





TE KOTAHITANGA O TE ATIAWA TRUST DEED SCHEDULE 6

REQUIREMENTS FOR ANNUAL REPORT

- 1. An Annual Report prepared in accordance with clause 10.1 (Preparation of annual report) shall be made available not less than 20 Working Days before an Annual General Meeting and shall contain, in respect of that Financial Year, the following information:
 - a. A comparison of the Trust's performance against the annual plan;
 - b. A balance sheet and income and expenditure statements and notes so as to give a true and fair view of the financial affairs of the Trust and the Te Atiawa Group for that Financial Year. The financial statements shall include as a separate item:
 - I. Details of any remuneration or fees paid to any Trustee or any Trustee's firm and details of any premiums paid in respect of Trustees' indemnity insurance;
 - II. Changes in the value of the Trust Fund;
 - III. Profit distribution;
 - c. The steps taken by the Trust to increase the number of registered Members;
 - d. Details the sales and exchanges of Settlement Quota in the previous Financial Year, including:
 - I. The quantity of settlement quota held by the asset holding company of the trust at the beginning of that year;
 - II. The value of settlement quota sold or exchanged;
 - III. The identity of the purchaser or other party to the exchange;
 - IV. Any transaction with settlement quota that has resulted in a registered interest by way of caveat or mortgage being placed over the settlement quota;
 - V. The settlement quota interests that have been registered against the quota shares of the trust; and
 - VI. The value of income shares sold, exchanged, or acquired.
 - e. The interactions of the Trust in fisheries matters, including:
 - I. With other entities within Te Atiawa; and
 - II. With other Mandated Iwi Organisations; and
 - III. With Te Ohu Kai Moana Trustee Limited;
 - f. Any changes made to the constitutional documents of the Trust or Trust Entities.



OUR VISION

'Te Iho whenua - Te Iho Tangata'
Empowering our communities, sustaining our place.

OUR PURPOSE

Uphold, promote and represent Te Atiawatanga.

Create and provide opportunities for the empowerment of our people.

To manage, develop and grow our resources and tribal estate.

OUR VALUES

Kia tika. Kia pono. Kia mana ai ngā mahi.

We are duty bound, we will act with honesty and integrity and we will care wholeheartedly.

Kia toka te ara whānaunga.

Embrace the value of kinship and shared experiences.

Kia manawanui.

Be solutions focused, resilient and determined in our endeavours.



Board of Trustees

From left to right: Liana Poutu, Kim Skelton, Kura Denness, Shelley Kopu, Gary Nicholas, Wharehoka Wano, CEO Hemi Sundgren.

HE KUPU WHAKATAKI - REPORT FROM CHAIR AND CEO

He Maimai Aroha

Uea te pou whare kia tū tangatanga, ngāue te pou whenua kia tūrakiraki he kapua whēuruuru ka whakairia! He pōkēkē ao ka tau! He maimaia, he aroha, he tauira e hai! Tēnei te mākuru kōroiroi iho rā ki koutou, ngā hāmate taipō, kua tokia e te ngau o anu mātao, e te niho tetē o tio kōreperepe. Me okioki e koutou ki te okinga a ngā mātua o tuawhakarere hei aha, hei pūhākawa mō aituā. Nō reira, moe mārire te moe, e au ai te moe e rarau, kāti. Aranga ake ko tātou te hunga whai oranga, ora ki te whakatupua, ora ki whakatawhito, he ora ee...hai.

We are pleased to present the 2018 Annual Report for Te Kotahitanga o Te Atiawa Group. Our tribal triennial elections later this year mean that this report will be the last for the inaugural elected Te Kotahitanga o Te Atiawa Trustees. Accordingly, we want to take the opportunity to present some of the work that has come to fruition since the first triennial term began and update members on last year's progress. The past year represents a full year of operation since the remaining settlement assets were transferred from the Crown in February 2017 and our team have been working hard to embed solid foundations which our iwi can be proud of. In saying that, we are now in the second year of Te Haeata, our five-year Strategic Plan 2016-2021 and have highlighted some of the activities the team has been working on throughout the 2017/2018 financial year.

It is pleasing to see that our members have embraced the opportunities made available this year with our capacity building programmes, training initiatives, rangatahi wānanga and education grants. Te Atiawa Iwi Charitable Trust ('Charitable Trust') made 42 education grants across a range of educational disciplines from post-graduate to secondary school level. A report from one of our grant recipients is included in this annual report. Te Kotahitanga continues to build on key relationships with educational institutions to provide further opportunities for learning and the Board has signed two Memoranda of Understanding ('MOU') with the Western Institute of Technology ('WITT') and Victoria University of Wellington ('VUW'). The relationship with VUW is based on an arrangement whereby every dollar that Te Atiawa grants to a Te Atiawa student, the university will provide an equivalent amount. We had three students who received this equivalent grant through VUW during the year.

We are humbled by the commitment and the enthusiasm displayed by whānau engaging in various programmes over the course of the year. In keeping with our vision 'Te Iho Whenua, Te Iho Tangata', our team have continued to focus on supporting our hapū communities on a range of different projects including Te Riri me te Raukura commemorations, Maui Pomare Day commemorations and various environmental projects. Taranaki Tū Mai Festival was also a highlight in October 2017, with over 140 members representing Te Atiawa in various sporting and cultural events competing against the other iwi of Taranaki.

Significant energy from our Pou Taiao and Hapū Kaitiaki has also gone into the drafting of our Te Atiawa Iwi Environmental Management Plan ('IEMP') during the year and we are currently running wānanga with hapū kaitiaki to support its use and application across the rohe. The IEMP will be launched early 2019 and lodged with respective regulatory bodies soon after. There continues to be demands on time for managing a myriad of environmental

kaupapa and we acknowledge the work of many of our members who give their time to ensure that our taiao is being protected and nurtured.

We are also excited about the development of a Whanau savings programme that seeks to empower whanau to achieve financial goals by increasing savings, growing financial capability and access to support services (such as banking, insurances) and benefits. In conjunction with this the Trust has also been developing a housing programme that will support whanau into housing through a shared equity programme with government and community partners. While both these programmes will be launched in the 2019 financial year, the bulk of the work leading up to the launch of these programmes was completed in this current year. The Trust has also maintained its commitment to an annual distribution to hapū to assist and empower capacity building within the hapū structures, and as dividends increase so too will these distributions.

Our communications channels remain busy with the distribution of the fortnightly E-pānui and a quarterly printed newsletter - Te Hauwhenua. We completed a survey and refresh of our website during the year which has also led to the development of the on-line registration process and push notifications through a Te Atiawa Phone App. This, we hope will increase our ability to push notifications out to members.

Te Kotahitanga maintains an active role in representing the collective interests of Te Atiawa, locally, regionally and nationally. This includes representation on the Taranaki Māori Trust Board, Taranaki Maunga Negotiations, New Plymouth District Council - Te Huinga Taumatua Partnership Committee, Tapuae roa - Taranaki Economic Development Strategy, Taranaki Regional Council

Committees, Taranaki Project Mounga and the National lwi Chairs' Forum.

During the past year, the board also carried out an internal governance review to reset and realign board priorities.

Our consolidated financial position shows a \$1.9 million growth in capital. Our net assets now are now in excess of \$107 million, representing an increase in equity by 2%. We have exercised the first of the property rights set out in our Deed of Settlement, with the purchase of land and lease back of the New Plymouth Central Police Station and New Plymouth Courthouse.

As set out in the report from the commercial board directors, Te Atiawa is at the start of the investment journey and have taken the time to retain a conservative approach to investment. This has meant that there has been a requirement to retain more cash than otherwise might be the case. Unfortunately, cash does not offer high returns, but it's there when opportunities that reflect the iwi's direct investment strategy present themselves. As reported, these will present themselves and be reported on over the coming year. Overall the commercial group made a \$4.3m profit, up on \$1.5m from last year. From this, a distribution of \$1.65m was paid to Te Kotahitanga for operations and applied to governance, operations, hapū and tribal development expenditure, and direct distributions to hapū.

In conclusion, we would like to acknowledge the dedication and hard work of all of our Trustees, Directors, staff, tauheke, iwi and hapū representatives and volunteers. It is through these efforts, that Te Atiawa's mana and vibrancy as an iwi will be enhanced into the future.

Signed for and on behalf of the trustees;

Liana Poutu - Chair

25 October 2018

Date



Hemi Sundgren - CEO

25 October 2018

Date



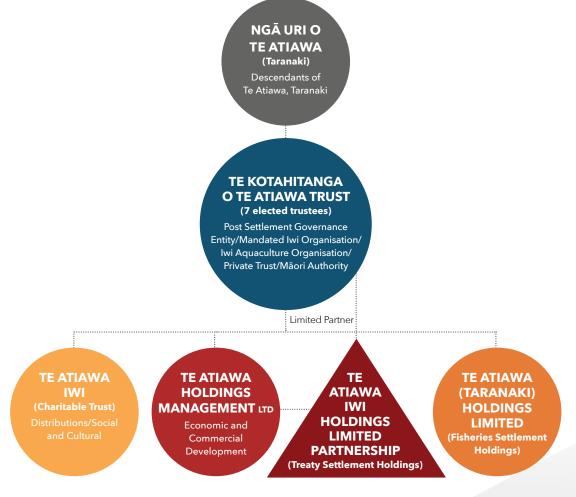
TE KOTAHITANGA O TE ATIAWA GROUP ORGANISATIONAL STRUCTURE

Te Kotahitanga is a private trust and operates in accordance with the Rules set out in its Trust Deed. The Board members (as at 30 June 2018) are Liana Poutu, Wharehoka Wano, Gary Nicholas, Shelley Kopu, Kim Skelton, Kura Denness. The term of office for Trustees is 3 years. The current Board was elected on the 11th September 2015 and their term will expire on 11 September 2018, whereby another Board will be elected. Following the Trustee elections, a new board will be elected for another 3 year term from 11 September 2018.

Te Kotahitanga owns and governs Te Atiawa's Taranaki based settlement assets for the benefit of Te Atiawa Iwi. It has been recognised as the mandated body to hold the assets from Te Atiawa's Historical Treaty of Waitangi Settlement and the Fisheries settlement.

Te Kotahitanga's Trust deed regulates the establishment of subsidiaries for the Trust and the Trustees established Te Atiawa Iwi Holdings Management Limited and Te Atiawa Iwi Holdings Limited Partnership ('TAIHLP'), collectively known as the Holdings LP to administer and drive all commercial objectives associated with the Te Kotahitanga group. Te Atiawa (Taranaki) Holdings Ltd ('Fisheries Holdings Ltd') is also a commercial subsidiaries of Te Kotahitanga which transitioned over as a subsidiary during the Treaty Settlement process.

Te Kotahitanga has also established a Corporate Trust and a Charity, collectively known as Te Atiawa Iwi Charitable Trust ('TAICT') to enable Charitable Distributions to be made and to carry out other cultural and social activities. In accordance with the Te Kotahitanga Trust Deed, trustees have also established an Audit and Risk subcommittee and a Human Resources ('HR') sub-committee. The Audit and risk sub-committee comprises Kura Denness (Chair), Liana Poutu and Shelley Kopu. The HR committee members includes Shelley Kopu (Chair), Kim Skelton and Liana Poutu



TE HAEATA - TE KOTAHITANGA O TE ATIAWA GROUP FIVE YEAR STRATEGIC PLAN 2016-2021

Te Haeata (the new dawn) is the first strategic plan developed by Te Kotahitanga o Te Atiawa Trust ('Te Kotahitanga') for Te Atiawa Group and was confirmed in September 2016.

Te Haeata sets the strategy for 2016-2021 and aims to revitalise and strengthen our Te Atiawatanga, empower and support our collective potential, and plan for the long-term economic prosperity of Te Atiawa - now and in the future.

OUR VISION

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Empowering our communities, sustaining our place.

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To manage, develop and grow our resources and tribal estate.

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Embrace the value of kinship and shared experiences.

Kia manawanui

Be solutions focused, resilient and determined in our endeavours.

STRATEGIC THEMES

Ka whai marae whare o ngā mātua - Rich and Thriving Cultural Capacity and Capability. Ka whai tapuwae, ka whai taumata - Sustainable, Tangible and Measurable Development.

Hei hoa whakapakari nō Rongo - Effective and Genuine Engagement and Representation.

STRATEGIC OBJECTIVES

- . Mātauranga 1. St
- Atiawatanga
 Environment
- 4. Leadership

- 1. Strategic Governance
- 2. Commercial and Economic Development
- 1. Te Atiawa Communications
- 2. Hapū / Marae Development
- 3. Relationships

STRATEGIC OBJECTIVES

KA WHAI MARAE WHARE O NGĀ MĀTUA

Rich and Thriving Cultural Capacity and Capability



MĀTAURANGA / EDUCATION

Facilitate opportunities for Te Atiawa that provide for life-long learning, to be well educated, trained and confident in their Te Atiawatana.

Create opportunities to access quality education and training to create their own destiny and realisation of our collective goals.



ATIAWATANGA / ATIAWA CULTURE AND IDENTITY

Develop and strengthen our
Te Atiawa Identity. Build cultural awareness and
competency of whānau that will contribute towards
a self-sustaining Atiawatanga.



TE TAIAO/ ENVIRONMENT

Develop our capability as Te Atiawa to exercise rangātiratanga and kaitiakitanga over our wāhi tapu, wāhi tupuna, mahinga kai and other taonga tuku iho.



