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**TĀTAU TĀTAU O TE WAIROA**  
*Annual Report 2019*



Tātau Tātau o Te Wairoa Trust Annual General Meeting  
War Memorial Hall, Wairoa  
Saturday 14 December 2019, 1pm - 3pm

## AGENDA

1. Pōwhiri
2. Karakia
3. Trust Annual Report
4. Audited Financial Statements
5. Appointment of the Independent Auditor
6. Approval of the Directors' Remuneration
7. General Business
8. Kai o te Pō

## RESOLUTIONS

1. That the reports on the operations of Tātau Tātau o Te Wairoa Trust by the elected Tātau Tātau Kāhui Representatives during the preceding Income Year be received.
2. That the Tātau Tātau o Te Wairoa Trust Annual Report 2019 and the duly audited Consolidated Financial Statements for the period ending 30 June 2019 be adopted.
3. That the appointment of BDO Gisborne Limited as the Independent Auditor for the 2019/2020 Income Year be approved.
4. That the Tātau Tātau o Te Wairoa Trustee Limited Director Remuneration Levels for the 2019/2020 Income Year be approved.
5. That the Five-Year Strategic Plan 2019/2024 and Annual Plan 2019/2020 for Tātau Tātau o Te Wairoa Trust be approved.

*The Tātau Tātau Kāhui Representatives will be seeking the adult registered members to resolve to: receive the operational reports of Tātau Tātau; adopt the 2018/2019 Annual Report and audited Consolidated Financial Statements for the Income Year ending 30 June 2019; approve the appointment of the Independent Auditor for the 2019/2020 Income Year; approve the Tātau Tātau o Te Wairoa Trustee Limited Director Remuneration Level for the 2019/2020 Income Year; and approve the Five-Year Strategic Plan for Tātau Tātau o Te Wairoa Trust. Voting will be by show of hands of those adult registered members present at the AGM.*

## Background information

### OPERATIONS OF TĀTAU TĀTAU O TE WAIROA GROUP BY THE ELECTED TĀTAU TĀTAU KĀHUI REPRESENTATIVES DURING THE PRECEDING INCOME YEAR

The reports on the operations of Tātau Tātau o Te Wairoa Trust (Tātau Tātau) by the elected Tātau Tātau Kāhui Representatives include the Chairperson's Report, information relating to the Settlement Process, and information on the Kāhui (Clusters), on pages 18 - 23.

These reports demonstrate the work of Tātau Tātau during the Initial Period as prescribed by the Trust Deed, and the work of the Tātau Tātau Kāhui Representatives during the Implementation Period. Note, clauses 1.7(c) and 2.1 of the Trust Deed restrict the powers and activities of the Initial Trustees during the Initial Period.

The 'Initial Period' covered the last six months of 2018. The first six months of 2019 were driven by the implementation of the new representation and asset arrangement model, led by the Tātau Tātau Kāhui Representatives. The Initial Period activities are now complete and the new model has been fully implemented.

During the Initial Period, the following key activities took place:

- Completed the review of the asset ownership and representation arrangements of Tātau Tātau o Te Wairoa in accordance with clauses 2.3 and 2.4 of the Trust Deed; and
- Received the settlement assets transferred from the Crown.

During the Implementation Period, the Tātau Tātau Kāhui Representatives are responsible for:

- Consulting with Kāhui to determine whether to purchase any properties that may become available during the initial Kāhui DSP period;
- Facilitating the preparation of consulting with Members of Tātau Tātau so that the Kāhui Representatives can prepare the first Annual Plan, Five-Year Strategic Plan and Annual Report; and
- Administering and managing Trust assets.

The reports reflect that the Trust has been focussed on the review of the ownership and representation arrangements, consulting with members and preparing to receive the settlement assets, as the Iwi and Hapū of Te Rohe o Te Wairoa Claims Settlement Bill progressed through Parliament, and then receiving the settlement assets.

It is proposed that the Adult Registered Members of Tātau Tātau o Te Wairoa who are present at the Annual General Meeting, resolve to receive these Tātau Tātau Kāhui Representatives reports on the operations of Tātau Tātau o Te Wairoa Group.

**The following resolution is proposed:**

*“That the reports on the operations of Tātau Tātau o Te Wairoa Trust by the elected Tātau Tātau Kāhui Representatives during the preceding Income Year be received.”*



## ANNUAL REPORT 2019 AND THE DULY AUDITED CONSOLIDATED FINANCIAL STATEMENTS

The activities of the Initial Trustees and the elected Tātau Tātau Kāhui Representatives in the period ending 30 June 2019 have included:

- Receiving the Settlement Redress;
- Ratification of the final representation and asset arrangement model;
- Implementing the approved final representation and asset arrangement model;
- Assisting with the establishment of the Kāhui Beneficial Entities including holding the Elected Representative elections;
- Preparing a draft Five-Year Strategic Plan for members to give feedback on; and
- Developing the annual work programme for the following year, through to 30 June 2020.

As a matter of good governance and for transparency, and as required under the Tātau Tātau o Te Wairoa Trust Deed, an Annual Report (including financial statements) has been prepared for 2019 to ensure all members of Tātau Tātau o Te Wairoa Trust are up to date with the activities of the Initial Trustees.

The Consolidated Financial Statements were prepared by Tarrant Cotter & Co and audited by BDO Gisborne Limited.

**The following resolution is proposed:**

*“That the Tātau Tātau o Te Wairoa Trust Annual Report 2019 and the duly audited Consolidated Financial Statements for the period ending 30 June 2019 be adopted.”*

## APPOINTMENT OF THE AUDITOR

Clause 19.3 of the Trust Deed provides that the Independent Auditor shall be appointed by the Trustees prior to the end of the Income Year to which the audit relates and, where possible, the fee of the auditor shall also be fixed at that time. No Trustee or Director of the Corporate Trustee or employee of the Trust (including any firm of which such a person is a member or employee) may be appointed as the independent auditor. For the avoidance of doubt, the Trust's accountant shall not be appointed as the independent auditor.

Clause 23.2(c) of the Trust Deed requires that the appointment of the Independent Auditor for the next Income Year (2019/2020) be authorised by a resolution of the Adult Registered Members of Tātau Tātau o Te Wairoa present at the Annual General Meeting.

After a tendering process of established auditing companies, it is proposed that BDO Gisborne Limited be appointed the auditor for Tātau Tātau o Te Wairoa Group for the 2019/2020 Income Year.

**The following resolution is proposed:**

*“That the appointment of BDO Gisborne Limited as the Independent Auditor for the 2019/2020 Income Year be approved.”*



## TĀTAU TĀTAU O TE WAIROA TRUSTEE LIMITED DIRECTORS' REMUNERATION

The Initial Trustees have engaged the Institute of Directors (IoD) to provide independent professional advice.

In undertaking this assignment, IoD benchmarked Tātau Tātau o Te Wairoa Trust and the role of the Directors against many different variables, including organisation type, ownership, industry, size, and headcount. This included a comparison with a range of Māori organisations and Post-Settlement Governance Entities (PSGEs). IoD holds extensive survey data and fee movement/trend information, along with other sources of confidential fee information.

IoD recommended a two-phased approach to fee remuneration, as follows:

### Establishment period (evolving nature of governance role)

Base Trustee fee	\$19,000 - \$24,000
Chairperson fee	\$36,000 - \$45,000

### Established and settlement legislation enacted (implementation period)

Base Trustee fee	\$30,000 - \$35,000
Chairperson fee	\$50,000 - \$60,000

Based on an updated report received in April 2019, the IoD has recommended the following base fee ranges:

Directors	\$30,000-\$35,000
Chair	\$50,000-\$60,000

After considering the IoD recommendation, the Directors recommended it was prudent to take the lower end of both of these ranges. The Directors also recommend to engage in a tailored review to analyse actual time commitments involved with the Directors' Governance role compare against the IoD benchmarks.

Directors	\$30,000
Chair	\$50,000

All fees to be inclusive of Tax and ACC levies.

