,327	2,384,327
TOTAL CURRENT LIABILITIES	649/69	2,779,039	2,512,587
NET ASSETS	22 NG 27	\$ 67,577,024	\$ 61,012,607
KODZIKODZIKODZIKODZIKODZIKODZIKO	DX KODY		KODIK
EQUITY			(1.20 (522
Trust Capital & Reserves		66,804,889	61,296,593
Retained Earnings	AND YA	772,135	(283,986)
TOTAL ACCUMULATED FUNDS	DEALEGE	\$ 67,577,024	\$ 61,012,607

The Board of Ngāti Rārua Ātiawa Iwi Trust authorised these Financial Statements for issue on 6 March 2020. Signed for and on behalf of the Board

Rōpata Taylor Chair

Emma Park Chair, Audit Committee

TOTAL ASSETS (Hua Tapeke) - This is the sum of all the assets that the Trust owns. The assets are either funded by Equity or by Liabilities. Assets are classified as either Current, meaning they are able to be sold or cashed up in a period of 12 months, (e.g. Cash, Inventory, Accounts Receivable) or Non-Current, assets held for longer than 12 months and used to generate income (e.g. Property, Plant & Equipment, Land, Commercial Investments, Other Investments.

LIABILITIES (Tauhana) - This is the amount the Trust owes to the bank or third party suppliers of goods and services that we are yet to pay for under normal trading terms. Liabilities plus Equity fund the Total Assets of the Trust.

EQUITY (O Tatao Tutanga) - This is the Owner's interest in the total assets of the Trust after all liabilities have been paid for. It is an accumulation of the original capital from when the Trust was established, plus the profits accumulated since, including movements in asset values that are shown at market value, less the distributions made by way of grants etc.



Statement of Cash Flows

For the Year Ended 31 December 2019

How the entity has received and used cash

	NOTE	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		\$	\$
Cash was provided from:			
Rentals Received		1,880,765	1,713,717
Interest Received		4,141	130,819
Dividends Received		416,285	318,290
Other Income Received		304,813	310,620
Net Goods & Services Tax Received		· -	21,212
		2,606,004	2,494,658
Cash was applied to:			
Payments to Suppliers		777,730	1,250,847
Payments to Employees & Trustees		452,098	437,163
Payment of Interest		103,706	58,834
Net Goods & Services Tax Paid		34,742	-
		1,368,276	1,746,844
Net Cash (Outflow) / Inflow from Operating Activities	11	1,237,728	747,814
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Receipts from Other Investments	KODYIKOD	>1<00>>1<0	3,132,035
			3,132,035
Cash was applied to:			
Purchase of Fixed Assets		299,033	21,765
Investments Made	KGDYIKGD	659,305	5,081,912
<u>IZCDAIZCDAIZCDAIZCDAIZCDAIZCDAIZC</u>	DAV60DAV6	958,338	5,103,677
Net Cash (Outflow) / Inflow from Investing Activities	DAKUDAK	(958,338)	(1,971,642)
LAIGUAIGUAIGUAIGUAIGUAIGUA			
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provided from:			4.442.500
Loans Drawn Down		200,000	1,462,500
		200,000	1,462,500
Cash was applied to:			
Loans Repaid		70.600	-
Distributions made	DYKODYK	70,600	66,268
Not Cook Joffers / (Outflow) to Financia a Astinitia	CARANGAR	70,600	66,268
Net Cash Inflow / (Outflow) to Financing Activities	XGDXIXGD	129,400	1,396,232
NET INCOFACE / (DECDEACE) IN CACHLUELD		400 700	172 404
NET INCREASE / (DECREASE) IN CASH HELD		408,790	172,404
Funds held at Start of Year 1st January 2019		655,404	483,000
NET FUNDS HELD (OVERDRAWN) AT END OF YEAR	00000	\$1,064,193	\$655,404
TELL FORDS TIELD (O'EROTETHI) FILE OF TELL	FOID FOIL		7055,101
Comprising:			
Bank of New Zealand Limited		173,810	169,991
Westpac Limited		6,915	7,013
Iwi Investor Ltd		2501025C	52,275
Kiwibank		112	112
ASB Private Bank		883,355	426,012
KODY KODY KODY KODY KODY KO			1/20 DX
	FUNCTION	\$1,064,193	\$655,404

Statement of Accounting Policies

For the Year Ended 31 December 2019

How did we do our accounting?