TE WHAKAIHUWAKA/ LEADERSHIP

Our achievements will rely on our capacity to influence and make sound decisions for Te Atiawa. To actively grow, influence and provide opportunities to grow leadership that are integral to our collective wellbeing.

KA WHAI TAPUWAE, KA WHAI TAUMATA

Sustainable, Tangible and Measurable Development



STRATEGIC GOVERNANCE

Robust structures and systems, effective leadership through governance and management that supports the achievement of Te Atiawa development, growth and sustainability.



COMMERCIAL AND ECONOMIC DEVELOPMENT

Implement an Intergenerational Investment
Strategy and distribution model that will ensure
a growing resource is available to meet the
needs and aspirations of Te Atiawa whānau,
hapū and iwi.

HEI HOA WHAKAPAKARI NŌ RONGO

Effective and Genuine Engagement and Representation



TE ATIAWA COMMUNICATIONS

Our aspirations, stories and tribal information are communicated effectively, through a vibrant and safe communications platform.



HAPŪ/ MARAE DEVELOPMENT

Hapū/ Marae are supported to develop infrastructure and capacity that offer security to advance their aspirations.



RELATIONSHIPS

Actively explore partnerships with like-minded entities to crystalise kotahitanga across

Cultural and Social needs.

A YEAR IN REVIEW - 1 JULY 2017 TO 30 JUNE 2018 ('FY18')

GROUP STATEMENT OF REVENUE AND EXPENSES

Change in Fair Value of Investments	\$864	\$347
Net Operating Profit	\$3,013	\$2,310
Less Settlement Revenue	-	\$8,247
Net Operating Profit	\$3,013	\$10,557
Total Expenses	(\$1,379)	(\$1,176)
Total Revenue	\$4,392	\$11,734
Finance Income	\$3,759	\$3,181
Settlement Revenue	=	\$8,247
Operating Revenue	\$633	\$305
	FY18 000's	FY17 000's

The Group Statement of Revenue and Expenses for FY18 has been restated to show the Net Operating Profit after investment revaluations.

This shows a Profit for the year of \$3.877 million before tax and Distributions, compared with \$2.657 million for FY17.

Total Expenses incurred were \$1.379 million for the full 2018 financial year. These are detailed in Note 5 of the Financial Statements. The Group total expenses also include 7 months of the Commercial Group operating expenses of \$567k, the balance of \$812k being full year costs relating to Te Kotahitanga o Te Atiawa Trust and Te Atiawa lwi Charitable Trust, of which Trustee fees and wages comprise 75% or \$609k. The balance of \$203k relates to general office running costs as detailed in the notes (note 5) to the financial statements.





The following table sets out the Trust's distributions and grants, these are detailed in note 7 of the Consolidated Statements. During the year, education grants were paid of \$39,450k (also see note 18), the balance remains committed for distribution in line with the Trust Distribution policy.

TRUST'S DISTRIBUTIONS AND GRANTS

Total Comprehensive Revenue and Expenses	\$1,964	\$10,563
Settlement Revenue	-	\$8,247
Distributions & Grants	(\$1,325)	_
Income Tax Expense	(\$588)	(\$341)
Net Operating Profit after Investment Revaluations	\$3,877	\$2,657
	FY18 000's	FY17 000's

GROUP STATEMENT OF FINANCIAL POSITION

Total Trust Capital	\$107,345	\$105,381	\$94,807
less Total Liabilities	\$1,529	\$302	\$70
Total Assets	\$108,874	\$105,683	\$94,877
	FY18 000's	FY17 000's	FY16 000's

The Te Kotahitanga o Te Atiawa Financial Group position largely reflects the Balance Sheet of the Commercial entities. Key points as at 30 June 18 are

- Te Kotahitanga Group Total Assets have grown by \$3.19 million (~3%) in FY18
- Trust Capital has increased by \$1.96 million after allowing for commitments for hapū distributions (of \$1.050million) and tribal development grants of \$235k (see note 18). This represents a growth in capital of 2%.



ANNUAL PLAN HIGHLIGHTS FY18

This section shows the annual plan focus with associated activities, achievements and highlights against each of the Strategic Objectives in Te Haeata - Te Atiawa's five year Strategic Plan.



STRATEGIC OBJECTIVE

MATAURANGA / EDUCATION

- Facilitate opportunities for Te Atiawa that provide for life-long learning, to be well educated, trained and confident in their Te Atiawatanga.
- Create opportunities to access quality education and training to create their own destiny and realisation of our collective goals

ANNUAL PLAN FOCUS:

- Education Framework is developed with elements communicated and implemented for membership
- Operationalise agreements with Western Institute of Technology (WITT)

ACTIVITIES, ACHIEVEMENTS AND HIGHLIGHTS:

- Memorandum of Understanding (MOU) between WITT and Te Atiawa was signed 15 September 2017
- Memorandum of Understanding with Victoria University for dollar for dollar education grant funding
- in the process of operationalising a Māori Governance Programme in partnership with Western Institute of Technology ('WITT')
- ongoing discussions with local school principals as a support network to identify future educational priorities
- Progressed educational initiatives Core-Ed Field Trip on Maunga (LEARNZ) and Field Trips with New Plymouth Girls High School.

EDUCATION GRANTS

One of the highlights for the Trust in this financial year has been the development and implementation of a Te Atiawa Education Grants scheme. The key principles of the education grant policy are to:

- give financial assistance assist Te Atiawa iwi members to get access to education and to participate in life-long learning;
- Promote and reward educational excellence;
- Foster a commitment to contribute the knowledge and skills gained through education for the future benefit of Te Atiawa iwi.

A total of **42 grant applications** were considered and granted in the FY18 year to a total value of **\$39,450**. The grants allowed Te Atiawa members to further their education from Post Graduate Level to Secondary School. Education grants will continue to be a part of our distributions for next year.

EDUCATION GRANTS FY18

Post Graduate Grant - \$3,500 (3 successful from 8 applicants)

Teresa Foster Master of Education (Maori) Massey University Jessica Jack Doctorate of Philosophy (Music) Waikato University Irie Schimanski Doctorate of Clinical Psychology Massey University – Wellington Campus

Undergraduate Grant - \$2,000 (5 successful from 21 applicants)

Natasha Hutchieson **BSc Health Sciences AUT**

Ella Lyon BSc Arts & Commerce University of Auckland Jessica Radovanovich Bch Medicine & Surgery Otago University Te Kahurangi Skelton **BSc Health Sciences** University of Otago

Libby White Bch Design with Honors Massey University Wellington

Grant Recipients

(Value of grants range from \$700 - \$350, dependent on level of education and whether applicant studying full or part-time).

Tami Cave Bonita Bigham Dwayne O'Carroll Gavin Taylor Steven Bodger Keegan Allan O'Jay Bailey Renee Hanrahan Paula Kamo Jasmine Kelly Glacia Moeahu Oceana-Breeze Kaponga Lily Maxwell Takaterangi O'Sullivan Keanu Piki

Tiana-Vai Taamaru Sophie Short Dayna Stevenson Haydn Te Ruki Portia Telford Ashleigh Wilson-van Duin

Aaron Cronin Diana Lewer Bobbie Daymond-Bodger

Tiri Porter Logan Skelton Mitchell Ngatupara Ritai

Whakairitaua Stanyon Awanuiarangi Wano Deejae Taiwhati Teremoana Porter-Rawiri Will Stevenson Paora Bodger

Rajahn Cooper Urwin

EDUCATION GRANT RECIPIENT

IRIE DAVID SCHIMANSKI

Taranaki grown Irie David Schimanski is currently working towards a doctor of Clinical Psychology at Massey University, Wellington.

Irie, whose mother is Pauline Schimanski and father is Bryce Limmer, considers himself to be a small town kid and grew up in Waitara attending Waitara East Primary School, Manukorihi Intermediate School, and Waitara High School. Irie says that being a kid with Pākehā and Māori heritage

had its challenges growing up.



"It was a bit hard trying to navigate that Pākehā/Māori space, my mum's side is all Pākehā so mum enrolled me in bilingual classes during intermediate, but I didn't fully grasp why I had to do it. I thought to myself 'my family is all Pākehā, why do I have to do this? None of my family speaks Te Reo' so it didn't make sense to me. I found it quite challenging growing up trying to navigate that space. I definitely appreciate it now though, but at the time it was quite confusing.

Irie was awarded a scholarship which prompted his decision to attend the University of Otago. He initially enrolled to study law but decided to pursue psychology after realising that he didn't feel comfortable practicing as a lawyer within New Zealand's justice system. Irie completed a four year undergraduate degree in psychology and archaeology, as well as an honours degree in psychology, before deciding to try enrolling in a competitive clinical psychology training programme. This was partially driven by the tragic loss of some close family friends.

"I had my best mate growing up, and I became really close with her family. Her parents passed away together in 2015. That was a significant moment for me, and it was then that I decided to pursue clinical psychology and put my all into getting into a programme and furthering myself and my studies in that regard. It made me think about the bigger picture and where I wanted to make my contribution to New Zealand.

Irie never thought he would attend university or further his education but an influential teacher in his life pushed him to think about the benefits of extending his education beyond high school.

- "My English and form teacher Diane Watts was really influential.
- "I didn't really put any effort into my high school years to be honest, I kinda didn't really see the purpose in it. I didn't think I would go to Uni or didn't really want to do that sort of stuff so kinda just wanted to kick around in Waitara and just stay there for the rest of my life. I didn't want to branch out and do any education but she really pushed me.
- "I think she saw that I was purposefully putting little effort into my schooling but also saw the potential that I had. None of my family finished high school so I thought that I would carry on the family tradition so to speak and not finish high school as well, but she said to me that even if I didn't really take to Uni it would be a really good stepping stone to figure out what I wanted to pursue in life, so I owe her quite a lot as to why I decided to go to Uni.

- "Sometimes it takes that one person, that teacher, to see your potential and put a little more effort into you," he says. Even though high school didn't seem to suit Irie, he says that university is completely different and has helped him grow immensely.
- "I thought that because I didn't do so well at high school that I wouldn't be any good at Uni, but it's such a different environment, it's nothing like high school. I built my confidence up going to Uni, my grades now definitely don't reflect the grades I had back in high school, so that's pretty mean!

He then went on to do a pre-clinical year's study before studying towards his doctorate with Massey University in Wellington.

Irie has two more years to go with his studies and hopes to have completed his doctorate by 2020. And although he has no immediate plans once he has finished his degree a recent work placement has given him an idea of where he might want to start.

- "I did a placement with corrections over the summer, observing group therapy with some of the guys in there. And I really liked it. I thought it was such a contrast with the legal system of New Zealand and it was a better experience seeing individuals who end up in prison being helped rather than going through that punishment; providing that therapy to enhance them rather than tear them down. So I could see myself going to work for corrections in a therapeutic sense some time down the line.
- "But I'm not sure yet, I'm just trying to get through, there are a couple more years of hard slog left.

Irie would like to mihi to Te Kotahitanga o Te Atiawa Trust and thanks the Trust for awarding him the education grant.

Tēnā koutou Te Kotahitanga o Te Atiawa Trust,

I want to express my gratitude and thank you for awarding me the education grant. I am privileged to have been the recipient of this grant and I will do my upmost to ensure that my contribution to society as a clinical psychologist is meaningful. I further wish to extend my thanks to our whānau and whakapapa, without whom our accomplishments would not have been possible.

Ngā mihi nui,

Irie Schimanski



STRATEGIC OBJECTIVE 2 ATIAWATANGA/ATIAWA CULTURE AND IDENTITY

- Develop and strengthen our Te Atiawa Identity.
- Build cultural awareness and competency of whanau that will contribute towards a self-sustaining Atiawatanga

ANNUAL PLAN FOCUS:

- ongoing support for Te Atiawa cultural kaupapa
- provide support for Te Atiawa wānanga
- working with our rangatahi to help strengthen their sense of Te Atiawatanga and connection with iwi, hapū and with each other
- Support whanau and hapū through the support of pātaka

ACTIVITIES, ACHIEVEMENTS AND HIGHLIGHTS:

- Taranaki maunga wānanga held in May 2018
- Assisted Manukorihi Pā Trustees in the coordination and delivery of Māui Pomare day 2018
- Planned and/ or delivered community cultural awareness programmes - WITT, TSB Community Trust, Taranaki District Health Board, Sport Taranaki
- Financial support and sponsorship of Important cultural Kaupapa - Te Riri me te Raukura, Koroneihana-Coronation, National Ngā Manu Korero (Hosted in Taranaki), Waitara East Kapa haka (assistance to attend National Primary School Kapa Haka Competitions)
- Delivered two rangatahi wananga in July 2017 and November 2017
- Facilitated and co-ordinated opportunities for Te Atiawa community groups to develop community reo initiatives, resulting in at least 8 funding applications to the Te Mātāwai Reo revitalisation Grant fund
- Co-ordinated the Te Atiawa Taranaki Tū Mai programme in October 2017 supporting 142 Te Atiawa members to actively participate in the weekend programme



RANGATAHI WĀNANGA

- a dedicated team of rangatahi (Te Kāhui Rangatahi o Te Atiawa) continue to develop and deliver wānanga for Te Atiawa rangatahi
- nearly 80 attendees at inaugural wānanga at Owae Marae in Waitara on in July 2017 and 90 November 2017
- 80% of attendees aged 13 29 years and nearly 70% resident in Waitara
- highlights were traditional activities such as mau rākau, raranga and kapahaka









PATAKA WHATA

The Te Atiawa pataka continues to provide fish for Te Atiawa members for customary non-commercial purposes.