The following resolution is proposed:

*“That the Tātau Tātau o Te Wairoa Trustee Limited Director Remuneration Level for the 2019/2020 Income Year be approved.”*

## FINAL FIVE-YEAR STRATEGIC PLAN

Nine Engagement Hui are to be held in November 2019 to get your feedback on our draft Five-Year Strategic Plan, which sets out our strategic direction for the years ahead and also provides some insight into our annual work programme through to 30 June 2020.

This is an opportunity to tell us if you think we are on the right track with our strategic planning.

At the time of writing this Annual Report, we have been listening to your feedback and are reviewing all your comments, to ensure we are reflecting the aspirations of our people. We will make any necessary changes and present to you a final Five-Year Strategic Plan for approval at the AGM on 14 December.

This plan will guide our mahi for you moving forwards.

The following resolution is proposed:

*That the Five-Year Strategic Plan 2019/2024 and Annual Plan 2019/2020 for Tātau Tātau o Te Wairoa Trust be approved.*



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# TĀTAU TĀTAU O TE WAIROA

*Annual Report 2018/19*

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## About Tātau Tātau o Te Wairoa Trust

TĀTAU TĀTAU O TE WAIROA TRUST WAS APPROVED AS OUR PSGE DURING OUR SETTLEMENT RATIFICATION IN 2016.

The Iwi and Hapū of Te Rohe o Te Wairoa Claims Settlement Bill has passed through Parliament and is now law. On 12 November 2018, Tātau Tātau received our settlement redress.

During the Initial Period, our Initial Trustees were responsible for:

- Managing and overseeing the review process in relation to the ownership arrangement for the Trust's assets and representation.
- Consulting with representatives of our iwi and hapū to decide whether to purchase any properties that might become available during the initial two-year period, including properties that become available through the right of Deferred Selection or Right of First Refusal in the Deed of Settlement.
- Maintaining records and information that will facilitate the Tātau Tātau Kāhui Representatives' preparation of the first Annual Plan, Five-Year Strategic Plan and Annual Report.

Over the past year, Tātau Tātau has been implementing the structure of the Unit Trust Model that you approved in November 2018. This is now fully in operation and Tātau Tātau Kāhui Representatives have been elected.

These Tātau Tātau Kāhui Representatives replace the Initial Trustees and are Directors of Tātau Tātau o Te Wairoa Trustee Limited, which is the sole corporate trustee for Tātau Tātau.

Our Kāhui have now finalised their Trust Deeds and held their own Kāhui representative elections. Many Kāhui are progressing forward with their strategic planning and annual work programme.

Tātau Tātau has been undertaking significant mahi over the past year to get to this point, and at the time of writing this Annual Report, the draft Five-Year Strategic Plan was being shared with members for feedback at a round of Engagement Hui across Aotearoa.

Tātau Tātau has all the usual powers of a PSGE, including the ability to establish subsidiaries. The Tātau Tātau Kāhui Representatives are restricted in their ability to sell or dispose of any assets.

The Trust is accountable to our iwi and hapū and has committed to engaging regularly and keeping members up to date through hui, pānui, our website and social media.

**Key documents, including this Annual Report, are available online at [www.ttotw.iwi.nz](http://www.ttotw.iwi.nz)**

## Tātau Tātau Kāhui Representatives

WITHIN THE TRUST, WE HAVE SEVEN (7) KĀHUI (CLUSTERS). ELECTIONS FOR KĀHUI REPRESENTATIVES WERE HELD BETWEEN DECEMBER 2018 AND AUGUST 2019. AT THE TIME OF WRITING THIS REPORT, NGĀTI RAKAIPAACA ELECTION RESULTS WERE DUE AT THE END OF NOVEMBER 2019.

The Tātau Tātau Kāhui Representatives are Directors of Tātau Tātau o Te Wairoa Trustee Limited, which is the sole corporate trustee for Tātau Tātau o Te Wairoa Trust.

The Tātau Tātau Kāhui Representatives replace the 14 Initial Trustees, now that we have received the Settlement Redress and our Unit Trust Model is fully in operation.

### Your Tātau Tātau Kāhui Representatives are:

- Rongomaiwahine Iwi: Leon Symes (CHAIR)
- Te Whakakī Nui-ā-Rua: Pieri Munro (DEPUTY CHAIR)
- Te Hononga o Ngā Awa: Apiata Tapine
- Ngā Tokorima a Hinemanuhiri: Alexander Maehe
- Ngāti Rakaipaaka: Graeme Symes\* (Current Tātau Tātau Kāhui representative and, at the time of writing this report, the only nominee leading into the 2019 election for this role.)
- Te Wairoa Tāpokorau Mai Tāwhiti: Oha Manuel
- Te Wairoa Tāpokorau Whānui: Phillip Beattie

Our Tātau Tātau Representatives have put together a Five-Year Strategic Plan for the Trust. The final version is presented to you at this AGM for approval.



## WHAKATAUKI

*Kia tutuki ki te wawata kē  
tū anō o rātou Whānau,  
Hapū, Iwi, i runga i o rātou  
ake mana.*

### **Chairperson's Report**

E ngā mana, e ngā reo, e ngā kārangaranga Iwi, Hapū, Whānau, Marae o te Rohe o Te Wairoa, tēnā koutou, otira, tēnā tātau katoa. E ngā mate huhua o te wā, nau mai haere atu. Ko te kōrero mō koutou, haere atu rā, moe mārire mai. Taipō ko koutou ki a koutou, tai awatea ko tātau ki a tātau, tēnā anō tātau katoa. Tēnā tātau i te huringa mai o te tau hou i roto i ōna āhuatanga katoa, ā, ko te tūmanako, kei te noho ora mai ngā whānau ki tēnei pito, ki tēnā moka o te motu i tēnei wā.

Tēnā koutou katoa,

On behalf of the Initial Trustees of Tātau Tātau o Te Wairoa Trust and the newly-appointed Tātau Tātau Representatives, it is my privilege to present this Annual Report, which details the Trust's mahi for the 12 months up to 30 June 2019.

We are grateful for the consistent support from our whānau, and the support we receive from valuable professional advice and services to guide our mahi for you.

The past year has been an incredibly busy one for the Iwi and Hapū of Te Rohe o Te Wairoa. In writing this report, I have been able to reflect on how fast the year has gone and all that has been achieved to set the wheels in motion for a prosperous future for whānau, hapū and iwi.

#### **A year of milestones**

The second half of this year saw us achieve many significant milestones in our journey. We have covered this in previous communications with you, but it is fitting to look back on these here.

As you are aware, the August 2018 updates we needed to make to our Trust Deed to align with the Deed of Settlement you approved in 2016, caused an unfortunate delay. However, it was fantastic to see the continued support from our people to ensure our settlement could keep moving forward – the majority (94.88 per cent) of valid votes cast on the Special Resolution approved the updates.

Our settlement became law following the third and final reading of our Iwi and Hapū of Te Rohe o Te Wairoa Claims Settlement Bill in Parliament on 6 September 2018, and the transfer of settlement redress occurred on 12 November 2018. This saw the years and years of hard work by our tīpuna come to fruition.

Your approval of the final representation and asset arrangement model for Tātau Tātau o Te Wairoa Trust was a big milestone for the Trust – we received overwhelming support from 91.78 per cent of our adult registered members who voted on the Special Resolution in November 2018.

#### **Our Group Structure**

Today, our Unit Trust Model and Kāhui representation are what makes up our Tātau Tātau o Te Wairoa Group Structure. We believe this model will enable a bright future for our tamariki and mokopuna. You can view the Structure in detail on page 21.

It is a unique model for our settlement that is tailored specifically to the needs of our people. Now that the model is fully in operation, we will start seeing some real progress for our whānau, hapū and iwi, not only economically, but also environmentally, culturally and socially.

Indeed, much of our mahi in 2019 has been focused on implementing the structure of the Unit Trust and Kāhui representation model.

This work included having our Kāhui finalise their Trust Deeds and holding their Kāhui representative elections.

Tātau Tātau Kāhui Representative elections were also held between December 2018 and August 2019, and at the time of writing this report, Ngāti Rakaipaaka election results are due at the end of November 2019. The Tātau Tātau Kāhui Representatives are Directors of Tātau Tātau o Te Wairoa Trustee Limited, which is the sole corporate trustee for Tātau Tātau o Te Wairoa Trust.