1. BASIS FOR PREPARATION

Ngāti Rārua Ātiawa Iwi Trust is a Charitable Trust registered under the Charities Act 2005. The financial statements have been prepared in accordance with Generally Accepted Accounting Practice (GAAP). The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Ngāti Rārua Ātiawa Iwi Trust, except that certain assets have been revalued.

In line with new Charities Reporting requirements the Ngāti Rārua Ātiawa Iwi Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue in the foreseeable future.

The Board has adopted the following Tier 2 PBE Accounting Standards in the preparation of these accounts.

PBE IPSAS 17 - Property, Plant and Equipment

PBE IPSAS 29 – Financial Instruments: Recognition and Measurement PBE IPSAS 26 – Investments in Associates and Joint Ventures

2. SPECIFIC ACCOUNTING POLICIES

(A) Accounts Receivable

Accounts receivable are stated at estimated realisable value. No provision has been made for doubtful debts but any bad debts are written off in the Statement of Financial Performance.

(B) Property, Plant & Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent to initial recognition, land and commercial investment buildings are measured using the revaluation model. Under the revaluation model, land and buildings are measured at fair value, less any impairment losses recognised since the date of the last revaluation. Revaluations are completed on an annual basis.

Forestry is recorded at fair value using the valuation issued by Murray Inglis, NZIF Registered Forestry Consultant as at 31 March 2019. Fair value of other land and buildings is their market value using the unimproved land valuations as issued by Quotable Value NZ Ltd as at 31 December 2019. Changes in value of land and buildings are recorded in other comprehensive income and credited to the Land and Building revaluation reserve in equity.

Depreciation is charged on a straight line basis over the useful life of the asset, except for land and commercial investment buildings. All other buildings are depreciated. Depreciation is calculated on a straight line basis to allocate the cost of the asset less any estimated residual value over the remaining estimated economic asset lives, as follows:

Buildings Computer Software Fencing and yards Furniture and fittings Motor vehicles Orchard development costs Plant and equipment

Marine Farm Water Space

Marine Farm Infrastructure

40 to 50 years3 years

10 years10 years5 to 10 years

- 10 to 15 years

- 10 years - 50 years

- 9 years

(C) Goods & Services Tax

The Trust is registered for Goods & Services Tax (Registration Number 61-705-546). The financial statements have been prepared on a GST exclusive basis.

(D) Operating Leases

Operating leases are those in which all the risks and benefits are substantially retained by the lessor. Lease payments are expenses in the periods the amounts are payable.

(E) Repairs & Maintenance

Repairs and maintenance have been written off in the Statement of Financial Performance as they occur.

(F) Research & Development

Research expenses are brought to account in the Statement of Financial Performance in the period incurred. Development costs are deferred where future benefits are expected and amortised over such future periods. Unamortised costs are reviewed at balance date to determine the level of costs which are no longer recoverable and such costs are written off.

(G) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale or services, to the extent that is it probable that the economic benefits will flow to the Trust and revenue can be reliably measured.

Interest income is recognised on an accruals basis and Dividend income is recognised when the dividend is declared.

All other revenue is accounted for on an accruals basis in accordance with the substance of the transaction.

(H) Taxation

No income taxation liability exists in accordance with the Income Tax Act 2007 as the Ngāti Rārua Ātiawa Iwi Trust is a registered Charitable Trust.

(I) Associate Companies

These are companies in which the Trust holds substantial shareholdings and in whose commercial and financial policy decisions it participates. Associate companies have been reflected in the Trust's financial statements on an equity accounting basis which shows the Trust's share of surpluses and deficits in the Statement of Financial Performance and its share of post acquisition changes in net assets in the Statement of Financial Position.

(J) Statement Of Cash Flows

The Statement of Cash Flows is prepared exclusive of GST, which is consistent with the method used in the Statement of Financial Performance

Definitions of the terms used in the statement of cash flows are as follows:

"Cash" includes deposits and other highly liquid investments readily convertible into cash and includes at call borrowings such as bank overdrafts, used by the group as part of their day-to-day cash management.