A total of 95 permits were issued in 2017/2018 year compared to 68 in the previous year. The increase in availability this year is due to the high harvest in the previous year and the need for us to rotate this stock.

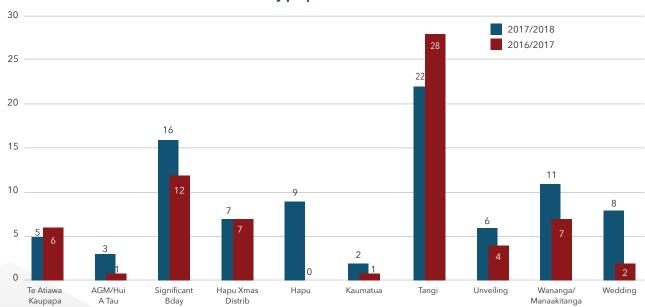
From time to time it may be necessary to constrain the amount of pataka distributed due to availability of harvest and should this take effect we will endeavour to communicate this to members in a timely manner.

The Shellfish biotoxin alert along the Taranaki coastline which has been in place for long periods during the year has meant we were unable to harvest koura (crayfish) for the pataka.

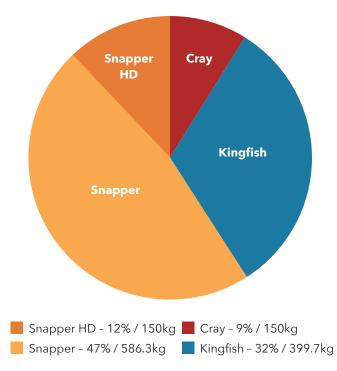
Special acknowledgement is due to our partner Ocean Pearl Fisheries who is our pataka supplier. We would also like to encourage whanau to seek customary fishing permits through your hapū kaitiaki as these can also be applied to gather Kaimoana and fish for respective whanau/hapū events.



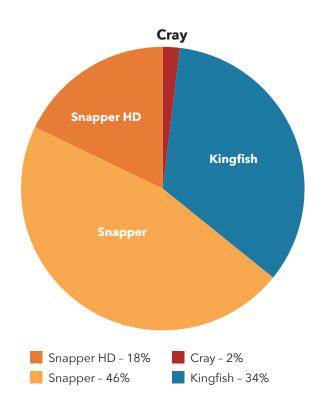
Pataka distribution by purpose - 2016/17 - 2017/18



Pataka distributed by stock



Pataka stored by stock





- Finalise and adopt the Te Kotahitanga of Te Atiawa Iwi Environmental Management Plan
- Increase usability and content of Te Manuao-Te Atiawa Geographical Information System (GIS)
- Increase participation in environmental initiatives

ACTIVITIES, ACHIEVEMENTS AND HIGHLIGHTS:

- Drafted Iwi Environmental Management Plan (IEMP) to assist decision making across all environmental matters that impact Te Atiawa Rohe. Currently being reviewed alongside hapū Kaitiaki
- Increased usability and content of GIS Database Te Manuao with an extensive layered system of mapped wāhi tapu sites for use across a range of kaupapa.
 Te Manuao will also be extended to create an online atlas for access to members in 2020
- Identified existing environmental initiatives available for Te Atiawa uri to participate
- Active and direct responses to consents that affect the Te Atiawa rohe
- Facilitated and organised hapū and Kaitiaki water monitoring and training
- Facilitated wānanga on Cultural Health Index (CHI)
- Received funding for key collaborative projects with hapū on the Waiwhakaiho River and Ngāmotu Marine Reserve
- Continued participation in regional environmental projects such as toutouwai and kiwi translocations and pest eradication programmes associated with the Taranaki Mounga project



GIS system built with increased capability for members
IWI ENVIRONMENTAL Management Plan Drafted

2Environmental
kaupapa supported
WAIWHAKAIHO
NGĀ KAITIAKI O
NGĀMOTU

Environmental
CONSENTS
AND
SUBMISSIONS
39



- Support Rangatahi to carry out leadership development
- Develop and implement a Te Atiawa Governance Succession Plan

ACTIVITIES, ACHIEVEMENTS AND HIGHLIGHTS:

- Rangatahi Leadership
- Supported the development of Te Kāhui Rangatahi o Te Atiawa
- Facilitated Strategic Planning sessions with Te Kāhui Rangatahi to consider future leadership opportunities
- Planned and delivered 2 rangatahi wānanga in July 17 and November 17
- Secured funding and support from key organisations
- Promoted capability building workshops amongst Te Atiawa members
- Drafted Associate Trustee and Director documents ready for implementation
- Tapuaeroa Taranaki Regional Economic Strategy

 provided direct Input into the Taranaki Regional
 Economic Development Strategy and participation by
 Te Atiawa govenors
- Te Huinga Taumatua participated in the formation of the New Plymouth District Council (NPDC) Standing Committee and appointment of Te Atiawa as Chair







- Implement and uphold treaty settlement commitments
- Maintain oversight of policy and legislative changes
- Engage in Taranaki Maunga Negotiations
- Implement Distributions and Spending Policy
- Develop and implement members benefits scheme
- Monitor commercial entity and reporting mechanisms

ACTIVITIES, ACHIEVEMENTS AND HIGHLIGHTS:

- Established Charitable Trusts and embedded Te Kotahitanga o Te Atiawa Group Structure, including governance over all reporting accountabilities associated with Te Kotahitanga subsidiaries
- Quarterly reporting from commercial entity Te Atiawa lwi Holdings LP and Te Atiawa (Taranaki) Holdings Limited, including the Annual Plan of commercial subsidiaries and the monitoring investment strategy
- Implemented Te Kotahitanga Distributions and Spending policy
- Submissions opposing the CASS mining and Trans-Tasman Resources (TTR) application to extract ironsand in the Taranaki marine area
- Application for recognition of customary marine title and protected customary rights under the Marine and Coastal Area Act, with subsequent submissions and involvement in Crown judicial proceedings
- Hosting of the inaugural meeting with iwi and the Ministry of Business, Innovation and Employment and Ministry for the Environment in accordance with Settlement Protocols

- Held regular meetings with Te Atiawa Hapū Leadership with discussions on Te Atiawa representation, Waitara Lands Bill, environmental issues and Hapū initiatives
- Involvement with the Taranaki Māori Trust Board (TMTB) on annuity negotiations and review of the future of the TMTB. The TMTB has resolved to disestablish the Trust Board and to set up a body that is more aligned with future settlement negotiations over Taranaki Maunga
- Chair and Chief Executive attended bi-monthly Taranaki lwi Chairs forum
- Chair and Chief Executive participation in National lwi Leaders Forum with a focus on economic, social, environmental issues that impact all lwi at an operational, policy and political level
- Maintained engagement with local and regional councils to respond to a plethora of regional representation, planning and environmental issues
- Negotiators Jamie Tuuta, Liana Poutu and Hemi Sundgren provide a Te Atiawa perspective on the negotiation of redress for Taranaki Maunga
- Maunga negotiations team held update hui in Hamilton, Wellington and regular regional hui seeking broader views from ngā iwi and hapū and contributions that give direct assistance to the neogitations

KA URUORA - TE ATIAWA WHANAU FINANCIAL INDEPENDENCE PROGRAMME

WHANAU FINANCIAL INDEPENDENCEPROGRAMME KAURUORA TE ATIAWA

BRANDED SAVINGS PROGRAMME

KiwiSaver & tailored whanau options

FINANCIAL CAPABILITY PROGRAMME

Education, tools, support & advice

SUPPORTING SERVICES

Insurance, wills & other services to support financial independence

Over the course of the year the Trust contracted Koau Capital to assist with the development of a Taranaki whanau savings scheme. We have branded this programme 'KA URUORA', The programme is Te Atiawaled and will support and empower whanau to achieve financial independence and improve financial wellbeing by increasing financial savings, growing financial capability and having ready access to supporting services as needed.

The KA URUORA programme will be launched over the coming financial year. It has three inter-connected components;

- 1. A branded savings programme tailored to support whanau to increase savings
- 2. A financial capability programme delivered primarily through education and advice
- 3. Supporting financial services, such as banking and insurance.

A collective Taranaki wide whanau focus will need to be implemented to achieve scale economies and facilitate an efficient solution across the region, however, the initial incubation will be with Te Atiawa and then Taranaki lwi to provide core focus and leadership.

KA URUORA BRANDED SAVINGS SCHEME

The core parts of the 'branded Savings programme' component will include two complementary savings options, supported by a financial education programme:

Under the programme (left), whanau would be offered an integrated solution providing:

- KiwiSaver enabling access to advantageous Government and employer matching incentives
- 2. Complemented by a tailored WhanauSaver solution catering especially for younger people and accessing education, first homes and a lowered retiring age, with flexible emergency reserve access for short-term emergencies to help manage financial distress.
- Sponsored / supported by iwi, including direct contributions made on matching basis to incentivise participation and create collective sense of ownership / connection

KA URUORA BRANDED SAVINGS PROGRAMME

KIWISAVER

WHANAU SAVER

1st home Retirement (65)

Access Govt incentives (\$521k pa + home grant) + employer contributions Tertiary education, 1st home Retirement (55) Short-term emergency reserve

Complementary savings options tailored for whanau

SUPPORTED BY FINANCIAL EDUCATION PROGRAMME



- Corporatisation and Brand Development
- Direct co-investment relationships
- Implement property development pipeline
- Direct investment assessment and execution
- Fisheries Management

ACTIVITIES, ACHIEVEMENTS AND HIGHLIGHTS:

- Engaged Property Manager and Advisors to carry out detailed assessments on DSP property portfolio
- Acquisition of New Plymouth Court House and Police Station land on long term leaseback arrangements
- Active involvement in the establishment of direct investments in Te Pūia Tāpapa fund representing \$NZ115.5million for



co-investment in large-scale New Zealand businesses and assets. Investors represent diversity of scale and geography comprising lwi and Māori entities located in Te Tau Ihu (Nelson-Marlborough), lower North Island, Taranaki, Waikato, Bay of Plenty, Hauraki, Northland, Auckland and Wharekauri (Chatham Islands).

- Actively monitored the managed funds portfolio
- Branding of commercial entities complete
- Management of ACE lease and quota including the negotiation of a pan-iwi agreement with Sealord on deep sea quota
- Assistance with the development of building whanau financial capability and models for affordable housing options for feasible settlement properties

TE ATIAWA / TARANAKI AFFORDABLE HOUSING

Te Atiawa has been involved in leading the establishment of an affordable housing partnership between the Crown, Te Tumu Kāinga (TTK), TSB Community Trust and iwi to deliver affordable housing solutions for our whanau.

A project business case based on a pilot programme to offer affordable houses under a shared equity ownership programme has been developed and includes an education programme and wrap-around support of whānau to ensure they are suitable and ready for home ownership under the programme. Building the financial capability of whānau will be central to its successful delivery.





- Continue to build on communications strategy
- Build on-line registration system
- Design and create Te Atiawa Branded merchandise

ACTIVITIES, ACHIEVEMENTS AND HIGHLIGHTS:

Communication Strategy and Platform

- Established electronic newsletter platform with regular e-pānui distributed to membership
- Transitioned to in-house production of Te Hauwhenua newsletter
- Covered activities conducted by Te Kotahitanga hapū workshops, freshwater wānanga, rangatahi wānanga, Annual General Meeting
- Covered events relevant to Te Atiawa Māui Pōmare,
 Puanga Haeata, Waitara Lands Bill, Taranaki Tumai
- Increased social media usage by Te Kotahitanga
- Created online registration forms for new membership
- Complete refresh Te Atiawa website following on-line survey
- Conducted merchandise survey and created merchandise page on website

MEMBER REGISTRATION SYSTEM

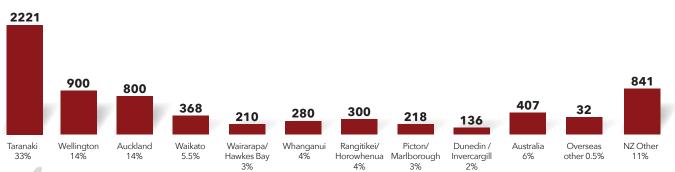
The Trust's membership registration system went live in November 2017 following last year's website review and refresh.

Since then we have also developed an 'update your details' online option. The response to both of these functions for members has been well received with over 150 new registration applications received up to 30 June 2018.

To continue improving the methods in which members can access their registration information the team are now looking into what CMS (Client Management System) software packages are available that would allow members to have access to their own information and provide a safe and secure platform.

Our biggest challenge is reducing the high number of missing registered members, i.e those we do not hold current contact details for. The team have separated the database into 'active members' for those the Trust has contact details for and are actively engaged, and for those whom are 'inactive' for which the Trust has no contact details and are uncontactable. This work is ongoing - with many member registrations dating back

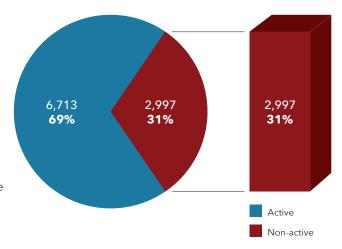
TE ATIAWA ACTIVE MEMBERS - GEOGRAPHICAL SPREAD



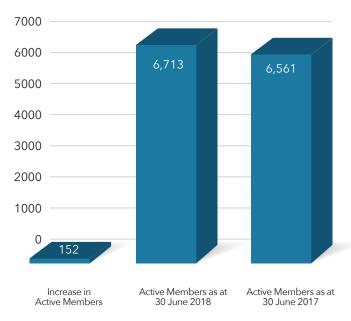
to late 1990's and early 2000's under the old Te Atiawa Iwi Authority. It would be appreciated if when in contact with your whanau you could ask them to check our 'Gone No Address' List which is located on our website https://teatiawa.iwi.nz/gone-no-address-list/ The current Gone-no-address list has 2997 members (including those with no address details and incomplete personal registration details).