Directors were also appointed to our Commercial Board and we advertised and expect to have general manager and commercial adviser appointments for Tātau Tātau in place shortly.

#### A strong strategic direction

At the time of writing this Annual Report, we have been seeking our members' feedback on the draft Five-Year Strategic Plan for Tātau Tātau, through a round of Engagement Hui held across Aotearoa in November.

We have enjoyed the opportunity to kōrero with you on the strategic direction for Tātau Tātau at the Engagement Hui. As always, our goal is to ensure a prosperous, healthy and aspirational future for all the whānau, hapū and iwi of Te Rohe o Te Wairoa.

Feedback on our strategic direction is open till 30 November – whānau can also send feedback via the online form on our website. We will review all your feedback, make any necessary changes, and then present the final Five-Year Strategic Plan for approval at the AGM on 14 December.

#### Annual work programme

Our Tātau Tātau Kāhui Representatives have been focused on putting together the annual work programme for the Trust, through to 30 June 2020. This was shared at the Engagement Hui and we look forward to continuing to roll this out to benefit all our uri.

I continue to encourage anyone with whakapapa to the Iwi and Hapū of Te Rohe o Te Wairoa to register with the Trust so you can benefit from our settlement. If you are not already registered with the Trust, head to [www.ttotw.iwi.nz](http://www.ttotw.iwi.nz) today to register. That way you can keep updated with the latest news.

On behalf of the Tātau Tātau Kāhui Representatives, we would like to especially thank the Initial Trustees for their selfless effort over the past two years, as well as all those who have assisted and supported us in our mahi.

Tātau Tātau o Te Wairoa Trust remains honoured and humbled to have your strong support to carry out this mahi on behalf of the Iwi and Hapū of Te Rohe o Te Wairoa.

It is important, in this new era of opportunity, that we keep working together to achieve a prosperous future for our whānau, hapū and iwi.

Mauri Ora!



Leon Symes  
Chairperson

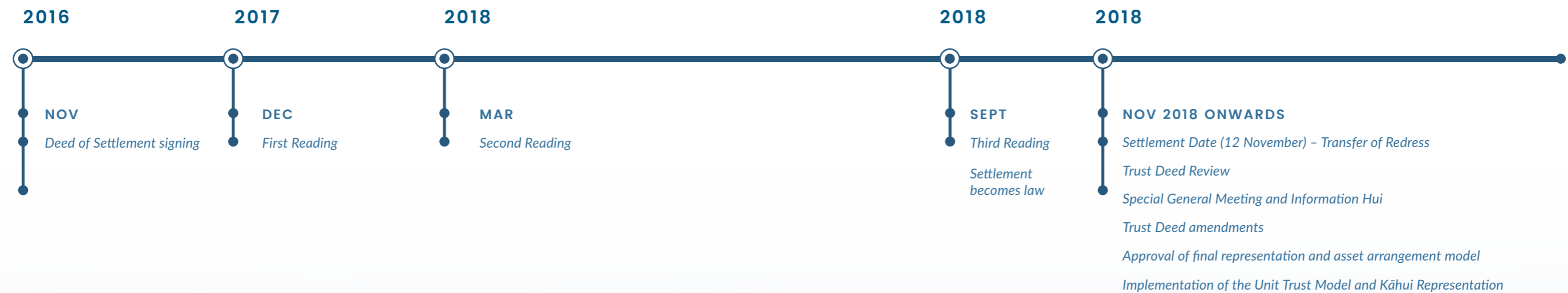


## Our Settlement Journey

OUR SETTLEMENT JOURNEY BEGAN MORE THAN 30 YEARS AGO, WHEN OUR ELDERS FIRST LODGED HISTORICAL TREATY CLAIMS WITH THE WAITANGI TRIBUNAL IN THE EARLY 1980s, FOR THE AREA BETWEEN TŪRANGANUI-A-KIWA AND MŌHAKA (THE 'WAIROA INQUIRY DISTRICT').

Ultimately our whakapapa and whanaungatanga helped us to work together. Our Iwi and Hapū eventually formed into a single large natural grouping, initially known as the Wairoa Working Group, and then Te Tira Whakaemi o Te Wairoa (Te Tira), made up of seven clusters of Iwi and Hapū groups across the region.

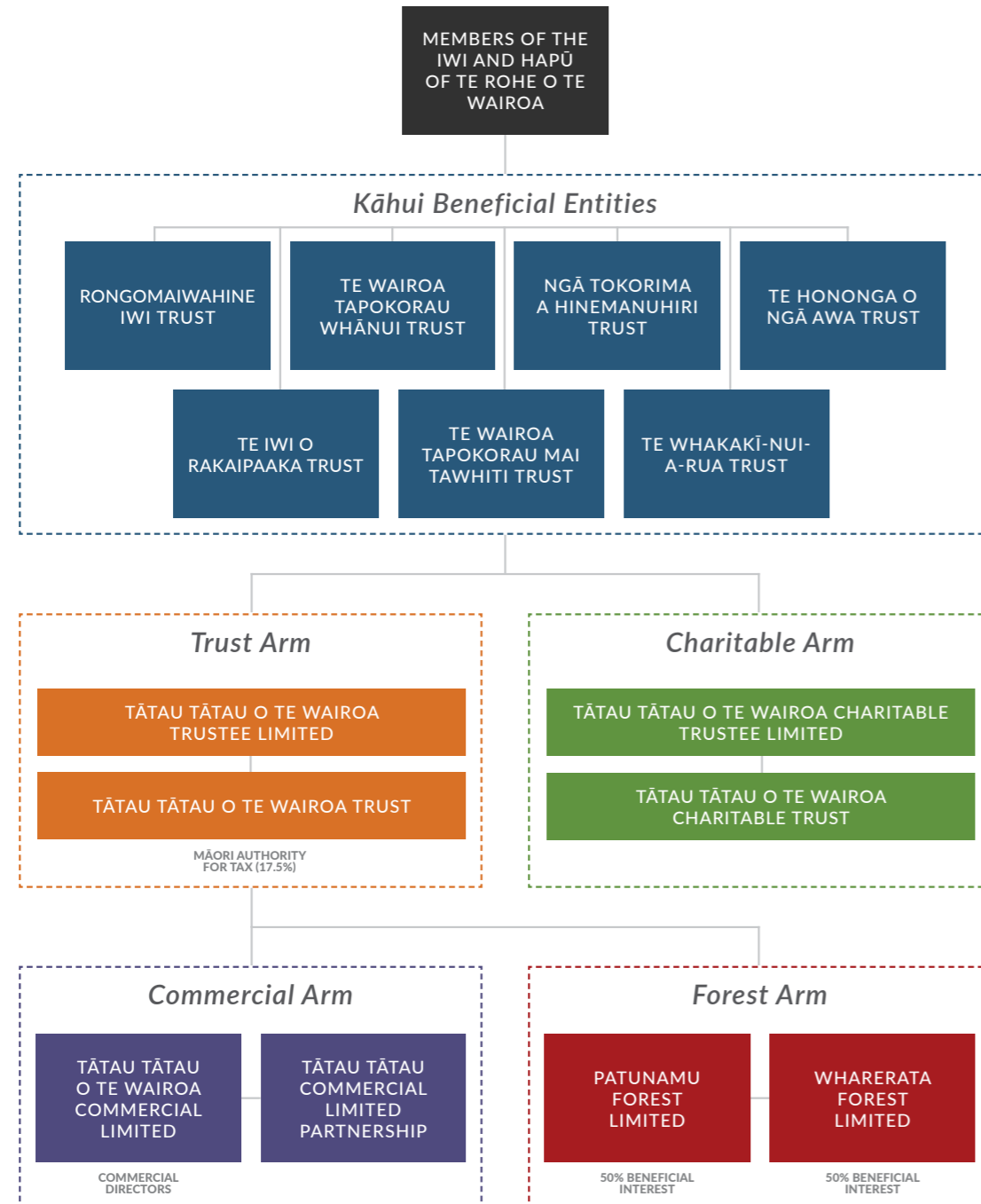
It took years of intense discussion, consultation and negotiation to get to our Deed of Settlement and Post-Settlement Governance Entity (PSGE), Tātau Tātau o Te Wairoa Trust, which our Iwi and Hapū approved in 2016.