"Operating Activities" includes all transactions and other events that are not investing or financing activities.

"Investing Activities" are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.

"Financing Activities" are those activities relating to changes in the equity and debt capital structure of the Trust and those activities relating to the cost of servicing the Trust's equity capital.

(K) Other Investments

Shares & Marketable Securities

The Trust's shares and marketable securities are classified as available for sale within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement. The classification of financial assets are determined at initial recognition.

Available for sale financial assets

These assets are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognised in other comprehensive income and accumulated in the Investment revaluation reserve in equity. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to surplus or deficit.

Share and marketable securities are recorded at cost where Fair Value cannot be reliably measured.

(L) Mussel Crop On Line

Mussel Crop on line has been valued at the lower of cost and net realisable value.

(M) Honey Crop On Hand

Honey Crop on hand has been valued at the lower of cost and net realisable value.

(N) Consolidation Abel Tasman Seafoods Limited

The Trust is the 100% owner of Abel Tasman Seafoods Limited a non-trading shell company which has no assets as at 31 December 2019. (2018 \$0).

(0) Employee Costs

Employee entitlements are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not taken at balance date, and long service leave.

The Trust recognizes a liability and an expense for bonuses it is contractually obliged to pay, or where a past event has created a constructive obligation.

(P) Comparatives

Where necessary comparative information has been reclassified to achieve consistency in disclosure with the current year.

(Q) Changes In Accounting Policies

There have been no changes to accounting policies during the financial year.



Notes to Financial Statements

For the Year Ended 31 December 2019

	2019	2018
	\$	\$
1. TOTAL REVENUE Included in total revenue are the following:	2,718,482	2,489,667
Revenue from Providing Goods and Services	1,892,545	1,836,835
Lease & Rental Revenue	1,819,111	1,728,233
Marine Farm Revenue	73,434	108,602
Interest, Dividends and Other Investment Revenue	825,937	652,832
Interest Revenue	114,244	130,819
Dividend Revenue	482,334	316,965
Share of Associate Results	39,289	3,030
Share of Honey Proceeds	188,069	185,635
Other Revenue	2,000	16,383
2. TOTAL EXPENDITURE	1,591,761	1,650,880
Included in total expenditure are the following:		
Costs related to Providing Goods or Services	602,677	695,775
Annual General Meeting Costs	36,076	70,990
General and Administration	25,670	19,872
Forestry Expenses	29,245	9,130
Insurances	55,573	46,882
Legal Expenses	29,596	99,771
Marine Farm Expenses	63,464	159,443
Meeting Fees	7,501	9,887
Office Rental & Outgoings	35,183	34,740
Property Management Fees	43,275	40,422
Rates	40,861	37,645
Resource Management Costs	15,008	15,000
Repairs & Maintenance Costs	97,219	32,082
Secretarial and Administrative Fees	30,000	24,000
Subscriptions & Courses Telegrammunication Course	14,280	10,805
Telecommunication Costs Travel & Accommodation	6,823	7,535
Valuation Fees	39,213 33,690	49,039 28,532
valuation rees	33,690	28,532

For the Year Ended 31 December 2019

	2019	2018
2. TOTAL EXPENDITURE (Continued)	\$	\$
Employee Related Costs	500,031	467,629
ACC Levies	756	897
Employee Related Costs	316,728	314,994
Trustees Fees (detailed in Note 13)	168,947	130,000
Training Related Costs	13,600	21,738
Other Expenses	489,053	487,476
Audit Fees	16,070	11,800
Bank Fees	13,248	7,826
Depreciation Costs	183,511	187,064
Consultancy Costs	34,575	75,635
Honey Holding Costs	-	1,446
Interest Costs	103,706	58,834
Owner Engagement & Connectedness	56,216	75,357
Portfolio Management Fees	27,471	34,179
Urupa Maintenance	54,257	35,335
3. ACCOUNTS RECEIVABLE TRADE & SUNDRY	149,011	419,808