The Trust is very appreciative of the work associated with validating membership applications and wish to acknowledge our current committee members: Katene Alice Doorbar, Anaru Wilkie, Mitchell Ritai, Patsy Bodger, Rita Rukuwai and Mawhaturia White. Sadly, we lost two of our members during the year, Rangikotuku Rukuwai and Harry Rori Nicholas and wish to acknowledge their contribution, guidance and knowledge over many years.

The biggest percentage of our active members reside within the Taranaki, Auckland and Wellington region, with 6.5% of our total active members living overseas, namely Australia.



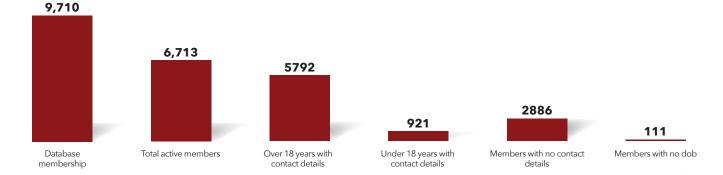
ACTIVE MEMBERS 2017 VS 2018 AS AT JUNE 2018



ONLINE REGISTRATION SYSTEM AND FEASIBILITY OF MOBILE APP DEVELOPMENT

During the website review, users suggested an online registration option. The website now provides this functionality which is based on the current physical registration process. Over the course of the year the Trust has also built an online Te Atiawa App to increase our reach to members, this can now be downloaded for free, via online app stores by searching Te Atiawa

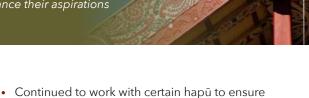
TE ATIAWA REGISTERED MEMBERS AS AT 30 JUNE 2018





STRATEGIC OBJECTIVE 8 HAPŪ/MARAE DEVELOPMENT

 Hapū/ Marae are supported to develop infrastructure and capacity that offers security to advance their aspirations



ANNUAL PLAN FOCUS:

- Hapū and Marae Relationship Agreements are endorsed
- To actively support Hapū to become distribution ready and make distributions to hapū
- Continue to provide opportunities for capacity building and development

ACTIVITIES, ACHIEVEMENTS AND HIGHLIGHTS:

- Workshops and Drafting of Memorandum of Understanding (MoU) as base documents for ongoing relationship with hapū
- Assisted hapū with the review of their respective hapū entities and their status
- Drafted and implemented hapū distribution policy
- Assisted hapū to receive distributions

- Continued to work with certain hapū to ensure readiness to receive distributions including advice on organisation structure and assistance with reporting
- Conducted assessments to identify capability needs and training priorities of hapū, marae, and whānau trusts in the rohe
- Delivered governance training workshops to build capability with hapū and Marae Groups, developed delivery relationship with the Wheelhouse and secured funding assistance from TSB Community Trust
- Provided opportunities for further training initiatives with workshops on Financial Management, Māori Governance, Planning, and Chairing Meetings.
- Development of a formal qualification in Māori Governance to be rolled out in first half of FY19



ANNUAL PLAN FOCUS:

• Sign and operationalise MOU's across a range of sectors

ACTIVITIES, ACHIEVEMENTS AND HIGHLIGHTS:

- Iwi-Crown Relationship Agreements embedded through the facilitation of hui with MPI, and MBIE
- Memoranda of Understanding signed with:
- Tui Ora Ltd with a Health and Wellbeing focus (to be signed in September 2018)
- TSB Community Trust with a Social and Community focus

- Western Institute of Technology (WITT) with a Tertiary Education focus.
- Te Korimako o Taranaki 94.8FM with a focus to collaborate on communication priorities for Te Atiawa and iwi across the region.
- Te Kotahitanga continues to have positive and active relationships with Taranaki Iwi, Ngāti Maru and Ngāti Mutunga and collaborates on many issues including resource management, administrative and technological opportunities and cultural kaupapa

TE ATIAWA IWI HOLDINGS LIMITED PARTNERSHIP



CHAIR'S REPORT FY18

Te Atiawa Iwi Holdings LP ('Holdings LP') is the commercial arm of Te Kotahitanga. We were formed in mid 2016 with responsibility for managing the Te Atiawa settlement putea and delivering reliable income to Te Kotahitanga.

Our vision is to be an outstanding investment company for Te Atiawa, which we will pursue through a focus on:

- Excellence -To achieve leading sector returns on investments
- Growth To grow the assets and cash flows at a pace that allows a reliable distribution to meet the ongoing requirements of Te Kotahitanga and for growth of the assets for future generations
- Leadership To exercise rangatiratanga by being a successful investor and admired economic leader, especially in industries and assets which contribute to the regional and local economy, including our own people
- Integrity To enhance the mana of Te Atiawa Iwi through commercial success and upholding the values of Te Atiawa Iwi

Our approach to investment is to build a balanced portfolio of high-quality direct investments that suit the Holdings LP's natural advantages of: long term investment horizon, relative scale, role as a mana whenua investment company and the special relationship this implies with other Maori investment entities, specific Crown relationship under the Treaty of Waitangi, Right of First Refusal (RFR) property opportunities, wider regional relationships, and our strong investment and commercial governance.

We are at the start of our investment journey and are happy to take our time waiting for the right opportunities.

The right opportunity is one that plays to our natural advantages and beliefs, combines a strong business, appropriate scale, suitable access and good management. We look for these characteristics as ways of helping to ensure we can generate good risk adjusted returns from whatever we invest in.

We will look for opportunities initially in areas we believe we have competitive advantages or proprietary skills or access points. This might include opportunities that are unique to Te Atiawa or that Te Atiawa has available to it via relationships and partnerships as a result of being an aligned, long-term investment entity. Finding and executing appropriate direct investments in a disciplined manner takes time and patience and as we wait, we are happy to invest our capital into financial instruments, principally cash and managed funds. Through FY18 these continued to form the bulk of our portfolio.

We have run a conservative portfolio over the last year. We believe this is appropriate given we think we are in the later stage of a strong economic cycle. There remains a focus on execution of our strategy in direct investment, that requires us to retain more cash than otherwise might be the case. Unfortunately cash does not offer high returns, but it's there when we need it. The board believe the year's results reflect this positioning, fortunately bolstered by strong returns from share markets that we do not expect to continue indefinitely.

At year end we had several direct opportunities under consideration or development and we look forward to finalising two or three of these over the coming year.

OUR OPERATING MODEL

Cost control is an important part of a successful investment business. We are carefully managing costs and focussed on delivering high quality investments with a minimum of overheads. At an operating level we run an asset and cost lite business, contracting in investment advice, accountancy and administration services. This has served us well the last two years.

PROPERTY ACTIVITY

We continued our detailed assessment of the portfolio of properties available to purchase from the Crown under our deferred settlement property (DSP) rights.

In October 2017 we acquired the first of two properties from the Crown: the freehold land beneath the New Plymouth court house. The freehold land under New Plymouth central police station was acquired in February 2018. These are low risk, long-dated income generating assets that in the current interest rate environment are an attractive alternative to cash.

We have submitted notices of interest on three further properties with final price negotiations ongoing at the time of writing. We hope to settle and commence development plans on these properties in FY19.

We also further developed our discussions with Taranaki lwi and other potential partners around a joint approach to some of the larger, longer term property development opportunities. Partnering with others would allow us to balance our portfolio and maintain prudent allocations.

OTHER DIRECT INVESTMENT ACTIVITY

Holdings LP has been a leading mover in the formation of 'Te Pūia Tāpapa' a new Māori investment fund. Of note the fund's name and branding came courtesy of Hemi Sundgren, Te Kotahitanga CEO.

Te Pūia Tāpapa has committed capital of c \$115m from 26 iwi and Māori investors. The fund is focussed on coinvesting alongside other major New Zealand institutional investors in large scale, existing New Zealand businesses. As such it gives Te Atiawa Holdings LP low cost access to large scale unlisted investments that it could not consider on its own. The fund has now closed and a high-quality investment committee been put in place. In keeping with our own strategy, Te Pūia Tāpapa will be patient and wait for the right opportunities.

We have committed \$10m, making Holdings LP one of the cornerstone investors, and therefore have the right to appoint a director.

Holdings LP has also been involved in Tai-Hekenga along with other Taranaki related iwi, negotiating to acquire a large group of Crown properties in Wellington. This has been delayed by Crown negotiations but we expect to see this settled in the coming months.

FINANCIAL PORTFOLIO ACTIVITY

We made two small changes to the managed funds portfolio, moving funds from one fund managed by Harbour to another similar income-focussed fund. We also increased our allocation to Aspiring, which runs a more equities focussed absolute return fund.

Our overall cash holdings remained largely stable through the year other than the payments to acquire the police station and court house land in New Plymouth.

BRANDING AND PROFILE

You may note new branding for Holdings LP. This was developed by Te Kotahitanga CEO and now adorns all our documentation. We have developed a communications strategy around property developments that we will be looking to undertake in the future, of which this branding forms a part.

SUPPORTING OTHER ACTIVITIES

Holdings LP has been working closely with Te Kotahitanga on plans around whanau financial capability and housing. There may be an opportunity to use some external funding to both increase financial capability and increase affordable housing options for feasible settlement properties. The commercial discipline of Holdings LP would play an important role in any plan along these lines.

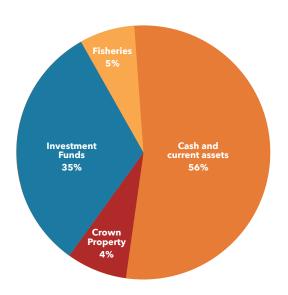
TE ATIAWA (TARANAKI) HOLDINGS LIMITED ('FISHERIES HOLDINGS ')

The operations of Fisheries Holdings have been streamlined and are focused on leasing the fisheries settlement quota and ownership of shares in Moana NZ (formerly Aotearoa Fisheries Limited).

The main quota lease requires renewal on 1 October 2018, hence the main focus for the F18 year was negotiations around this. As a result, a new pan-iwi agreement with Sealord has been created and Fisheries Holdings will enter into this directly.

FINANCIAL RESULTS

As noted we have run a relatively low-risk portfolio this year. At year end we had total assets across the Te Atiawa commercial group (i.e. Holdings LP and Fisheries Holdings) of \$103m, deployed as shown:



Investment Funds \$35,548,516 (35%)

Fisheries assets \$5,158,791 (5%)

Cash and current assets \$58,133,051 (56%)

Crown Property \$4,284,186 (4%)

The material change during FY18 were the Crown property acquisitions of c \$4m (plus early stage Deferred Settlement Property review costs), which were funded from cash.

As this is our second year of operations we can begin to compare performance with prior year's.

TE ATIAWA COMMERCIAL GROUP FINANCIAL PERFORMANCE	FY	′18	FY	17
Holdings LP operating income	\$	3,507,998	\$	2,591,025
TATHL income	\$	562,562	\$	271,189
Total Commercial Group operating income	\$	4,070,560	\$	2,862,214
Operating expenses	\$	567,320	\$	474,339
	_		_	
Net operating profit before tax	\$	3,503,240	\$	2,387,875
Investment revaluations	\$	864,958	\$	347,652
Total comprehensive income	\$	4,368,198	\$	2,735,527

Performance improved on the back of a full year's investment in the managed fund portfolio (implementing the fund allocations in a staggered manner took us several months into FY18) as well as benefitting from rentals from Crown property. While managed funds had a good year, reflected in the investment revaluations, we remain cautious about the ability of financial markets to sustain this performance.

Overall the commercial group made a \$4.36m profit, up on \$2.8m last year. From this we paid a \$1.65m distribution to Te Kotahitanga, up on \$1.2m last year.

Total Net Profit
4.3
MILLION
FY18

Te Atiawa Commercial Holdings Shareholder Equity

103
MILLION
FY18

Commercial
Group Distribution

1.65
MILLION
FY18

PLANS FOR 2019 FINANCIAL YEAR

Over the coming year we anticipate more activity in both Te Pūia Tāpapa and in the execution of the Deferred Settlement Property (DSP) pipeline. We also expect to see negotiations close around the Tai-Hekenga acquisition of the bundle of Crown leaseback properties in Wellington (that Holdings LP Is pursuing in conjunction with a number of other iwi) and a major investment made.

At year end we were reviewing several other potential direct investment opportunities and we expect to conclude at least one of these in the 2019 financial year.

On behalf of directors I would like to thank Te Kotahitanga trustees - and through them the wider iwi - for the ongoing support for us and for our strategy. Thank you to Hemi and Maureen for the invaluable day to day and week to week support and thank you to Ellen and VBW for the timely and efficient accounting support.

Finally, thank you to my fellow directors for the discipline and commitment you bring to each and every meeting, project and discussion.



Maritua

Mark Tume

25 October 2018

Date





For the Year Ended 30 June 2018

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of Te Kotahitanga o Te Atiawa Trust - Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Te Kotahitanga o Te Atiawa Trust and its subsidiaries (the Group) on pages 35 to 58, which comprise the consolidated statement of financial position as at 30 June 2018, and the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in trust capital and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2018, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR).