## Our Group Structure

OUR UNIT TRUST MODEL AND KĀHUI REPRESENTATION ARE WHAT MAKES UP OUR TĀTAU TĀTAU O TE WAIROA GROUP STRUCTURE.

This is the model you approved in our Final Representation and Asset Arrangement vote in November 2018. The model is now fully in operation.



### Rongomaiwahine Iwi

Ngāi Te Rākatō  
Ngāi Hikairo  
Ngāi Hinewhakāngi (also known as Hinewhata)  
Ngāi Meke  
Ngāi Tama (including Ngāi Ruawharo)  
Ngāi Tārewa  
Ngāi Tū (including Ngāi Takoto)

### Ngāti Rakaipaaka

Ngāti Rangī  
Ngāi Te Rehu  
Ngāi Tamakahu  
Ngāi Tureia  
Ngāi Te Kauaha/ Ngāti Kauaha

### Ngā Tokorima a Hinemanuhiri

Ngāi Tamaterangi  
Ngāti Mākorō  
Ngāti Hingāngā  
Ngāi Pupuni  
Ngāti Parerōa  
Ngāti Poa  
Ngāi Tamatea  
Ngāti Hinetu  
Ngāti Mihi

### Te Hononga o Ngā Awa

Ngāti Hingāngā (also known as Te Aitanga a Pourangahua)  
Ngāti Kōhatu (also known as Ngāti Hinehika)  
Ngāti Hinemihi  
Ngāti Hikatu  
Ngāti Puku  
Ngāti Peehi  
Ngāti Hinepehinga  
The Whaanga Whānau and the Hinemanuhiri ki Waipaoa Whānau

### Whakakī Nui-A-Rua

Ngā hapū o Whakakī, being:  
Ngāti Hine Te Pairu  
Ngāti Hinepua  
Ngāi Te Ipu  
Ngā hapū o Iwitea, being:  
Ngāi Tahu  
Ngāti Ruapani  
Ngāti Urewera  
Ngāti Hinepua  
Ngāi Tūpaka  
Ngāi Te Kakari  
Ngāti Matawhāiti  
Ngāti Hikawhare  
Ngāi Te Koara  
Ngāi Te Rangihauene

Ngāti Hineringa  
Ngāti Pukukaraka  
Ngāti Pokino  
Ngāti Hau  
Ngāti Rua  
Ngāti Kahina  
Ngāti Kipamaro  
Ngāti Kakahi  
Ngāti Kaituna  
Ngāti Patutai  
Ngāti Mātuhanga  
Ngāi Teki  
Ngāi Te Ariari  
Ngā hapū o Ngāmotu, being:  
Kaahu  
Te Uri o Te O  
Ngā Huka o Tai  
Te Aitanga a Puata  
Ngāti Mātua  
Ngāti Koropī  
Ngāi Tarita  
Ngāi Te Rangituanui  
Ngāti Hikatu

### Te Wairoa Tapokorau Mai Tawhiti

Te Aitanga a Puata  
Ngāti Kurupakiaka  
Ngāti Tiakiwai  
Ngāti Momokore  
Ngāti Waiaha  
Ngāi Te Rangituanui  
Ngāi Taitau  
Ngāti Mātangirau  
Te Uri o Te O  
Ngāi Tauira  
Ngāti Matua  
Ngāti Tahu  
Ngāti Kahu  
Ngāti Koropi

### Te Wairoa Tapokorau Whānui

Ngāti Moewhare  
Ngāi Te Apatu  
Ngāi Tānemitirangi  
Iwi Kātea  
Ngāi Tauira  
Ngāi Te Kapuamātoru  
Ngāti Kuruhiwi  
Ngāti Ngakautaweka  
Ngāti Pukupepepi  
Ngāti Rāhui  
Ngāi Tamao  
Ngāti Tawarangi  
Ngāi Te Aorangi

**TĀTAU TĀTAU O TE WAIROA**  
2018 AGM Minutes

***Tātau Tātau o Te Wairoa – Annual General Meeting***

Tātau Tātau o Te Wairoa Annual General Meeting held Saturday 16 December 2018 at 5.15pm at Kaiuku Marae, Mahia

**PRESENT**

Trustees: Johnina Symes Pieri Munro  
Leon Symes Oha Manuel  
Richard Niania Huia Huata  
Pauline Symes Apiata Tapine  
Phillip Beattie Moana Rongo  
Huia Huata

**IN ATTENDANCE**

Devonshire Mogford - Contracted Service – WWMTB  
See Attendance Register on Trust website [www.ttotw.iwi.nz](http://www.ttotw.iwi.nz)

**TRUSTEE APOLOGIES**

Carwyn Jones Carmen Morrell  
See Apologies Register

**KARAKIA**

Richard Niania

**AGENDA**

The Chairperson welcomed everyone to the Annual General Meeting of Tātau Tātau o Te Wairoa Trust and provided an opportunity for the Trustees to introduce themselves.

The Chairperson advised that a quorum for this meeting was 80 adult registered beneficiaries and that the number of attendees signed in sat at 84. He encouraged those who had not yet signed the register, to do so.

The Chair also took the opportunity to introduce the Directors for both Patunamu Forest Limited (Richard Brooking and Bryan McKinlay) and Wharerata Forest Limited (Julian Kohn and Shayne Walker).

The Chair acknowledged the presence of the Kaumātua Council members in attendance (Hine Kohn, Elizabeth Hunkin, Kenross Campbell, Graeme Symes and Cordry Huata).

On behalf of the Trustees, the Chair presented the 2018 Annual Report (Year ending 30 June 2018), and read his report to those present before moving to the resolutions contained in the report.

## TRUSTEES' ANNUAL REPORT

The Annual Report reported on the operations of Tātau Tātau o Te Wairoa (TToTW) by the Initial Trustees, including a Chairperson's Report, information relating to the Settlement Process and information on the Kāhui (Clusters).

It was noted in the booklet distributed that these reports demonstrated the work of the Initial Trustees during the Initial Period as prescribed by the Trust Deed, and that Clauses 1.7(b) and 2.1 of the Trust Deed restrict the powers and activities of the Initial Trustees during the Initial Period to the following:

- Reviewing the ownership and representation arrangements of members of TToTW;
- Receiving the settlement assets;
- Consulting with members of TToTW to determine whether to purchase any properties that may become available during the Initial Period. (It was noted that none of these properties have become available as at the date of this Annual Report);
- Organising and holding the election of the First Trustees. (It was noted that the Initial Trustees have planned for these elections to now occur in March 2019);
- Maintaining records and information so that the First Trustees can prepare the first Annual Plan, Five Year Strategic Plan and Annual Report; and
- Administering and managing Trust assets. (It was noted that the bulk of these have not yet been received, and this power is further restricted by Clause 2.2 which prevents the Initial Trustees from risking assets).

The Chair provided explanations of the above points.

The report reflected the Initial Trustees' focus on the review of the ownership and representation arrangements, consulting members and preparing to receive the settlement assets, as the Settlement Bill progressed through Parliament.

It was therefore proposed that the adult registered members of TToTW who are present at this Annual General Meeting, resolve to receive these Initial Trustees' reports on the operations of TToTW.

### Resolution 1

The following resolution was proposed:

*That the reports on the operations of Tātau Tātau o Te Wairoa Trust by the Initial Trustees during the proceeding Income Year of the Initial Period be received.*

**MOVED:** WENDY JOHNSON

**SECONDED:** RICHARD BROOKING

**FOR:** ALL

**AGAINST:** NIL

**ABSTAINED:** NIL

## AUDITED FINANCIAL STATEMENTS

The Chairperson advised that while the activities of the Initial Trustees for the period ending 30 June 2018 have been limited to the review of the ownership and representation arrangements, it was decided that as a matter of good governance and for transparency, an Annual Report (including financial statements) would be prepared for 2018 to ensure all members of TToTW Trust are up to date with the activities of the Initial Trustees.

The Consolidated Financial Statements were prepared by Tarrant Cotter & Co and audited by BDO Gisborne Limited.