4. PROPERTY, PLANT AND EQUIPMENT

					Furniture, Fixtures and	
	Land	Buildings	Marine Farm	Machinery	Other	Total
2019						
Opening Balance	43,056,910	5,930,741	486,949	3,250	1,654,628	51,132,478
Additions	35,981	295,725				331,706
Disposals			KODYIKOT			
Depreciation (As per Statement of Financial Performance)	3649K	8,719	29,489	325	144,978	183,511
Revaluations (net)	3,176,432	4,745	% 59%			3,181,177
Closing Balance (As per Statement of Financial Position)	46,269,323	6,222,492	457,460	2,925	1,509,650	54,461,851
Gross Carrying Amount	46,269,323	6,615,731	700,000	38,571	2,434,877	56,058,502
Accumulated Depreciation	40,207,323	393,239	242,540	35,646	925,227	1,596,652
Net Carrying Amount	46,269,323	6,222,492	457,460	2,925	1,509,650	54,461,851
2018						
Opening Balance	39,928,500	5,730,877	516,438	3,611	1,781,142	47,960,568
Additions	-	-	- 3.0, .30	-	21,764	21,764
Disposals	0X0XX0X0	*00°	<0X0X<	0 * O * O *	K0(0×0	
Depreciation (As per Statement of Financial Performance)	43/4	8,936	29,489	361	148,278	187,064
Revaluations (net)	3,128,410	208,800				3,337,210
Closing Balance (As per Statement of Financial Position)	43,056,910	5,930,741	486,949	3,250	1,654,628	51,132,478
Gross Carrying Amount	43,056,910	6,315,261	700,000	38,571	2,434,877	52,545,619
Accumulated Depreciation		384,520	213,051	35,321	780,249	1,413,140
NET CARRYING AMOUNT	43,056,910	5,930,741	486,949	3,250	1,654,628	51,132,478

For the Year Ended 31 December 2019

	2019	2018
5. SHARES & MARKETABLE SECURIITES	\$	\$
Recorded at market value as at balance date		
ASB Funds Management	2,418,227	2,017,241
Craigs Investment Partners	2,545,048	2,006,469
Craigs Investment Partners - Education	725,817	-
Zespri Group Limited	3,568,620	2,216,870
Iwi Investor Ltd Managed Portfolio - Education	-	269,664
Meridian Energy Limited	-	67,637
Mercury Energy Limited	-	177,390
	9,275,712	6,755,271
Recorded at original investment value as at balance date		
Augusta Industrial Fund Limited	750,000	500,000
HoneyLab Limited	699,335	699,335
Miro – Meihana Koata LP	200,000	
Miro Limited Partnership	210,000	110,000
Te Puia Tapapa Limited Partnership	11,030	8,000
<u>- augraloskoloskoloskoloskoloskoloskolo</u>	1,870,365	1,317,335
TOTAL	11,128,077	8,072,606

6. ASSOCIATE ENTITIES

The associates, their activities and related disclosures are as follows:

NAME	CARRYIN	IG VALUE HO		NG %	BALANCE DATE	PRINCIPAL ACTIVITY
	2019	2018	2019	2018		
Estuary Pack & Cool Ltd	155,126	121,550	33%	33%	31 December	Landlord
Sea Products Ltd	149,355	143,642	50%	50%	30 September	Asset Holding
TOTAL	304,481	265,192	10240	110		***************************************

Where the associated entity balance dates are not aligned with the Trust, results from monthly management accounts have been used to account for the Trust's share of the entities' operating results to 31 December 2019.

Estuary Pack & Cool Ltd share of operating results are recorded for the period ending 31 December 2018 due to the unavailability of more current information.

Where significant differences in accounting treatments exist between the annual audited accounts and monthly management accounts, these differences have been adjusted for.

	2019	2018
	\$	\$
Interest in Associates		
Shares – Ordinary	100,500	100,500
Shares – Redeemable Preference Shares		
Advances	181,438	181,438
TOTAL INVESTMENTS AT COST	281,938	281,938
Share of Retained Earnings – Current Year	39,289	3,030
Share of Retained Earnings – Previous Years	(16,746)	(19,776)
NET INTEREST IN ASSOCIATES – YEAR END	304,481	265,192
Results of Associates		
Estuary Pack & Cool Ltd	33,576	CDYNC
Sea Products Ltd	5,713	3,030
TOTAL SHARE OF SURPLUSES / (DEFICITS)	39,289	3,030

For the Year Ended 31 December 2019

	2019	2018
7. BANK IN FUNDS / (OVERDRAFT)	\$	\$
ASB Bank	883,355	426,012
BNZ	173,810	169,992
Kiwibank	112	112
Westpac	6,915	7,013
lwi Investor Ltd	-	52,275
TOTAL	1,064,193	655,404

8. INVESTMENTS - TERM DEPOSITS

These comprise Term Deposit investments that have a maturity date of greater than three months from balance date and therefore do not fall into the category of cash and cash equivalents.