Basis for Opinion

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

Other information

The Trustees are responsible on behalf of the Group for the other information. The other information comprises the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Trustees Responsibilities for the Financial Statements

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

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



Auditors Responsibilities for the Audit of the Financial Statements

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

A detailed description of the auditors' responsibilities including those related to assessment of risk of material misstatement, evaluation of appropriateness of going concern assumptions and determining key audit matters are available on the external reporting board website: http://www.xrb.govt.nz/standards-for-assurancepractitioners/auditors-responsibilities/audit-report-7/

Restriction on Distribution or Use

This report is made solely to the Trustees, as a body in accordance with section 10.2 of the Trust Deed. Our audit has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Cameron Town

Seth, audit

Silks Audit Chartered Accountants Limited Whanganui, New Zealand 29 October 2018

DIRECTORY

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

NATURE OF BUSINESS

Investment for the purposes of providing benefits and opportunities for Te Atiawa Iwi.

BENEFICIARIES

Members of Te Atiawa iwi

ENTITY STRUCTURE

This entity is comprised of Te Kotahitanga o Te Atiawa Trust, Te Atiawa Iwi Holdings Limited Partnership, Te Atiawa (Taranaki) Holdings Limited and Te Atiawa Iwi Charitable Trust. All entities are domiciled in New Zealand. The Trusts are governed by a team of seven paid trustees. The Limited Partnership and Company are governed by a team of five paid directors.

TRUSTEES

Liana Poutu - Chair
Wharehoka Wano - Deputy Chair
Kura Denness
Shelley Kopu
Kim Skelton
Gary Nicholas
Shaun Keenan - Leave of absence from 23 June 2017 and resigned 10 May 2018

DIRECTORS

Mark Tume - Chair Liana Poutu Mike Pohio Kim Skelton Adrian Taylor

BANKERS

ASB Bank Limited (ASB)
Australia New Zealand Banking Group (ANZ)
Bank of New Zealand (BNZ)
TSB Bank Limited (TSB)

SOLICITORS

Greenwood Roche, Wellington Kahui Legal, Wellington Govett Quilliam, New Plymouth

CHARTERED ACCOUNTANT

Vanburwray Chartered Accountants Limited

AUDITORS

Silks Audit Chartered Accountants Limited

REGISTERED ADDRESS

35 Leach Street, New Plymouth, New Zealand, 4310 - P O Box 1097, Taranaki Mail Centre, New Plymouth, 4340

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES



Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

	Notes	2018	2017
Revenue			
Operating Revenue	4	633,559	8,552,644
Finance Income	4	3,759,219	3,181,582
Total Revenue		4,392,778	11,734,226
Expenses			
Administrative Expenses	5	101,313	128,911
Advisory, Consulting and Professional Fees	5	337,571	274,288
Centrally Led Projects	5	29,862	11,360
Communications and Engagement	5	18,566	19,842
Governance Expenses	5	371,548	394,628
Operating Expenses	5	50,760	51,674
Staff Expenses	5	469,443	295,694
Total Expenses		1,379,062	1,176,397
Net Operating Profit (Loss)		3,013,716	10,557,829
Taxation			
Income Tax Expense	11	589,508	340,877
Distributions and Grants			
Distributions and Grants	7	1,325,000	-
Total Distributions and Grants		1,325,000	-
Total Surplus/(Deficit) for the Period		1,099,208	10,216,952
Other Comprehensive Revenue and Expenses			
Change in Fair Value of Investments	6	864,958	346,997
Total Comprehensive Revenue and Expenses		1,964,166	10,563,950

This accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached audit report.

STATEMENT OF CHANGES IN TRUST CAPITAL



Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

Balance at 30 June 2018	106,123,254	9,956	1,211,955	107,345,165
Other comprehensive income	-	-	864,958	864,958
Total Surplus	1,099,208	-	-	1,099,208
Balance at 1 July 2017	105,024,046	9,956	346,997	105,380,999
2018	Retained earnings	Reserves	Available-for-Sale Investment Revaluation Reserve	Total Equity

2017	Retained earnings	Reserves	Available-for-Sale Investment Valuation Reserve	Total Equity
Balance at 1 July 2016	94,807,094	-	-	94,807,094
Total Surplus	10,216,952	-	-	10,216,952
Other comprehensive income	-	-	346,997	346,997
Reserves transferred	-	9,956	-	9,956
Balance at 30 June 2017	105,024,046	9,956	346,997	105,380,999

This accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached audit report.

STATEMENT OF FINANCIAL POSITION



Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

	Notes	30 June 2018	30 June 2017
Access		\$	\$
Assets Current Assets			
Cash and cash equivalents	8	3,074,714	4,373,758
Debtors and prepayments	9	543,074	562,741
Income Tax Receivable	11	311,858	597,573
Current Investments	10	60,056,471	61,322,971
Total Current Assets		63,986,118	66,857,043
Non-Current Assets			
Available-for-Sale Investments	12	35,465,876	33,734,318
Property, Plant and Equipment	13	9,708	8,872
Deferred Tax Asset	11	7,422	5,309
Intangible Assets	14	2,072,556	2,072,556
Investment Property	15	4,238,962	-
Investments Recorded at Cost	16	3,093,864	3,005,709
Total Non-Current Assets		44,888,388	38,826,764
Total Assets		108,874,506	105,683,807
Liabilities			
Current Liabilities			
Creditors and accrued expenses	17	243,791	152,808
Provision for Distributions and Grants	18	1,285,550	150,000
Total Current Liabilities		1,529,341	302,808
Total Liabilities		1,529,341	302,808
Total Assets less Total Liabilities (Net Assets)		107,345,165	105,380,999
Truct Canital			
Trust Capital	10	107.245.475	105 200 200
Accumulated Funds	19	107,345,165	105,380,999
Total Trust Capital		107,345,165	105,380,999

Signed for and on behalf of the Board of Trustees who authorised these financial statements for issue:

Trustee Trustee 29 October 2018 29 October 2018 Date Date

STATEMENT OF CASH FLOWS



Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

	2018	2017 \$
Cash Flows from Operating Activities	Ψ	Ψ
Cash receipts from Customers	577,263	29,653,373
Interest, dividends and other investment receipts	2,529,306	2,091,830
GST	10,542	(520)
Cash paid to Suppliers and Employees	(1,294,323)	(941,513)
Taxation Paid	(46,902)	(467,216)
Charitable Distributions / Donations	(139,450)	-
Total Cash Flows from Operating Activities	1,636,436	30,335,954
Cash Flows from Investing Activities		
Investing in short term investments	(11,333,121)	(27,602,002)
Investment in direct investments	(88,155)	(39,709)
Investing in managed funds	(3,000,000)	(32,960,291)
Investing in investment property	(4,231,556)	-
Receipts from sale of investments	15,722,358	-
Payments to acquire property, plant and equipment	(5,006)	(7,107)
Cash Flows from Other Investing and Financing Activities	-	33,729,395
Total Cash Flows from Investing Activities	(2,935,480)	(26,879,714)
Net Increase/ (Decrease) in Cash	(1,299,043)	3,456,240
Cash Balances		
Cash and cash equivalents at beginning of period	4,373,758	917,518
Cash and cash equivalents at end of period	3,074,714	4,373,758
Net change in cash for period	(1,299,043)	3,456,240



Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

1. REPORTING ENTITY

Te Kotahitanga o Te Atiawa Group. Te Kotahitanga o Te Atiawa Trust (Te Kotahitanga) is a trust established by a trust deed on 31 March 2014 and is subject to the Trustees Act 1956.

The financial statements comprising Te Kotahitanga o Te Atiawa Group are presented for the year ended 30 June 2018.

These financial statements and the accompanying notes summarise the financial results of activities carried out by Te Kotahitanga o Te Atiawa Group. Te Kotahitanga is engaged in the business of investment for the purposes of providing benefits and opportunities to Te Atiawa lwi.

These financial statements have been approved and were authorised for issue by the Board of Trustees on 29 October 2018.

The purpose and responsibilities of the Te Kotahitanga as outlined in the Trust Deed is to receive, hold, manage and administer the settlement assets received on behalf of the ngā uri o Te Atiawa.

The quantum for Te Atiawa's settlement package is as follows:

Financial Redress

The Crown has paid the Te Kotahitanga on 23 February 2017 \$24,876,000, which is the balance of the total financial and commercial redress amount of \$87,000,000 in accordance with the Te Atiawa Deed of Settlement.

Commercial Redress

Landbanked Properties

Te Atiawa will have the option to purchase 51 Office of Treaty Settlement landbanked properties, within a deferred selection period of one to two years from Settlement Date (being 23rd February 2017).

Sale and Leaseback

Te Atiawa has a deferred selection period of two years from Settlement Date to purchase and leaseback two non-surplus core Crown properties. These properties are the New Plymouth Court House purchased October 2017 and the New Plymouth Police Station purchased in February 2018.

Right of First Refusal

From Settlement Date, Te Atiawa will have an exclusive right of first refusal over specified core Crown land and a non-exclusive shared right of first refusal over

core Crown land with Taranaki Iwi for a period of 172 years. This is provided for in the Te Atiawa Deed of Settlement.

Cultural Redress

The Te Atiawa Deed of Settlement also provides for a cultural fund of \$985,000 that was paid to the Te Kotahitanga on Settlement Date.

2. STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION

The Group has adopted the New Zealand equivalents to International Financial Reporting Standards -Reduced Disclosure Regime ("NZ IFRS - RDR") as set out in the External Reporting Board's "Accounting Standards Framework".

The financial statements are general purpose financial statements that have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZGAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable financial reporting standards as appropriate for profit-oriented entities. The group has elected to report under NZ IFRS - Reduced Disclosure Regime of the External Reporting Board as the company is a for-profit Tier 2 entity for financial reporting purposes on the basis that it does not have public accountability and is a large for-profit public sector entity. The financial statements have been prepared in accordance with the requirements of the Limited Partnership Act 2008, Companies Act 1993 and the Financial Reporting Act 2013.

MEASUREMENT BASE

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.

CONSOLIDATION

The consolidated financial statements comprise the Te Kotahitanga o Te Atiawa Trust (Te Kotahitanga), Te Atiawa Iwi Holdings Limited Partnership (Limited Partnership), Te Atiawa (Taranaki) Holdings Limited (Fisheries Holdings) and Te Atiawa Iwi Charitable Trust (Charitable Trust).

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

COMPARATIVES

The comparative figures for 2017 for the Charitable Trust are for the period of 5 months from 16 February 2017 to 30 June 2017 as the Charitable Trust was established on 16 February 2017.

The comparative figures for 2017 for Holdings are for the period of 7 months from 6 December 2016 to 30 June 2017 due to the change in shareholding from Te Atiawa (Taranaki) Settlement Trust to Te Kotahitanga o Te Atiawa Trust on the enactment of Te Atiawa Claims Settlement Act 2016.

CHANGES IN ACCOUNTING POLICIES

Quota Shares has been reclassified as an Intangible Asset. Quota Shares were previously classified as a Financial Instrument -Investment Measured at Cost. There has been no change in the value of the Quota Shares therefore no changes in prior period values.

All other policies have been applied on a consistent basis.

CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in a normal operating cycle
- · It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Te Kotahitanga classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

GOODS AND SERVICES TAX

All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

The net amount of GST receivable from, or payable to the Inland Revenue is included as part of the receivables or payables in the statement of financial position.

IMPAIRMENT

Non-derivative financial assets

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

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

Financial assets measured at amortised cost

Te Kotahitanga considers evidence of impairment for financial assets measured at amortised cost (loans and receivables and held-to-maturity investment securities) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment Te Kotahitanga uses historical trends of the probability of default,



the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity investment securities.

Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

IMPAIRMENT OF NON-FINANCIAL ASSETS

At each balance date, non-financial assets are classified into four categories: assets measured at fair value; assets currently available that Te Kotahitanga intends to use to the end of its useful life; assets intended to be sold prior to the end of their useful life; and assets damaged or idle at balance date.

Assets measured at fair value or assets Te Kotahitanga intends to use to the end of its useful life, are not reviewed for impairment at balance date.

Assets intended to be sold prior to the end of their useful life or assets damaged or idle at balance date are reviewed to determine if any indicators of impairment exist. If indicators exist the asset is tested for impairment to ensure that the carrying amount of the asset is recoverable.

If the recoverable amount of an asset is determined to exceed its carrying amount then the resulting difference is recognised as an impairment loss in profit or loss for that period.

FINANCIAL INSTRUMENTS

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

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

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

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Loans and receivables
- Financial assets measured at cost
- Available-for-sale ("AFS") financial assets.

All financial assets are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less an allowance for credit losses. Discounting is omitted where the effect of discounting is immaterial. The Group's debtors and cash and cash equivalents fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics.

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

AFS financial assets

AFS financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Group's AFS financial assets include Managed Fund Investments.

All AFS financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Interest calculated using the effective interest method and dividends are recognised in profit or loss within income.

Financial liabilities

The Group's financial liabilities include trade and other payables.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

EQUITY RESERVES AND DISTRIBUTION PAYMENTS

Reserves include the following:

 AFS financial assets - comprises gains and losses relating to these types of financial instruments.

Retained earnings include all current and prior period retained profits.

Distributions or dividends payable to partners are included in other liabilities if the distributions have been approved at a general meeting prior to the reporting date.

All transactions with partners are recorded separately within equity.

LEASES

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease.

The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Te Kotahitanga as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Operating lease payments are recognised as an operating expense in the statement of comprehensive income on a straight-line basis over the lease term.