### Resolution 2

The following resolution was therefore proposed:

*That the Tātau Tātau o Te Wairoa Trust Annual Report 2018 and the duly audited Consolidated Financial Statements for the period ending 30 June 2018 be adopted.*

**MOVED:** WENDY JOHNSON

**SECONDED:** SHAYNE WALKER

Discussion ensued as to the proposed resolution, and the following comments were noted:

- A query was made as to the balance remaining from the On Account Payment of \$5 million. The Chair advised that the report reported on the On Account Payment and that the settlement redress was received after the end of the financial year. The report also excluded the purchase of the two forests, and accumulated rentals.
- The Trustees were congratulated for their prudent financial management.
- The level of photocopying costs were questioned. The Chair advised that part of that cost had been done on behalf of the Kāhui in order to communicate with its membership.

Following discussion, the resolution was passed for voting:

**FOR:** ALL

**AGAINST:** NIL

**ABSTAINED:** NIL

## APPOINTMENT OF THE INDEPENDENT AUDITOR

The Annual Report booklet referred to Clause 10.3 of the Trust Deed which provides for the appointment of an Independent Auditor prior to the end of the Income Year to which the audit relates and, where possible, the fee of the auditor shall also be fixed at that time.

It was noted that no Trustee or employee of the Trust (including any firm of which such a person is a member or employee) may be appointed as the auditor.

It was also noted that Clause 14.2(c) of the Trust Deed requires that the appointment of the Independent Auditor for the next Income Year (2018/19) be authorised by a resolution of the adult registered members of TToTW present at the Annual General Meeting.

### Resolution 3

The following resolution was proposed:

*That the appointment of BDO Gisborne Limited as the Independent Auditor for the 2018/2019 Income Year be approved.*

**MOVED:** ELIZABETH PALMER

**SECONDED:** NAOMI WILSON

**FOR:** ALL

**AGAINST:** NIL

### APPROVAL OF THE TRUSTEES' REMUNERATION

The Chairperson explained the process undertaken, which was also noted in the Annual Report booklet, and advised that remuneration for the Initial Trustees had been set by professional advice for the period they hold office as Initial Trustees, under clause 14.2(b) of the Trust Deed.

Institute of Directors (IoD) submitted a report and recommendations to the Initial Trustees in May 2017. In undertaking this work, IoD benchmarked TToTW and the role of the Initial Trustees against many different variables, including organisation type, ownership, industry, size, and headcount. This also included a comparison with a range of Māori organisations and Post Settlement Governance Entities (PSGEs). The IoD holds extensive survey data and fee movement/trend information, along with other sources of confidential fee information.

It was noted in the booklet that the nature of that tailored review also included an analysis of the time commitments involved with the Initial Trustees' governance and operational role against comparative benchmarks.

IoD therefore recommended a two-phased approach to fee remuneration, as follows:

#### Established Period (evolving nature of Governance role)

Base Trustee fee	\$19,000 - \$24,000
Chairperson fee	\$36,000 - \$45,000

#### Established and Settlement Legislation enacted

Base Trustee fee	\$30,000 - \$35,000
Chairperson fee	\$50,000 - \$60,000

In 2017, the Initial Trustees considered the IoD recommendations above, together with Tier 3 of the Crown Statutory Salary Framework in setting the following fees for the Initial Trustees:

The Trustees considered the IoD recommendation and also Tier 3 of the Crown Statutory Salary Framework in setting the following fees for Initial Trustees:

General Trustee	\$17,400.00 per annum, \$1,450.00 per month
Deputy Chairperson	\$21,750.00 per annum, \$1,812.50 per month
Chairperson	\$26,100.00 per annum, \$2,175.00 per month

After considering the two-phased fee approach as recommended by IoD, the Trustees believed it would be prudent to be conservative and are recommending the following Trustee and Chairperson fee remuneration levels for the **new seven Kāhui Tātau Tātau Representatives**:

Trustee	\$24,000.00 per annum
Chairperson	\$45,000.00 per annum

All fees to be inclusive of Tax and ACC levies.

### Resolution 4

The following resolution was proposed:

*That the Trustee Remuneration Level for the 2018/2019 Income Year be approved.*

**MOVED:** SOPHIE DODDS

**SECONDED:** HILDA AMARU

Discussion ensued as to the proposed resolution, and the following comments were noted:

- Clarification of the Trustee fees for the Initial Period was welcomed.

Following discussion, the resolution was passed for voting:

**FOR:** ALL

**AGAINST:** NIL

**ABSTAINED:** ALL TRUSTEES PRESENT

### GENERAL BUSINESS

The Chairperson reviewed the discussion items from the 2017 AGM and then called for any general business items for discussion. Whilst the discussions moved back and forth, the following comments were captured:

#### Discussion Item 1

##### Open Meetings

A question was raised as to the request tabled at the 2017 AGM to open Trustee meetings. The Chair advised that the request had been considered and it had been decided by the Trustees to keep meetings closed to avoid misunderstandings and consistent messaging to the Kāhui. He encouraged member engagement with their Trustees.

#### Discussion Item 2

##### Removal of Ngai Te Rakato

Alice Wairau tabled a letter on behalf of Ngai Te Rakato and Phyllis Callaghan spoke to the letter, which challenged the removal of Ngai Te Rakato from 'Rongomaiwahine/Ngai Te Rakato'. They requested details of the Special Resolution process undertaken to remove Ngai Te Rakato and had been advised that this was the correct process to use.

The letter was received by the Chair.

### Discussion Item 3

#### Overseas Whānau

Feedback had been received from overseas whānau to encouraging our whānau to return to Wairoa, and whether this was a focus of TToTW.

The Chair advised that it was a focus of TToTW to lift the living standard of our whānau, with good, high paying employment opportunities in Wairoa, not just labouring opportunities.

### Discussion Item 4

#### Kāhui Registrations & Voting

Clarity was sought over Kāhui registrations and voting.

The Chair advised that up until now, it was based on a 'one person, one vote' process. The new process will be for Kāhui to elect their Trustee and where a person has multiple Kāhui interests, they could register all of those affiliations so that they no longer had to choose a primary Kāhui. Members can register all of their Kāhui interests, and participate fully in those Kāhui.

In response, the member advised that there had been different interpretations of this, but the concern was in the event that people do register in all Kāhui and vote, is this a strategic plan to block vote for a selected group?

The Chair advised that the new process was an attempt to achieve balance and removing the need for making members choose one Kāhui as a primary.

### Discussion Item 5

#### Level of Voters – Trust Deed Amendments

Concern raised about the low level of members who voted in the last Trust Deed amendments and queried whether any analysis had been done as to why that might be. It was felt that it was important to consider why a poor response had been received.

The Chair advised that any analysis would be 'crystal ball gazing' given that the opportunity had been given to all members to vote and a full round of engagement hui had been undertaken. He suggested that low voter response could indicate that members were generally happy with how things are progressing.

### Discussion Item 6

#### Assessment of Skill Base / Trusteeship

A member implored Trustees to be careful about Trustee selection and ensuring the correct skill base is achieved within the Trust, given the work at hand. Local rangatahi are incredible and it was important that engagement with the rangatahi was done to foster collaborative work.

The Chair advised that via the SERS framework, this would bind government agencies to the Wairoa District and a database review to include expertise within the membership could capture that information.

He also spoke of training our own in those areas of expertise and how that could be achieved i.e. forestry companies.

Further comments were received about achieving a balance between utilisation of our ahi kaa and those living away who also have that expertise. The member also discouraged the practice of 'stacking Boards' for individual interest.

### Discussion Item 7

#### Marketing & Rangatahi Council

Concern raised about the lost opportunities to engage rangatahi and a suggestion was made that a Rangatahi Council be established, to compliment the Kaumātua Council forum.

The Chair advised that this was an ongoing consideration of the Trustees, particularly how best to engage with rangatahi.

### Discussion Item 8

#### Kāhui Trust Deeds

Question raised what the next step would be for the two Kāhui that have executed their Trust Deeds. The Chair advised that the focus would be on the five Kāhui that had yet to execute their Kāhui Trust Deeds. This did not prevent the two Kāhui with Trust Deeds, evaluating what resourcing they required to move to the next level of operation. This was a discussion still in progress by the Trustees, who wanted all Kāhui to be at the same level of capability.