ASB Bank	1,604,660	1,539,834
BNZ	835,816	817,246
Kiwibank	234,266	229,653
Westpac	28,275	28,251
TOTAL	2,703,017	2,614,984

All Term Deposits held are due to mature within the next 12 months therefore are classified as current assets.

9. ACCOUNTS PAYABLE	194,712	128,260
Included in accounts payable are the following:		
Trade Payables & Accruals	118,923	52,188
Employee & Trustee Entitlements	76,606	42,144
GST Payable/(Refundable)	(817)	33,928

10. TRADE FACILITIES

ASB TRADE FACILITY 2,384,327 2,384,327

The Trust has a combined trade facility agreement of \$5,000,000 with ASB Bank Limited. As at balance date a net \$2,584,327 (2018 \$2,384,327) had been drawn upon. The facility is fully secured against specific term deposits held with ASB Bank Limited totaling \$1,500,000 (2018 \$1,500,000) along with registered all obligations Mortgages over the following properties:

- 258 High Street, Motueka (Identifier number(s) 21447)
- 20 Parker Street, Motueka (Identifier number(s) NL7C/1271, NL7C1270, NL4D/1070)
- 19 Old Wharf Road, Motueka (Identifier number(s) NL5C/142, NL7B/146)
- 66 High Street, Motueka (Identifier number(s) NL12B/1271)
- 276 High Street, Motueka (Identifier number(s) NL12C/486)
- Thorp Street Motueka (Identifier number(s) NL93/102)

The current interest rate applicable on funds drawn is 3.86% (2018 4.385%). The Facility is repayable on demand.

	2019	2018
11. NET CASHFLOW FROM OPERATING ACTIVITIES	\$	\$
Reconciliation of net surplus to net cash flow from operating activities:		
Net Surplus / (Deficit)	1,056,121	772,519
Non Cash Items		
Depreciation	183,511	187,064
Share of Associate Results	(39,289)	(3,030)
Movements in Working Capital		
(Increase) / Decrease in Accounts Receivable & Land Rentals	281,763	(267,347)
(Increase) / Decease in Mussel Crop on Line	(11,826)	(6,232)
(Increase) / Decease in Honey Crop on Hand	(179,850)	2010320
Increase / (Decrease) in Accounts Payable	33,776	(1,428)
Items Classified as Investing		
Net Income Directly Invested	(157,078)	
Distributions	70,600	66,268
NET CASHFLOW FROM OPERATING ACTIVITIES	1,237,728	747,814

For the Year Ended 31 December 2019

12. DISTRIBUTIONS The following distributions were paid during the year:	2019 \$	2018 \$
Koha	15,935	5,118
Education Grants	51,863	42,710
Marae	2,802	18,440
	70,600	66,268

13. TRUSTEES FEES

The total quantum of Trustee fees for the year are approved at the Annual General Meeting supported by independent third-party research. The Trustees then at their discretion allocate the actual fees paid based on Chair, Vice Chair and associated Trustee delegations for the main board and any other subsequent sub committees.

Total remuneration paid during the year:

Banks, J	22,833	15,000
Buchanan, J	16,167	11,750
Chase, M	18,333	13,750
Katene, J	15,167	11,250
Morgan, P	18,833	13,750
Park, E	22,833	20,250
Taylor, R	33,333	24,000
Thomas, R	20,667	20,250
Young, A (Alternate)	280	
TOTAL	168,947	130,000

14. CONTINGENT LIABILITIES

The Trust has entered into a quarantee with ANZ Bank for \$50,000 to cover loans made to Estuary Pack & Cool Ltd.

It is highly unlikely that the Trust will be required to make payment under the guarantee.