EMPLOYEE BENEFITS

Short term employee benefits

Liabilities for wages and salaries, including accumulating holiday pay that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

STATEMENT OF CASH FLOWS

Definitions of the terms used in the Cash Flows:

- Cash includes coins and notes, demand deposits and other highly liquid investments readily convertible into cash, used by the group as part of its day-to-day cash management
- Operating activities include all transactions and other events that are not investing or financing
- Investing activities are those activities relating to the acquisition and disposal of current and non-current investments and other non-current assets
- Financing activities are those activities relating to changes in the equity, including Treaty of Waitangi settlement receipts and those activities relating to the cost of servicing Te Kotahitanga's equity capital.

ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material



adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Te Kotahitanga based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of Te Kotahitanga. Such changes are reflected in the assumptions when they occur.

PRIOR PERIOD MISSTATEMENT

In the 2017 audited group financial statements there was a misstatement in the tax credits received. The Maori Authority Tax Credits internally distributed were eliminated on consolidation. During the 2018 year, the tax credits (\$372,494 and \$18,667) have been refunded by the Inland Revenue.

Item	2017 Audited Statements	Adjustments	2017 Updated Statements
Distributions	0	372,494	372,494
Dividends	166,378	18,667	185,045
Net Surplus	9,825,791	391,161	10,216,952
Income Tax Receivable	206,412	391,161	597,573
Trust Capital	104,989,838	391,161	105,380,999

3. APPLICATION OF REDUCED DISCLOSURE REGIME

Application of the Reduced Disclosure Regime

Te Kotahitanga has implemented the New Zealand equivalent to International Financial Reporting Standards - Reduced Disclosure Requirement (NZ IFRS RDR). All accounting policies were applied consistently during the year.

At the date of authorisation of the financial statements of Te Kotahitanga for the year ended 30 June 2018, the following Standards have been adopted.

NZ IFRS 9: Financial Instruments

NZ IFRS 9 has been adopted by Te Kotahitanga for the first time for its financial reporting period ended 30 June 2018. The standard replaces part of NZ IAS 39 and establishes two primary measurement categories for financial assets: amortised cost and fair value, with classifications depending on an entity's business model and the contractual cash flow characteristics of the financial asset. The adoption of NZ IFRS 9 has not affected the current classification and measurement requirements of financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated as at fair value through profit or loss and Te Kotahitanga does not have any such liabilities. NZ IFRS 9 has not had a significant impact on Te Kotahitanga.

NZ IAS 19 (Amendment): Defined Benefit Plans: Employee Contributions

NZ IAS 19 prescribes the accounting and disclosure for employee benefits, the amendment to NZ IAS 19 requires Te Kotahitanga to determine whether an employee benefit is short-term or long-term based on when payment is expected and not when payment can be demanded.

In addition, where termination benefits include a future-service obligation, these cannot be treated as termination benefits under NZ IAS 19 going forward. Te Kotahitanga has yet to assess the impact of this standard.

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

REVENUE	2018	2017
Operating Revenue	\$	\$
<u> </u>	227 207	0/774
ACE Leasing Income	337,207	96,774
Direct Investment Property	119,329	-
Koha Received	510	680
Grants Received	93,817	7,383
Ministry of Justice	-	139,500
Sundry Income	82,696	60,206
Te Atiawa (Taranaki) Settlement Trust Group Net Assets	-	7,935,959
Treaty Settlement Proceeds	-	312,143
Total Operating Revenue	633,559	8,552,644
Finance Income		
Distributions Received	132,576	372,494
Dividends Received	195,096	185,045
Interest Received	2,112,935	2,118,044
Investment Income - Managed Funds		
Investment Income	1,199,935	505,999
Realised Gains on Available-for-Sale Financial Assets	118,676	-
Total Finance Income	3,759,219	3,181,582
Total Revenue	4,392,778	11,734,226

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

Fisheries Income

Annual Catch Entitlement (ACE) income is recognised when cash is received or receivable for the sale of ACE in the fishing season to which it relates.

Direct Investment Property

Income received from the rental of property is recognised within profit or loss in the Statement of Comprehensive Income on a straight line basis over the term of the lease.

Interest

Interest received is recognised as interest accrues, gross of refundable tax credits received, using the effective interest method.

Investment Income

Investment income received from investments within the Managed Funds. Income received that is reinvested is recorded within profit or loss in the Statement of Comprehensive Income when recognised.

Dividends

Dividends are recognised when declared and are measured gross of imputation credits.

Grants requiring specified future conditions to be met are recognised as a liability on receipt.

4.



The grants are recognised as income over the period that the specified conditions are complete and the associated costs are recognised.

Sales of services are recognised in the period by reference to the stage of completion of the transaction at the end of the reporting period.

The Te Atiawa (Taranaki) Settlement Trust group net assets comprise shares in Aotearoa Fisheries Ltd, Quota, Cash, other investments and accumulated funds transferred to Te Kotahitanga on 5 December 2016 being settlement date of the Te Atiawa Iwi Claims Settlement Act 2016.

EXPENSES (excluding exceptional expenses)	2018	2017 \$
Administration Expenses	Ť	
Accommodation	1,679	2,044
Administration Fees	-	22,949
Advertising	1,448	1,364
Assets Under \$500	520	847
Catering	6,213	11,470
Depreciation	4,170	2,059
Insurance	15,859	12,994
Loss on Revenue of Fixed Assets	-	1,185
Operating Lease Payments	3,567	3,567
Rent	28,751	32,847
Sponsorship	3,500	-
Telephone, Tolls & Internet	3,688	5,428
Travel Expenses	10,554	11,172
Other Administrative Expenses	21,365	20,984
Total Administrative Expenses	101,313	128,911
Advisory, Consulting and Professional Fees		
Accountancy Fees	24,000	13,697
Audit Fees	19,400	13,250
Consulting Fees	91,226	61,541
Fund Management Account Fees	70,267	29,404
Investment Management	120,000	120,000
Legal Fees	8,490	32,605
Valuation Fees	1,800	2,000
Whakapapa Validation Committee	2,388	1,791
Total Advisory, Consulting and Professional Fees	337,571	274,288

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

	2018	2017
Centrally Led Projects	\$	Φ
Brand	4,684	
Cultural Support	7,429	-
Environmental Initiatives	849	
GIS Database Development	1,850	2,625
Hapū Support, Distribution Ready, Wānanga (Finance)	387	194
Rangatahi Wananga	7,112	-
Te Atiawa Education Strategy	1,000	-
Te Atiawa Wānanga	1,850	7,033
Wānanga - hapū/ Marae	-	1,508
Whai Rawa Project	4,700	-
Total Centrally Led Projects	29,862	11,360
Communications and Engagement		
Annual Report and Quarterly Newsletters	13,761	16,219
Conference Fees	1,676	400
lwi Chairs Forum	2,609	1,739
Venue Hire	520	1,484
Total Communications and Engagement	18,566	19,842
Governance Expenses		
Accommodation - Governance	7,404	5,628
Director Fees	215,000	215,834
Governance Expenses	-	2,449
Training - Trustee / Governance	-	(3,658)
Travel - Trustee / Governance	15,019	19,027
Trustee Remuneration	134,125	155,349
Total Governance Expenses	371,548	394,628



Total Staff Expenses	469,443	295,694
Wages & Salaries	450,675	281,966
Travel Expenses	4,617	4,922
Staff Advertising, Training & Expenses	224	166
Kiwisaver Employer Contributions	13,298	8,148
Accident Compensation Levy	630	492
Staff Expenses		
Total Operating Expenses	50,760	51,674
Transition Costs	120	7,370
Te Atiawa Collective Costs	5,000	-
Pātaka Whata	5,456	9,411
Maunga Negotiations	316	750
Marine and Coastal Area Act Expenses	(3,581)	4,081
Levies Paid	43,449	30,062
Operating Expenses		
	2018	2017 \$

Expenses are recognised in net surplus upon utilisation of the service at the date of their origin.

OTHER COMPREHENSIVE REVENUE AND EXPENSES	2018	2017
Change in Fair Value of Investments		
Available-for-sale financial assets		
Current year gains / (losses)	983,634	346,997
Reclassification to profit or loss	(118,676)	-
Total Other Comprehensive Revenue and Expenses	864,958	346,997

Reclassification to Profit or Loss - Please refer to the AFS financial assets policy under the Financial Instruments Policy in Note 2.

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

. DISTRIBUTIONS AND GRANTS	2018	2017
Hapū Distributions	1,050,000	-
Tribal Development Grants	275,000	-
Total Distributions and Grants	1,325,000	-

Hap \bar{u} Distributions of \$1,050,000 comprise \$700,000 for 2017 hapu distributions and \$350,000 for 2018 hapu distributions.

. CASH AND CASH EQUIVALENTS	2018	2017 \$
Cash on Hand	322	322
ANZ Bank	680	743
ASB Bank	243	-
BNZ Bank	1,688,148	3,200,883
TSB Bank	1,385,321	1,171,809
Total Cash and cash equivalents	3,074,714	4,373,758

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less plus bank overdrafts. Bank overdrafts are shown on the balance sheet as current liabilities within short term borrowings.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

DEBTORS AND PREPAYMENTS	2018	2017
Accrued Interest	401,993	490,690
GST	6,355	16,897
Trade Receivables	134,726	55,154
Total Debtors and prepayments	543,074	562,741

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectible are written off in the period that they are identified.



0. CURRENT INVESTMENTS	2018	2017
ANZ Bank Term Deposits	16,090,895	28,690,516
ASB Bank Term Deposits	26,786,236	18,000,000
BNZ Bank Term Deposits	15,683,111	14,632,455
TSB Bank Term Deposits	1,496,229	-
Total Current Investments	60,056,471	61,322,971
Term Deposits are stated at amortised cost.		
1. INCOME TAX	2018	2017
Income tax recognised in profit and loss and other comprehensive Income		
Current income tax:	-	-
Current income tax charge	591,621	342,688
Deferred tax:	-	-
Relating to orgination and reversal of temporary difference	(2,113)	(1,811)
Total Income tax recognised in profit and loss and other comprehensive Income	589,508	340,877
Reconciliation of income tax expense		
Accounting Profit before income tax expense	3,878,729	10,512,623
At Māori Authority tax rate of 17.5%	678,778	1,839,709
Add:	-	-
Tax on non-deductible expenses	60,757	31,134
Less:	-	-
Tax on non-assessable income	(150,026)	(1,529,966)
Income Tax reported in the Statement of Comprehensive Income	589,508	340,877

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

Net balance as per above	7,422	5,309
Deferred tax liability	7,422	3,307
Deferred tax asset	7,422	5,309
Made up of:	_	-
Asset / (Liability) closing balance	7,422	5,309
Current year movement	2,113	1,811
Asset / (Liability) opening balance	5,309	3,498
Deferred Tax		
Asset / (Liability) closing balance	311,858	597,573
Refunds received	(554,740)	(22,773)
Taxation Paid	860,646	(858,014)
Current year tax expense	(591,621)	(342,688)
TATHL opening balance	-	23,138
Asset / (Liability) opening balance	597,573	81,883
Current tax	4	4
	2018	2017

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current Income Tax

Current tax is the expected tax payable or receivable on the taxable income or loss 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.

Current tax also includes any tax liability arising from the declaration of dividends. Te Kotahitanga is registered with the Inland Revenue Department as a Maori Authority for tax purposes.

Deferred Tax

Deferred tax is recognised in respect of temporary differences 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:

 Temporary differences on the initial recognition of assets or liabilities in a transaction that is not

- a business combination and that affects neither accounting nor taxable profit or loss; and
- Temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax Te Kotahitanga takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. Te Kotahitanga believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes Te Kotahitanga to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.



Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against

which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Te Kotahitanga and Holdings are a Maori Authority for taxation purposes and are liable for income tax on assessable net income at the relevant Maori Authority tax rate. Taxation is charged for the current year is based on the estimated taxation payable. This estimation does not include the Settlement of Historical Claims and any interest associated with the capital payment.

AVAILABLE-FOR-SALE INVESTMENTS	2018	2017
Aspiring Asset Management Limited	6,695,494	3,123,654
Harbour Asset Management Limited	-	10,246,177
Harbour NZ Corporate Bond Fund	7,437,028	-
Mint Asset Management Limited	10,798,829	10,278,952
QuayStreet Asset Management Limited	10,534,526	10,085,535
Total Available-for-Sale Investments	35,465,876	33,734,318

The Directors have elected the Managed Fund Investments to be deemed Available for Sale financial assets measured at fair value with the increase or decrease in fair value recorded in Other Comprehensive Income.

Total Office furniture and equipment	9,708	8,872
Disposals	-	-
Depreciation	(4,170)	(2,059)
Additions	5,006	7,107
Opening carrying value - Office furniture and equipment	8,872	3,824
3. PROPERTY, PLANT AND EQUIPMENT	2018	2017 \$

Property, plant and equipment is stated at cost less aggregate depreciation to date. Depreciation has been charged over the expected useful life of the asset using depreciation rates and methods below:

Office Furniture & Equipment - at cost 10-67% DV

Cultural Redress Properties

As part of the Treaty Deed of Settlement dated 5 September 2015, ownership of various "cultural redress properties" were vested to the Te Kotahitanga o Te Atiawa Trust. The Trustees have not undertaken a valuation of the properties. The properties are listed opposite:

Properties Vested in Fee Simple Taumata Property **Ngā Motu: properties jointly held in fee simple**

Ngā Motu, which comprise, as 1 property, Mataora (Round Rock), Motuotamatea (Snapper Rock), and Pararaki (Seagull Rock): as 1 property, Motumahanga (Saddleback), Moturoa, Waikaranga (Seal Rocks), and Whareumu (Lion Rock): as 1 property, Koruanga / Motukuku and Tokatapu.