MEETING CLOSED: 7.15 PM

KARAKIA: RICHARD NIANIA





**TĀTAU TĀTAU O TE WAIROA**  
*Financial Statements 2019*

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## Directory

### Tātau Tātau o Te Wairoa Trust Group For the year ended 30 June 2019

#### Nature of Business

Tātau Tātau o Te Wairoa Trust is the Post Settlement Governance Entity (PSGE) that will receive, hold, manage, administer and distribute the Trust's assets on behalf of and for the benefit of the present and future members of the Iwi and Hapū of Te Rohe o Te Wairoa.

#### Address

34 Marine Parade  
Wairoa  
New Zealand 4108

#### IRD Number

122-932-281

#### Corporate Trustee

Tātau Tātau o Te Wairoa Trustee Limited

#### Directors

Phillip Beattie  
Alex Maehe  
Oha Manuel  
Pieri Munro  
Graeme Symes  
Leon Symes  
Apiata Tapine

#### Chartered Accountant

Tarrant Cotter & Co  
Chartered Accountants  
P O Box 100  
Wairoa 4160

#### Bankers

Westpac Bank  
Wairoa Branch  
Marine Parade  
Wairoa 4108

#### Solicitors

Chapman Tripp  
P O Box 2206  
Auckland 1140



## Approval of Financial Statements

### Tātau Tātau o Te Wairoa Trust Group For the year ended 30 June 2019

The Trustees are pleased to present the approved financial report including the historical financial statements of Tātau Tātau o Te Wairoa Trust Group for the year ended 30 June 2019.

APPROVED

For and on behalf of the Directors:

Leon Symes  
Chairperson

Date 06/12/19

P Munro  
Deputy Chairperson

Date 6/12/19



## Statement of Financial Performance

### Tātau Tātau o Te Wairoa Trust Group For the year ended 30 June 2019

	NOTES	2019	2018
<b>Revenue</b>			
Office of Treaty Settlements - Financial & Commercial Redress		95,000,000	-
Office of Treaty Settlements - Interest on Settlement		10,344,486	-
Office of Treaty Settlements - Other Income		42,000	-
Patunamu Forest Ltd - Accumulated Rental		3,161,866	-
Wharerata Forest Ltd - Crown Fund on Settlement		6,314,245	-
Interest - Inland Revenue		11	-
Interest - Westpac		736	358
Interest - Westpac Term Deposits		1,552,695	131,081
Interest - Wharerata Forest Ltd		130,686	-
Other Revenue		400	-
<b>Total Revenue</b>		<b>116,547,125</b>	<b>131,440</b>
<b>Gross Profit</b>		<b>116,547,125</b>	<b>131,440</b>
<b>Operating Expenses</b>			
<b>Admin Costs</b>			
Election Expenses		67,723	-
General Expenses		-	-
Health & Safety		919	467
Mobile Phones		-	140
Secretarial Costs		48,389	27,463
Telephone & Internet		-	105
<b>Total Admin Costs</b>		<b>117,030</b>	<b>28,175</b>
<b>Communications, Marketing &amp; Iwi Engagement</b>			
Communications - Cluster		-	39,510
Communications - Roadshows & Iwi		183,241	281,119
Iwi Hui		227,310	26,797
Marketing & Promotions		6,011	53,222
3rd Reading Expenses		186,143	12,000
<b>Total Communications, Marketing &amp; Iwi Engagement</b>		<b>602,706</b>	<b>412,648</b>
<b>Finance &amp; Legal</b>			
Audit Fees		4,600	3,450
Bank Fees		120	118
DSP Valuations		2,300	-
Financial Consultants		93,859	49,231
Interest Expense		-	17
Insurances		7,415	6,958
Legal Expenses		477,264	316,269
<b>Total Finance &amp; Legal</b>		<b>585,558</b>	<b>376,043</b>
<b>IT Related Costs</b>			
Database Costs		11,684	-
IT Consultants		-	719
Software Licence & Support		8,695	2,109
<b>Total IT Related Costs</b>		<b>20,379</b>	<b>2,828</b>

The accompanying notes form part of these financial statements. These statements have been audited.



	NOTES	2019	2018
<b>Premises &amp; Office Costs</b>			
Photocopying		22,576	10,467
Stationery & Postage		861	1,111
<b>Total Premises &amp; Office Costs</b>		<b>23,438</b>	<b>11,577</b>
<b>Personnel Costs</b>			
Recruitment Advertising		3,839	8,642
Temporary Staff		-	3,000
Training		1,548	-
Wages & Salaries		40,968	80,442
<b>Total Personnel Costs</b>		<b>46,355</b>	<b>92,084</b>
<b>Travel &amp; Entertainment</b>			
Koha		284	753
Local Travel Expenses		1,051	5,140
Subscriptions - Publications		104	104
<b>Total Travel &amp; Entertainment</b>		<b>1,439</b>	<b>5,997</b>
<b>Governance Costs</b>			
Commercial Advisory Group Costs		7,466	-
Commercial Board Costs		45,554	-
Director Expenses		10,788	9,549
Director Fees		245,375	253,750
Director Meeting Costs		22,939	44,709
Director Travel		27,514	47,640
Forestry Board Costs		17,587	-
Kaunihera Kaumatua Costs		14,703	60,290
Validator Expenses		22,628	8,427
<b>Total Governance Costs</b>		<b>414,555</b>	<b>424,365</b>
Depreciation		1,742	2,419
<b>Total Operating Expenses</b>		<b>1,813,202</b>	<b>1,356,137</b>
<b>Profit (Loss) Before Taxation</b>		<b>114,733,923</b>	<b>(1,224,698)</b>
<b>Income Allocated to Beneficiaries</b>			
Initial Distributions		2,466,333	-
<b>Total Income Allocated to Beneficiaries</b>		<b>2,466,333</b>	<b>-</b>
<b>Trustees Income Before Tax</b>		<b>112,267,590</b>	<b>(1,224,698)</b>
<b>Taxation and Adjustments</b>			
Income Tax Expense		294,722	23,002
Prior Year Tax Reassessed		-	(12,596)
<b>Total Taxation and Adjustments</b>		<b>294,722</b>	<b>10,406</b>
<b>Net Surplus/(Deficit) for the Year</b>		<b>111,972,868</b>	<b>(1,235,104)</b>
<b>Other Comprehensive Revenue and Expenses</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expenses</b>		<b>111,972,868</b>	<b>(1,235,104)</b>

The accompanying notes form part of these financial statements. These statements have been audited.



## Statement of Financial Position

Tātau Tātau o Te Wairoa Trust Group  
As at 30 June 2019

	NOTES	2019	2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Bank	3	662,521	271,772
Trade and Other Receivables	4	9,568,515	-
Income Tax Receivable	5	-	11,169
<b>Other Current Assets</b>			
Current assets	6	232,750	12,006
Investments	7	99,035,058	3,207,070
<b>Total Other Current Assets</b>		<b>99,267,808</b>	<b>3,219,076</b>
<b>Total Current Assets</b>		<b>109,498,844</b>	<b>3,502,017</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	8	3,273	4,516
Other Non-Current Assets	9	6,035,750	-
<b>Total Non-Current Assets</b>		<b>6,039,023</b>	<b>4,516</b>
<b>Total Assets</b>		<b>115,537,867</b>	<b>3,506,532</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables		83,867	43,777
Income Tax Payable	5	18,377	-
<b>Total Current Liabilities</b>		<b>102,244</b>	<b>43,777</b>
<b>Total Liabilities</b>		<b>102,244</b>	<b>43,777</b>
<b>Net Assets</b>		<b>115,435,623</b>	<b>3,462,755</b>
<b>Equity</b>			
Retained Earnings	10	115,435,523	3,462,655
Other	10	100	100
<b>Total Equity</b>		<b>115,435,623</b>	<b>3,462,755</b>

The accompanying notes form part of these financial statements. These statements have been audited.