There are no other contingent liabilities as at balance date (2018 \$0)

15. CAPITAL COMMITMENTS

The Trust has entered into a direct committed capital investment of \$250,000 into Miro Limited Partnership. This investment is held directly by the Trust. As at balance date \$210,000 (2018 \$110,000) has been called and invested. The balance of the committed capital (if called upon) is expected to be called in equal instalments over a period not exceeding 10 years as and when investment funds are required.

The Trust has entered into an indirect committed capital investment of \$200,000 into Oriens Capital Private Equity Limited. This investment is held and managed within our Craig Investment Partners Managed Portfolio. As at balance date \$119,000 (2018 \$67,000) has been called and invested. The balance of the committed capital (if called upon) is expected to be called in equal instalments over a period not exceeding 7 years as and when investment funds are required.

The Trust has entered into a direct committed capital investment of \$1,000,000 into Maori Direct Investment Fund. This investment is held directly by the Trust. As at balance date \$11,030 (2018 \$8,000) has been called and invested. The balance of the committed capital (if called upon) is expected to be called in equal instalments over a period not exceeding 10 years as and when investment funds are required.

The Trustees have committed up to a maximum of \$250,000 during the forthcoming financial years ended 31 December 2020 and 2021 in regard the development of a Rongoā Plantation at Te Uma Urupā.

16. RELATED PARTY TRANSACTIONS

Wakatu Incorporation is deemed to be a related party of the Trust by virtue of having common Board representatives. Namely, Paul Morgan, Russell (Barney) Thomas and Jeremy Banks.

During the financial year the Trust rented office space from Wakatu Incorporation for \$35,183 (2018 \$34,740) as well as paying for property management services of \$25,000 (2018 \$25,000).

During the financial year the Trust leased lands to Kono NZ LP for \$327,820 (2018 \$260,828). Wakatu Incorporation are the guarantor under this lease.

17. EVENTS SUBSEQUENT TO BALANCE DATE

NIL 2019. No events subsequent to balance date are likely to effect the Trust's ability to continue to operate.

Interests Register

Rōpata Taylor

Director:

Estuary Pack and Cool Ltd

Employee:

Wakatū Incorporation

Chair and Trustee:

Parana Te Hunahuna Whānau

Trust

Trustee:

Te Āwhina Marae Land Trust

Russell (Barney) Thomas

Director:

Wakatū Incorporation Wahanga Ltd Abel Tasman Land Co Ltd Waimea Water Augmentation Committee

Tasman Mako Māori Rugby Board

Employee:

Department of Conservation

Chairperson:

Tiakina te Taiao (Part year)

Trustee:

Te Āwhina Marae Rukatapata Tamati Whānau Trust

Land Trustee:

Te Āwhina Marae Reserve Lands - Wairau Pā

Working Group:

28th Māori Battalion for

Te Tau Ihu

Interim Chair:

Manawhenua Ki Moha Ngāti Rārua Society ki Wairau

Paul Morgan

Director/Shareholder:

Paul Morgan Assoc. (2006) Ltd Taupo Moana Iwi Saver (TMIS) FoMana Capital Ltd Anagenix Ltd High Value Nutrition

Chairman:

Wakatū Incorporation Kono NZ LP Te Āwhina Marae Redevelopment Committee Regional Grant Strategy

Trustee:

P & B Morgan Family Trust Te Poa Karoro Whānau Trust Riwai Morgan Whānau Trust

Land Trustee:

Te Āwhina Marae

Emma Park

Director:

Koru Investment Group Ltd

Jeremy Banks

Director:

Wakatū Incorporation Koru Investment Group Ltd Plink Ltd Liss Photography Ltd Network for Learning Nelson Regional Development Agency

Alternate Te Tauihu Representative:

Federation of Māori Authorities

Jarrod Buchanan

Director:

Holiday Nelson Ltd Fresh Seas Ltd

Trustee:

Buchanan Family Trust Project Janszoon Trust

Mereama Chase

Employee:

State Services Commission

John Katene

Trustee:

Te Āwhina Marae Land Trust

John Murray

Director:

Empowered Business Solutions Heslop Group / Barnicoat Developments Ltd Achilles Properties Ltd

Trustee:

Nelson Hospice Funding Trust Nelson Hospice Operating Trust Various Family Trusts

Appointed Member:

Nelson City Council -Governance Committee Audit Risk and Finance Committee Forestry Advisory Group New Zealand Institute of Chartered Accountants -Disciplinary Tribunal Chartered Accountants Australia & New Zealand - Education Board Ngāti Apā ki te Rā Tō

Audit and Risk Sub Committee

John Charleton

Director:

Sea Products Ltd (NRAIT) Abel Tasman Seafoods Ltd (NRAIT) Brecon Consulting Ltd Miro Ltd Partnership Miro-Tupu Ake Limited PFR - Miro Plant Breeding Limited (Part Year)

Director/Shareholder:

Pukeko Capital Holding Ltd

Trustee/Beneficiary:

Brecon Trust Montjoy Trust Trustee:

John Morgan Family Trust

Associate Entities

Sea Products Ltd

NRAIT Director:

Iohn Charleton

Abel Tasman Seafoods Ltd

NRAIT Director:

John Charleton

Abel Tasman Fruit Ltd

NRAIT Director:

Rōpata Taylor

Estuary Pack and Cool Ltd

NRAIT Director:

Rōpata Taylor

Tiakina te Taiao

NRAIT Director:

Russell (Barney) Thomas ~ Chair Aneika Young ~ Alternate

Directory

Trustees

Rōpata Taylor ~ Chair Jeremy Banks ~ Vice Chair, Russell (Barney) Thomas Emma Park, John Katene, Paul Morgan, Mereama Chase and Jarrod Buchanan

Te Whanake

Russell (Barney) Thomas, Paul Morgan, Ropata Taylor, John Katene, Mereama Chase

Sub Committees

Investment Committee

Jarrod Buchanan ~ Chair, Emma Park, John Murray, Mereama Chase, Jeremy Banks, Ropata Taylor (ex-oficio)

Audit & Risk Committee

Emma Park ~ Chair Paul Morgan, Ropata Taylor (ex-oficio), Jeremy Banks, John Murray

Education Committee

Emma Park ~ Chair, Rōpata Taylor, Mereama Chase

Remuneration Committee:

Jeremy Banks ~ Chair Rōpata Taylor, Jarrod Buchanan, John Murray

Staff

John Charleton ~ Chief Executive Nichola Vessey ~ Project Coordinator/Office Manager Amelia Harvey ~ Accounts John Murray - Secretary

Registered Office

Level 1, Wakatū House Montgomery Square Nelson

Physical Address

Level 1, Wakatū House Montgomery Square Nelson

Bankers

ASB Private Bank Bank of New Zealand Limited Kiwibank

Westpac Limited

Legal Advisors Pitt & Moore

12 Selwyn Place, PO Box 42, Nelson

Duncan Cotterill

197 Bridge Street, PO Box 827, Nelson

Business Consultants

Findex

72 Trafalgar St, PO Box 10, Nelson

Auditors

Independent Auditors Ltd PO Box 1042, Nelson

PHOTOGRAPHY

Photos on the following pages were taken by Kate MacPherson: Front and back cover

Page 2 - Pepeha

Page 4 - Notice of Meeting

Page 7 - Chair's Report

Page 9 - Board of Trustees

Page 10 - Our Trust's Governance

Page 24-25 - Ohu Maatu 2019

Page 47 - Te Maatu

Photos on Page 23 - Manawaroa were taken by Melissa Banks

Te Maatu - Our Place

On 2 October 2019 we unveiled two pou, gifted by Ngäti Rärua Ätiawa Iwi Trust, to stand at the entrance of Te Maatu.

Te Poa Karoro, a Ngäti Rärua chief, was one of the first to settle in Te Maatu, and claimed the land through traditional Mäori recognition of ownership; 'whenua kite hou' - discovery, and 'taunaha' - naming the land.

Horoatua was a chief of Ngäti Kömako, a hapü of Puketapu of Te Ätiawa. He named Te Maatu after sighting the tall trees on the plain, likening them to the form of leaders rising above a crowd. Horoatua is recognised as the first of the Te Ätiawa chiefs to settle Motueka.

Together, Te Poa Karoro and Horoatua stand tall at the entrance of the bush and guard the last remaining piece of Te Maatu.



Ngāti Rārua chief Te Poa Karoro



Te Ātiawa chief Horoatua