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

Total Intangibles	2,072,556	2,072,556
Quota Shares	2,072,000	2,072,000
Quota Purchased	556	556
INTANGIBLES	2018	2017

Quota Shares are accounted for using the cost model and have an indefinite life and therefore are not amortised. They are recorded at cost less impairment, with cost being the initial settlement value.

An independent valuation was received from Quota Management Systems Limited as at 30 June 2018 which states that the market value of quota owned to be \$5,467,226.

Management does not expect that a reasonable change in key assumptions would result in a material reduction in the recoverable amount of the fish quota below its carrying value. The fishing quota is not considered to be impaired as at 30 June 2018.

. INVESTMENT PROPERTY	2018	2017 \$
Opening carrying value	-	-
Additions		
DSP Acquisition Costs	170,644	-
New Plymouth Courthouse Land - Purchased October 2017	1,366,830	-
New Plymouth Police Station Land - Purchased February 2018	2,701,488	-
Closing carrying value	4,238,962	-

Investment properties are properties held to earn rentals and / or for capital appreciation, and are accounted for using the fair value model.

Investment properties are re-valued annually and are included in the Statement of Financial Position at their open market value. These values are supported by market evidence and are determined by external independent professional valuers with sufficient experience with respect to both the location and the nature of the investment property. As the land was acquired in the last 12 months and purchased at valuation price there is no need to revalue this year.

Any gain or loss resulting from either a change in the fair value or the sale of an investment property is immediately recognised in profit or loss within change in fair value of investment property.

Rental income from investment property are reported within revenue and are recognised as described in Note 3.

Prior to purchase of investment property, costs involved are recognised as an asset. Once the property is purchased, the costs involved are transferred to the cost of the investment property recorded in the Statement of Financial Position. If the Limited Partnership does not intend to purchase the specific property, the costs are transferred to expenses within profit or loss in the Statement of Comprehensive Income as at the date the intention to not purchase is recognised.



6. INVESTMENTS RECORDED AT COST	2018	2017
4,166 Shares in Aotearoa Fisheries Ltd	2,966,000	2,966,000
Tai-Hekenga Property Partnership	45,224	39,709
Te Pūia Tāpapa Limited Partnership	82,640	-
Total Investments Recorded at Cost	3,093,864	3,005,709

Shares Aotearoa Fisheries Ltd (AFL)

An independent valuation was received from Arantis Corporate Finance as at 30 September 2015 with the shares having a value of \$2,966,000. The valuation was based on a calculation of equity value.

Te Atiawa (Taranaki) Holdings Ltd owns 4,166 out of a total of 250,000 income shares in Moana NZ (formerly AFL). Based on Moana NZ 30 September 2017 audited financial statements, these have a value of \$1,148 per share which is a total value of \$4.78 million.

After allowing for a minority discount there is still a significant margin to book value. In addition the dividend yield on book value was 6.5% which is considered attractive for the sector.

The shares are not considered to be impaired at 30 June 2018.

Port Nicholson Fisheries Limited Partnership

On July 2015 the company entered into a Limited Partnership Agreement with Port Nicholson Fisheries, so that the CRA9 Quota (178 Kgs) would be made available for a return greater than the current ACE lease prices. Holdings partnership share is 0.04%. Investments in Partnerships are stated at cost.

Accounts Payable Accruals Employee Benefits Payable Income Received in Advance PAYE Payable Unearned Income	35,413 23,276 23,647	- 11,553 7,617
Accruals Employee Benefits Payable Income Received in Advance	23,276	11,553
Accruals Employee Benefits Payable	· · ·	-
Accruals	35,413	
		23,340
Accounts Payable	15,597	24,633
	145,858	85,665
. CREDITORS AND ACCRUED EXPENSES	2018	2017

Trade and Other payables are carried at amortised cost. They represent liabilities for goods and services provided prior to the end of the financial year that are unpaid at year end. The amounts are unsecured and are usually paid within 30 days of the year end.

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

Total Provision for Distributions and Grants	1,285,550	150,000
Total Provision for Tribal Development Grants	235,550	-
Education Grants Paid	(39,450)	
Provision for FY18	275,000	
Provision for Tribal Development Grants		
Provision for Hapū Distributions FY18	350,000	-
Provision for Hapū Distributions FY17	600,000	-
Provision for Hapū Distribution Pre-Settlement	100,000	150,000
PROVISION FOR DISTRIBUTIONS AND GRANTS	2018	2017 \$

Provision for Tribal Development Grants

The Tribal Development Fund was set aside by Trustees to support social, cultural and educational activities for the benefit of Te Atiawa uri. The Board is currently in the process of finalising the broader fund structure and distribution policies that align with the social, cultural and educational imperatives.

In the year ending 30 June 2018, the Trust did distribute \$39,450 in education grants in accordance with an Education Grants Policy to Te Atiawa uri from this fund.

Retained Earnings Opening Balance 105,024,046 94,807,09 Current Year Earnings 1,099,208 10,216,95 Total Retained Earnings 106,123,254 105,024,04 Reserves Opening Balance 356,953 AFS Reserve 864,958 346,9 Kaitiaki Initiatives Reserve Fund - 9,9	Total Trust Capital	107,345,165	105,380,999
Retained Earnings Opening Balance 105,024,046 94,807,09 Current Year Earnings 1,099,208 10,216,95 Total Retained Earnings 106,123,254 105,024,04 Reserves Opening Balance 356,953 AFS Reserve 864,958 346,9	Total Reserves	1,221,911	356,953
Retained Earnings Opening Balance 105,024,046 94,807,09 Current Year Earnings 1,099,208 10,216,95 Total Retained Earnings 106,123,254 105,024,04 Reserves Opening Balance 356,953	Kaitiaki Initiatives Reserve Fund	-	9,956
Retained Earnings Opening Balance 105,024,046 94,807,09 Current Year Earnings 1,099,208 10,216,95 Total Retained Earnings 106,123,254 105,024,04 Reserves	AFS Reserve	864,958	346,997
Retained Earnings Opening Balance 105,024,046 94,807,09 Current Year Earnings 1,099,208 10,216,95 Total Retained Earnings 106,123,254 105,024,04	Opening Balance	356,953	
Retained Earnings 2018 Opening Balance 105,024,046 94,807,09 Current Year Earnings 1,099,208 10,216,95	Reserves		
Retained Earnings 2018 2019 Opening Balance 105,024,046 94,807,09	Total Retained Earnings	106,123,254	105,024,046
Retained Earnings	Current Year Earnings	1,099,208	10,216,952
2018 201 \$	Opening Balance	105,024,046	94,807,094
2018 201	Retained Earnings		
	TRUST CAPITAL		2017

The Kaitiaki Initiatives Reserve Fund is to provide training and resources to the kaitiaki who are guardians of customary fisheries, inshore fisheries and coastlines.

AFS Reserve comprises gains and losses relating to these types of financial instruments.



FINANCIAL INSTRUMENTS	2018	2017 \$
Note 2 provides a description of each category of financial assets and financial liabilities and the related accounting policies. The carrying amounts of financial assets and financial liabilities in each category are as follows:	-	
Assets		
AFS Financial Assets	35,465,876	33,734,318
Financial Assets Measured at Cost	3,093,864	3,005,709
Loans and Receivables		
Cash and cash equivalents	3,074,714	4,373,758
Debtors and prepayments	543,074	562,74
Income Tax Receivable	311,858	597,573
Short term investments	60,056,471	61,322,97
Total Assets	102,545,858	103,597,070
Liabilities		
Financial Liabilities		
Creditors and accrued expenses	(243,791)	(152,808
Provision for Distributions and Grants	(1,285,550)	(150,000
Total Financial Liabilities	(1,529,341)	(302,808
Total Liabilities	(1,529,341)	(302,808
	101,016,517	103,294,26

All financial instruments are recorded at amortised cost except investment, as stated above.

21. FAIR VALUE MEASUREMENT

There is no difference between the fair value and carrying amount of the financial assets & liabilities.

The carrying value of the investments are equivalent to the fair value which has been categorised as Level 1 in the fair value hierarchy. The investments have been categorised as level 1 as they are managed by independent fund managers and the fair value of the investments are valued on the market price of traded securities, shares and equities.

Te Kotahitanga o Te Atiawa Group For the year ended 30 June 2018

MĀORI AUTHORITY TAX CREDIT ACCOUNT	2018	2017
	\$	9
Opening balance	330,403	317,624
Tax credits received	601,642	407,844
 Tax refunded	(554,740)	(22,570
Māori authority tax credits distributed	(132,576)	(372,494
Closing balance	244,729	330,403
OPERATING LEASE INCOME	2018	2017
OPERATING LEASE INCOME The Limited Partnership has entered into land lease agreements.	2018	2017
OPERATING LEASE INCOME The Limited Partnership has entered into land lease agreements.	2018	2017
OPERATING LEASE INCOME The Limited Partnership has entered into land lease agreements. The minimum future lease payments receivable are as follows:	2018	2017
OPERATING LEASE INCOME The Limited Partnership has entered into land lease agreements. The minimum future lease payments receivable are as follows: Not later than one year	2018 \$ - 251,415	201

Te Atiawa Iwi Holdings Limited Partnership are the lessors in regard to the land leases with the Ministry of Justice and the New Zealand Police.

The Ministry of Justice lease is paid annually in advance from the 13th of October each year. The intial term is 15 years with subsequent rights of renewal every 10 years.

The New Zealand Police lease paid by two installments on 1st July and 1st January in each year. The intial term is 20 years with subsequent rights of renewal every 10 years.

24. OPERATING LEASE COMMITMENTS

Te Kotahitanga entered into an operating lease with Ricoh New Zealand Limited for a photocopier on 31 March 2015 for 48 months. In addition, Te Kotahitanga entered a lease arrangement for the property at 35 Leach Street, New Plymouth with The Proprietors of Paraninihi ki Waitotara Incorporation on 15 April 2016 for 36 months.

Future minimum rental payables under non-cancellable operating leases as at 30 June are as follows:

Total Operating Lease Commitments	23,959	52,710
More than five years	-	-
After one year but not more than five years	-	23,959
Within one year	23,959	28,751
Operating Lease Commitments		
	2018	2017



25. CAPITAL MANAGEMENT

Te Kotahitanga's capital includes retained earnings.

Te Kotahitanga's policy is to maintain a strong capital base to operate in a financially prudent manner which will enable market confidence and to sustain the future development for the people of Te Atiawa.

Te Kotahitanga's policies in respect of capital management and allocation are reviewed regularly by the Board of Trustees.

Te Kotahitanga is not subject to any externally imposed capital requirements.

26. CONSOLIDATION OF TE ATIAWA IWI POST-SETTLEMENT GOVERNANCE ENTITY

The Te Atiawa Iwi Claims Settlement Act 2016 was enacted on 5 December 2016. In accordance with the Act the Te Atiawa

(Taranaki) Settlements Trust is dissolved and all assets and liabilities are transferred to Te Kotahitanga. It is a requirement of the Act that a final report to the 5th of December 2016 be presented to members which will occur at the next AGM of Te Kotahitanga.

All of the rights and interests of the existing Mandated Iwi Organisation and Iwi Aquaculture Organisation in respect of Te Atiawa Iwi's fisheries interests under the Māori Fisheries Act 2004 and aquaculture interests under the Māori Commercial Aquaculture Claims Settlement Act 2004 will become the rights and interests of Te Kotahitanga.

Further consequence of this is that the Te Atiawa (Taranaki) Holdings Limited charitable status has been removed. From 6 December 2016, Te Atiawa (Taranaki) Holdings Limited is a Maori Authority.

27. RELATED PARTIES

Mark Tume is a director of Te Atiawa (Taranaki) Holdings Limited (TATHL), Te Atiawa lwi Holdings Management Limited (TAIHML) and Koau Capital Partners Limited. During the year, the Group paid \$120,000 to Koau Capital Partners Limited for investment management (2017: \$120,000). At year end there was \$11,500 owing.

Adrian Taylor is a director of Te Atiawa (Taranaki) Holdings Limited (TATHL), Te Atiawa Iwi Holdings Management Limited (TAIHML) and Vanburwray Chartered Accountants Limited. During the year, the Group paid \$24,000 to Vanburwray Chartered Accountants Limited for accounting services (2017: \$19,324). At year end there was \$2,300 owing.

28. KEY MANAGEMENT PERSONNEL

Key management of the Group are the executive members of the Limited Partnerships' Board of Directors, members of the Board of Trustees and CEO. Key Management Personnel remuneration includes:

Total Key Managment Personnel Remuneration	635,708	639,794
Total Key Management Personnel remuneration provided by a separate management entity	120,000	120,000
Total Key Management Personnel remuneration	515,708	519,794
Key Managment Personnel Remuneration		
	2018	2017 \$

29. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no contingent assets or liabilities as at reporting date (2016: Nil).

30. COMMITMENTS

Te Atiawa Iwi Holdings LP has entered into an agreement to become a limited partner in the Te Pūia Tāpapa Limited Partnership. Te Atiawa Iwi Holdings LP has committed \$10,000,000 of capital with \$82,640 paid as at balance date. (Last Year:\$Nil)

31. SUBSEQUENT EVENTS

LINZ confirmed receipt of notices to purchase property located at 53 Record Street and 127 Coronation Avenue on 10 July 2018.