## Statement of Changes in Equity

Tātau Tātau o Te Wairoa Trust Group  
For the year ended 30 June 2019

	2019	2018
<b>Trust Capital</b>		
Opening Balance	3,462,755	4,697,859
<b>Increases</b>		
Total Comprehensive Revenue and Expense for the Year	111,972,868	-
<b>Total Increases</b>	<b>111,972,868</b>	<b>-</b>
<b>Decreases</b>		
Total Comprehensive Revenue and Expense for the Year	-	1,235,104
<b>Total Decreases</b>	<b>-</b>	<b>1,235,104</b>
<b>Closing Equity as at 30 June 2018</b>	<b>115,435,623</b>	<b>3,462,755</b>

The accompanying notes form part of these financial statements. These statements have been audited.



## Statement of Cash Flows

### Tātau Tātau o Te Wairoa Trust Group For the year ended 30 June 2019

	2019	2018
<b>Cash Flows from Operating Activities</b>		
Cash receipts from other operating activities	400	-
Interest Received	1,332,698	123,283
Operating Expenses	(1,776,212)	(1,430,614)
Taxation	(222,052)	(22,869)
<b>Total Cash Flows from Operating Activities</b>	<b>(665,166)</b>	<b>(1,330,200)</b>
<b>Cash Flows from Investing Activities</b>		
Receipts from sale of investments	7,271,694	5,300,000
Payments to acquire property, plant and equipment	(500)	(1,844)
Payments to purchase investments	(109,135,432)	(4,007,070)
<b>Total Cash Flows from Investing Activities</b>	<b>(101,864,238)</b>	<b>1,291,086</b>
<b>Cash Flows from Financing Activities</b>		
Equity and Settlement Funds	105,386,486	-
Initial Distributions	(2,466,333)	-
<b>Total Cash Flows from Financing Activities</b>	<b>102,920,153</b>	<b>-</b>
<b>Net Increase/ (Decrease) in Cash</b>	<b>390,750</b>	<b>(39,114)</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	271,772	310,886
Cash and cash equivalents at end of period	662,521	271,772
Net change in cash for period	390,750	(39,114)

The accompanying notes form part of these financial statements. These statements have been audited.



## Notes to the Financial Statements

### Tātau Tātau o Te Wairoa Trust Group For the year ended 30 June 2019

#### 1. Reporting Entity

Tātau Tātau o Te Wairoa Trust (The Trust) is a Trust established by the Trust Deed dated 26 November 2016 and subject to the Trustees Act 1956.

The Trust's purpose is to receive, hold, manage, administer and distribute the Trust's assets on behalf of and for the benefit of the present and future members of the Iwi and Hapū of Te Rohe o Te Wairoa in accordance with the Trust Deed.

On 30 November 2018, having obtained the requisite special resolution of adult registered members, the Trust Deed was varied and restated with Tātau Tātau o Te Wairoa Trustee Limited, a limited liability company incorporated under the Companies Act 1993, being appointed the sole corporate trustee of Tātau Tātau o Te Wairoa Trust.

The Trust and its controlled entities -

- Tātau Tātau o Te Wairoa Trustee Limited
- Tātau Tātau Commercial Limited Partnership
- Tātau Tātau o Te Wairoa Commercial Limited
- Tātau Tātau o Te Wairoa Charitable Trust
- Tātau Tātau o Te Wairoa Charitable Trustee Limited

together form the "Group". The controlled entities were established during the year ended 30 June 2019 however were not trading or operational until post 30 June 2019.

#### 2. Statement of Accounting Policies

##### Basis of Preparation

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP").

Tātau Tātau o Te Wairoa Trust as a public benefit Not-For-Profit entity is eligible to apply Not-For-Profit Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) on the basis that it does not have public accountability and it is not defined as large. The Board has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions. This decision results in Tātau Tātau o Te Wairoa Trust not preparing a Statement of Service Performance.

These financial statements comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit and For-Profit entities.

##### Historical Cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

##### Changes in Accounting Policies

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

The accompanying notes form part of these financial statements. These statements have been audited.



## Revenue Recognition

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

Interest received is recognised as interest accrues, gross of refundable tax credits received.

## Property, Plant and Equipment and Investment Property

Property, plant and equipment and investment property are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment or investment property is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Upon derecognition, the asset revaluation reserve relating to the asset disposed shall be transferred to retained earnings.

## Depreciation

Account	Method	Rate
Computer Equipment	Diminishing Value (100%)	50%
Office Equipment	Diminishing Value (100%)	20% - 40%
Plant & Equipment	Diminishing Value (100%)	25%

## Goods and Services Tax

The entity is not registered for GST. Therefore all amounts are stated inclusive of GST.

## Income Tax

Income tax expense is recognised in the Statement of Comprehensive Revenue and Expense except to the extent that it relates to items recognised in equity.

Current Tax is the expected Tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred Tax is recognised using the balance sheet method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred Tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will reverse in the foreseeable future.

Deferred Tax is measured at the Tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that had been enacted or substantially enacted by the reporting date.

A Deferred Tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred Tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the realised Tax benefit will be realised.

There were no material movements to Deferred Tax for the Year.



The accompanying notes form part of these financial statements. These statements have been audited.

## Financial Instruments

The Trust is a party to financial instrument arrangements as part of its everyday operations, including instruments which have been recognised in these financial statements.

The following method and assumption was used to value each class of financial instrument:

- Investments (including short Term Deposits) are recorded at the lower of cost or market value.

All other financial instruments, including Cash and Bank and Accounts Payable are recognised at cost.

	2019	2018
<b>3. Cash &amp; Bank</b>		
Business Online Saver	27,217	270,655
Westpac Electronic	635,305	1,117
<b>Total Cash &amp; Bank</b>	<b>662,521</b>	<b>271,772</b>
	2019	2018

## 4. Trade and Other Receivables

Director Fees	4,843	-
Patunamu Forest Ltd - Accumulated Rental	3,161,866	-
Wharerata Forest Ltd - Crown Fund on Settlement	6,401,806	-
<b>Total Trade and Other Receivables</b>	<b>9,568,515</b>	<b>-</b>
	2019	2018

## 5. Income Tax Expense

Net Profit (Loss) Before Tax	112,267,590	(1,224,698)
Non Deductible Income & Expenses	(110,583,462)	1,356,138
Taxable Profit (Loss)	1,684,128	131,440
<b>Income Tax Expense</b>		
Income Tax Expense	294,722	23,002
<b>Total Income Tax Expense</b>	<b>294,722</b>	<b>23,002</b>

## Tax Movements During the Year

Taxation Opening Balance	(11,169)	1,294
Income tax paid	287,515	32,877
<b>Total Tax Movements During the Year</b>	<b>276,346</b>	<b>34,171</b>
Income Tax Payable (Refund Due)	18,377	(11,169)
	2019	2018

## 6. Current Assets

Accrued Interest	232,750	12,006
<b>Total Current Assets</b>	<b>232,750</b>	<b>12,006</b>
	2019	2018

## 7. Investments

Westpac Term Investment 42, Interest @ 2.27%, Matures 06 Sep 2019	2,003,661	-
Westpac Term Investment 41, Interest @ 2.27%, Matures 09 Sep 2019	1,024,729	-
Westpac Term Investment 39, Interest @ 1.91%, Matures 01 Jul 2019	4,039,330	-



The accompanying notes form part of these financial statements. These statements have been audited.

Westpac Term Investment 38, Interest @ 1.91%, Matures 01 Jul 2019	4,039,330	-
Westpac Term Investment 37, Interest @ 1.91%, Matures 01 Jul 2019	4,039,330	-
Westpac Term Investment 36, Interest @ 1.91%, Matures 01 Jul 2019	4,039,330	-
Westpac Term Investment 35, Interest @ 1.91%, Matures 01 Jul 2019	4,039,330	-
Westpac Term Investment 34, Interest @ 1.91%, Matures 01 Jul 2019	5,049,164	-
Westpac Term Investment 33, Interest @ 1.91%, Matures 01 Jul 2019	5,049,163	-
Westpac Term Investment 32, Interest @ 1.91%, Matures 01 Jul 2019	5,049,163	-
Westpac Term Investment 31, Interest @ 1.91%, Matures 01 Jul 2019	5,049,164	-
Westpac Term Investment 30, Interest @ 1.91%, Matures 01 Jul 2019	5,049,164	-
Westpac Term Investment 29, Interest @ 1.91%, Matures 01 Jul 2019	5,053,724	-
Westpac Term Investment 28, Interest @ 2.35%, Matures 01 Jul 2019	5,053,724	-
Westpac Term Investment 27, Interest @ 1.91%, Matures 01 Jul 2019	5,053,724	-
Westpac Term Investment 26, Interest @ 1.91%, Matures 01 Jul 2019	5,053,724	-
Westpac Term Investment 25, Interest @ 1.91%, Matures 01 Jul 2019	5,053,724	-
Westpac Term Investment 24, Interest @ 1.91%, Matures 01 Jul 2019	5,059,116	-
Westpac Term Investment 23, Interest @ 1.91%, Matures 01 Jul 2019	5,059,116	-
Westpac Term Investment 22, Interest @ 1.91%, Matures 01 Jul 2019	5,059,116	-
Westpac Term Investment 21, Interest @ 1.91%, Matures 01 Jul 2019	5,059,116	-
Westpac Term Investment 20, Interest @ 1.91%, Matures 01 Jul 2019	5,059,116	-
Westpac Term Investment 19	-	200,000
Westpac Term Investment 18	-	200,000
Westpac Term Investment 17	-	600,000
Westpac Term Investment 16	-	1,000,000
Westpac Term Investment 15	-	200,000
Westpac Term Investment 13	-	1,007,070
<b>Total Investments</b>	<b>99,035,058</b>	<b>3,207,070</b>

## 8. Property, Plant and Equipment

	2019	2018
<b>Plant and Equipment</b>		
Plant and Equipment owned	2,344	1,844
Accumulated depreciation - plant and equipment owned	(723)	(183)
<b>Total Plant and Equipment</b>	<b>1,621</b>	<b>1,661</b>
<b>Other Fixed Assets</b>		
Owned fixed assets	6,883	6,883
Accumulated depreciation - fixed assets owned	(5,230)	(4,028)
<b>Total Other Fixed Assets</b>	<b>1,652</b>	<b>2,855</b>
<b>Total Property, Plant and Equipment</b>	<b>3,273</b>	<b>4,516</b>
	2019	2018

## 9. Other Non-Current Assets

Patunamu Forest Ltd	2,465,750	-
Wharerata Forest Limited	3,570,000	-
<b>Total Other Non-Current Assets</b>	<b>6,035,750</b>	-

The accompanying notes form part of these financial statements. These statements have been audited.



In accordance with the Deed of Settlement between the Crown and Tātau Tātau o Te Wairoa Trust, the Trust received financial and commercial redress in November 2019. Included in the redress was a transfer from the Crown to the Trust of commercial interests in Wharerata Forest Trust and Patunamu Forest Trust. At 30 June 2019 the Trust's interest in the respective entities are recognised at the ascribed values specified in the Deed of Settlement.

In November 2018 the Crown assigned its beneficial interest in Wharerata Forest Trust and Patunamu Forest Trust to the Trustees of Tātau Tātau o Te Wairoa Trust. At 30 June 2019 Tātau Tātau o Te Wairoa Trust has a 50% shareholding in Wharerata Forest Limited and Patunamu Forest Limited (being the trustees of Wharerata Forest Trust and Patunamu Forest Trust). Tātau Tātau o Te Wairoa Trust also has representation on the Board of Directors of Wharerata Forest Limited and Patunamu Forest Limited.

These entities are, for financial reporting purposes, Associates of the Trust. In accordance with PBE IPSAS 7, Tātau Tātau o Te Wairoa Trust has taken the exemption not to 'equity-account' for the Trust's interest in the respective entities as at 30 June 2019. Instead the Trust has recognised the investments at 'cost' being the ascribed values stated in the above table.

	2019	2018
<b>10. Equity</b>		
<b>Retained Earnings</b>		
Opening Balance	3,462,655	4,697,759
Current Year Earnings	111,972,868	(1,235,104)
<b>Total Retained Earnings</b>	<b>115,435,523</b>	<b>3,462,655</b>
<b>Other</b>		
Opening Balance	100	100
<b>Total Other</b>	<b>100</b>	<b>100</b>
<b>Total Equity</b>	<b>115,435,623</b>	<b>3,462,755</b>
	2019	2018

## 11. Equity

Equity is represented by	-	-
Kahui Beneficial Units shared equally by 7 Kahui	99,999,998	-
Discretionary Charitable Units held by TToTW Charitable Trustee Limited	2	-
<b>Total Units</b>	<b>100,000,000</b>	-

## 12. Related Parties

Related parties of the Trust currently include Directors and individuals or legal entities with a dependent/dependence relationship with a Director.

Director related expenses including reimbursements are disclosed in total in the statement of comprehensive revenue and expenses.

Director remuneration by related party are disclosed below. The level of remuneration was determined from professional advice obtained from the Institute of Directors.

Key management personnel of the Trust are currently considered the Directors.

	2019	2018
<b>Director Remuneration</b>		
Phillip Beattie	18,500	17,400
Darren Beatty	-	5,800
Huia LH Huata	14,500	17,400
Carwyn Jones	14,500	17,400
Heta Kaukau (Kaukau Consultants Ltd)	14,500	17,400

The accompanying notes form part of these financial statements. These statements have been audited.



	2019	2018
Oha Manuel	18,500	17,400
Alex Maehe	4,000	-
Bubby McGregor	14,500	8,700
Carmen Morrell (Pirimia Ltd)	14,500	17,400
Pieri Munro	22,125	21,750
Richard Niania	14,500	17,400
Moana Rongo (Jellyfish Marketing Ltd)	14,500	17,400
Graeme Symes	4,000	-
Johnina Tewira Symes	14,500	17,400
Leon Symes	29,250	26,100
Pauline Symes	14,500	17,400
Apiata Tapine	18,500	17,400
<b>Total Director Remuneration</b>	<b>245,375</b>	<b>253,750</b>

### 13. Maori Authority Credit Account (MACA)

Maori Authority credits available for use as at 30 June 2019 amount to \$270,443.81 (2018: 35,795.86).

### 14. Contingent Liabilities and Commitments

There are no contingent liabilities or commitments at year end.

### 15. Subsequent Events

On 1 July 2019, Term Investments 20 to 39 totalling \$96,006,667.55 were transferred to Tātau Tātau o Te Wairoa Trust's commercial arm.



The accompanying notes form part of these financial statements. These statements have been audited.



Tel: +64 6 269 4400  
Fax: +64 6 467 8533  
gibborne@bdo.com.nz  
www.bdo.com.nz

BDO GIBBORNE LIMITED  
1 First Street  
PO Box 174  
Christchurch 4343, New Zealand

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TĀTAU TĀTAU O TE WAIROA TRUST GROUP

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Tātau Tātau o Te Wairoa Trust Group ("the Group"), which comprise the statement of financial position as at 30 June 2019, and the statement of financial performance, statement of changes in equity and cash flows statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Group as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

#### Directors Responsibilities for the Financial Statements

The Directors are responsible on behalf of the Group for the preparation and fair presentation of the financial statements in accordance with PBE Standards RDR, and for such internal control as the Directors determine as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

This report is intended solely for the use of the individual member(s) to whom it is addressed and is not intended to be distributed to any other person. It does not constitute an offer of any financial product or service, nor does it constitute an invitation to enter into any transaction. It is not intended to be relied upon in making any investment decision.



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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

#### Who we Report to

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



BDO Gisborne Limited  
Gisborne  
New Zealand  
6 December 2019





### *Contact Details*

Office: 34 Marine Parade West  
Mail: PO Box 61, Wairoa 4160  
Email: [register@ttotw.iwi.nz](mailto:register@ttotw.iwi.nz)  
Phone: (06) 838 8262  
Web: [www.ttotw.iwi.nz](http://www.ttotw.iwi.nz)  
Facebook: [www.facebook.com/TatauTatauTeWairoa](http://www.facebook.com/TatauTatauTeWairoa)  
Instagram: [tatau\\_tatau](https://www.instagram.com/tatau_tatau)

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