32. AUDIT

These financial statements have been subject to audit, please refer to Auditor's Report.

TE KOTAHITANGA O TE ATIAWA TRUST TE ATIAWA IWI TRUSTEE LIMITED (TE ATIAWA CHARITABLE)

TRUSTEE REGISTER OF INTERESTS - 30 JUNE 2018

KURA ANN DENNESS - TRUSTEE

TE KOTAHITANGA O TE ATIAWA TRUST

Director Te Korimako o Taranaki

DirectorEnvironmental Protection AuthorityChairpersonAudit & Risk Committee, Stratford

District Council, Dress for Success

Iwi Affiliations Te Atiawa

SHELLEY JANE KOPU - TRUSTEE

TE KOTAHITANGA O TE ATIAWA TRUST

Director Kopu and Associates

Member St Peters College Board of Trustees

Manager

Director Tui Ora Ltd

Director Papa Rererangi i Puketapu Ltd

Iwi Affiliations Te Atiawa

GARY NICHOLAS - TRUSTEE

TE KOTAHITANGA O TE ATIAWA TRUST

General Manager Toi Maori Aotearoa - Maori Arts NZ,

General Manager Toi Maori Ltd

Trustee Manaaki Taonga - Te Maori Trust

Trustee Matarikoriko Urupa Trust
Trustee Wahapakapaka PT 7C Blk III

Iwi Affiliations Te Atiawa, Ngati Ruanui, Ngati Ranginui,

Ngaiterangi, Ngati Haua

LIANA POUTU - CHAIR

TE KOTAHITANGA O TE ATIAWA TRUST

Member-Puketapu Te Atiawa Iwi Authority;

Director Tui Ora Ltd

Trustee Te Reo o Taranaki Charitable Trust

Trustee Motuni Epa Guardians Trust

Member Taranaki-Whanganui Conservation Board

Chair Sustainable Seas Challenge Kāhui

Advisory Board

Director Te Atiawa Iwi Holdings Management Ltd

SecretariatTaranaki Maori Trust BoardDirectorTaranaki Maunga Negotiator,

Director Te Atiawa Co (Taranaki) Holdings Ltd
Co Chair NPDC Te Huinga Taumatua Standing

committee

Iwi Affiliations Te Atiawa, Taranaki Iwi, Maniapoto,

Whanganui, Taranaki Whanui ki te Upoko

o te Ika

KURA ANN DENNESS - TRUSTEE

TE KOTAHITANGA O TE ATIAWA TRUST

Director Te Korimako o Taranaki

Chairperson Audit & Risk Committee, Stratford

District Council, Dress for Success

Environmental Protection Authority

Iwi Affiliations Te Atiawa

Director

TANYA KIM SKELTON - TRUSTEE

TE KOTAHITANGA O TE ATIAWA TRUST

Director Solas Consulting Ltd

Director Te Atiawa Iwi Holdings Management Ltd

Director Te Atiawa (Taranaki) Holdings Ltd

Member Finance Risk and Assurance Committee

Member - Greater Wellington Regional

Council

Iwi Affiliations Te Atiawa, Taranaki Iwi, Ngati Raukawa ki te

Tonga, Taranaki Whanui ki te Upoko o te Ika

WHAREHOKA CRAIG WANO - TRUSTEE

TE KOTAHITANGA O TE ATIAWA TRUST

Director Tihi Ltd (Director);

Member Te Niho o Te Atiawa House Committee

Chair, Te Atiawa Taranaki Maori Trust Board,

Member

Chair Taranaki Tū Mai Trust

Te Kahui o Taranaki - Tumu Whakarito

Iwi Affiliations: Te Atiawa, Taranaki Iwi, Ngati Awa

HEMI NEIHANA SUNDGREN - CEO TE KOTAHITANGA O TE ATIAWA TRUST

DirectorTaranaki Mounga Project LtdDeputy ChairpersonTaranaki lwi Katoa Trust,TrusteeTaranaki Arts Festival Trust

Trustee WOMAD NZ

Waitara Leaseholder, Taranaki Maunga

Negotiator

Iwi Affiliations Atiawa ki Whakarongotai, Ngati Toa,

Ngati Raukawa, Ngai te Rangi, Ngati Koata, Ngati Mutunga

TE ATIAWA IWI HOLDINGS MANAGEMENT TE ATIAWA (TARANAKI) HOLDINGS LIMITED

COMMERCIAL DIRECTOR REGISTER OF INTERESTS - 30 JUNE 2018

MARK TUME - CHAIR

TE ATIAWA IWI COMMERCIAL DIRECTOR

Chair Infratil Limited (including subsidiaries)
Chair Retire Australia Pty Limited

Director Ngai Tahu Holdings Corporation Limited

Director Rearden Capital Pty Limited

Director New Zealand Refining Company Limited

DirectorWelltest LimitedDirectorLong Board Limited

MemberTe Tumu Paeroa Advisory BoardDirectorYeo Family Trustee LimitedDirector andKoau Capital Partners Limited

shareholder

Iwi affiliations Ngāti Maru, Ngāti Tūwharetoa

MIKE POHIO

TE ATIAWA IWI COMMERCIAL DIRECTOR

ChairBNZ Partners Waikato RegionDirectorKiwirail Holdings Limited

Director National Institute of Water and Atmospheric

Research Limited

Director Panuku Development Auckland Limited

Director OSPRI New Zealand Limited
Director TBFree New Zealand Limited

Director National Animal Identification and Tracing

(NAIT) Limited

Iwi affiliations Ngāi Tahu, Ngāti Mamoe, Waitaha,

Ngāti Pikiao and Ngāti Kahungunu

LIANA HUIA POUTU

TE ATIAWA IWI COMMERCIAL DIRECTOR

Chair Te Kotahitanga o Te Atiawa
Chair Sustainable Seas Challenge Kāhui

Advisory Board

Director Tui Ora Limited

Trustee Te Atiawa Iwi Charitable Trust
Trustee Te Reo o Taranaki Charitable Trust
Trustee Motunui Epa Guardians Trust

Member Taranaki-Whanganui Conservation Board

Secretariat Taranaki Maori Trust Board

Iwi Affiliations Te Atiawa, Taranaki Iwi, Maniapoto, Whanganui,

Taranaki Whanui ki to Upoko o te Ika

ADRIAN TAYLOR

TE ATIAWA IWI COMMERCIAL DIRECTOR

Director VanBurWray Chartered Accountants Limited

and shareholder various client related

companies

Director Ngahina Developments Limited

DirectorLiardet Holdings LimitedTrusteeTaranaki lwi Charitable TrustTrusteeParadise Trustees LimitedTrusteeLark Trustee Company Limited

Trustee A & J Lands Limited

Accountant Te Kāhui o Taranaki Group, Te Runanga o Ngati

Mutunga Group, Te Atiawa (Taranaki) Group,

Taranaki Maori Trust Board Group

Iwi affiliations Te Atiawa

TANYA KIM SKELTON

TE ATIAWA IWI COMMERCIAL DIRECTOR

DirectorSolas Consulting LimitedTrusteeTe Kotahitanga o Te AtiawaTrusteeTe Atiawa lwi Charitable Trust

Member Greater Wellington Regional Council Finance

and Risk Committee

Iwi affiliations Te Atiawa, Taranaki Iwi, Ngati Raukawa ki te

Tonga, Taranaki Whanui ki te Upoko o te Ika

HEMI SUNDGREN

CEO, TE KOTAHITANGA O TE ATIAWA TE ATIAWA IWI COMMERCIAL DIRECTOR

Deputy ChairpersonTaranaki Iwi Katoa TrustTrusteeWOMAD New ZealandTrusteeTaranaki Arts Festival TrustDirectorTaranaki Mounga Project LtdIwi affiliationsAtiawa ki Whakarongotai, Ngāti Toa,

Ngāti Raukawa, Ngai Te Rangi

ANDREW HARRISON

INVESTMENT MANAGER

TE ATIAWA IWI COMMERCIAL DIRECTOR

Director Harrison Partners Limited Managing Director Koau Capital Partners Limited Director **Buildtech Holdings Limited** Waitaha Rebuild Fund LP Director

Director Ngati Mutunga Asset Holding Company

Limited

Director Pare Hauraki Asset Holding Company Ltd Director Te Kakano Whakatipu Limited, general

partner for Kakano Investment Limited

Partnership

Trustee Turley Family Trust Director Arcus Property Ltd

Ranginui Station 2008 Ltd, general partner Director

for Ranginui Station Limited Partnership

Director Whenuapai Housing GP Ltd, general partner

for Whenuapai Housing Investments LP

Director Te Puia Tapapa GP Ltd

• Raukawa Iwi Development Limited **Koau Advises**

• Port Nicholson Fisheries Limited

• Te Tumu Paeroa and Te Tumu Kainga

• CNI lwi Land Management Limited

• Parininihi ki Waitotara Inc

• Te Kotahitanga o Te Atiawa

• Te Kahui o Taranaki Trust and Taranaki Iwi Holdings LP

• Tai-Hekenga Property Partnership

• Ngati Maru (Taranaki)

• Rotoiti 15 Trust

• Opepe Trust

• Tauhara Middle Lands Trust

• Aotearoa Fisheries Ltd

• Te Ngakinga o Whanganui Investment Trust

• Ngati Rangi Trust

• Te Kiwai Maui o Ngāruahine Ltd

• Marutuahu

GOVERNANCE MEETING ATTENDANCE

	Te Kotahitanga o Te Atiawa Trust		Te Atiawa Iwi Charitable Trust		Te Atiawa Iwi Holdings Limited Partnership		Te Atiawa Taranaki Holdings Limited	
	Number of Meetings	Meetings Attended	Number of Meetings	Meetings Attended	Number of Meetings	Meetings Attended	Number of Meetings	Meetings Attended
Liana Poutu	10	10	10	10	5	4	4	3
Wharehoka Wano	10	8	10	8				
Gary Nicholas	10	10	10	10				
Shelley Kopu	10	9	10	9				
Kim Skelton	10	9	10	9	5	5	4	4
Shaun Keenan	-	-	-	-				
Kura Denness	10	9	10	9				
Mark Tume					5	5	4	4
Mike Pohio					5	5	4	4
Adrian Taylor					5	4	4	3

TE KOTAHITANGA O TE ATIAWA TRUST MINUTES OF THE ANNUAL GENERAL MEETING

Held at Owae Marae held on Saturday 11th November 2017, commencing at 10.10am

Present

Te Kotahitanga o Te Atiawa Trustees

Liana Poutu (Chair), Wharehoka Wano (Deputy-Chair), Kim Skelton, Shelley Kopu, Kura Denness, and Gary Nicholas

Bev Gibson, Tony Skelton, Moana Skelton, Ron Puata, Miria Patuwairua, Donald Marshall, Maikara Tapuke, Gemma Toa, Perry Cassidy, Rose Denness, Moana Denness, Henry Wensor, Harry Nicholas, Jack Nicholas, Elsie Kearns, Te Urumairangi Ritai, Mereaina Kirkwood, Fern Brand, Rakeiora Nagle, Mawhaturia White, Jo White, Lillian Williamson, Puna Wano-Bryant, Grant Knuckey, Shelton Healey, Pat Bodger, Ngamata Skipper, Murray Bidois, Lea Sanson.

In attendance

Te Atiawa Iwi Holdings LP (TAIHLP) Directors Mark Tume (Chair), Adrian Taylor, Liana Poutu and Kim Skelton

Te Atiawa management and personnel

Hemi Sundgren (CEO), Mitchell Ritai, Sera Gibson, Maureen Hannan and Te Kere Davey

Management services

Andrew Harrison (Koau Capital Partners)

Karakia and mihi

Harry Nicholas and Wharehoka Wano

The Chair welcomed everyone to the AGM and introduced the Te Kotahitanga o Te Atiawa Trustees, Directors, CEO, and personnel. Apologies were noted from Mike Pohio (TAIHLP Director) and Sharyn Tamarapa (Te Atiawa Office Manager), and further apologies were called for.

2. APOLOGIES AND MINUTES

APOLOGIES: Sharon Fleet, Linda Palmer, Chona Telford, Pamela Evans, Bernie O'Donnell, Kura Ratapu, Sandra Julian, Raukura Limmer, Teri Limmer, Sarah Reeves, Kura Moeahu, Pounamu Skelton, Shane Cassidy, Siaoirse O'Sullivan, Takaterangi O'Sullivan, Peter Priest, Rori Macdonald, Lachlan Macdonald, Stephanie Poutu, Dawn Tamati, John Tamati, Wiki Tamati, Georgina Taiaki, Maraea Hardgreaves, Miles Denness, Bonnie Denness, Rita Denness, Lilian Denness, Marie Luscombe, Sophie Luscombe, Manu Luscombe, James Luscombe, Jarred Knuckey, Blair Knuckey, Tui Brandt, Arnold Brandt, David Toa, Matapaepae Urwin, Jack Cassidy, Teri-rori Kirkwood, Ann Kirkwood, Selwyn Pirihi, Cordell Rei, Glen Skipper, Rangi Kipa, Lionel Skipper, Rawiri Erickson, Tania Piki, Peter Moeahu, Jamie Tuuta.

Resolved

That the apologies be accepted. (Te Urumairangi Ritai /Patsy Bodger)

CARRIED

Minutes 2016 AGM held 13th November 2016

The minutes of the AGM held 13 November 2016 were received.

Resolved

That the minutes of the Annual General Meeting held 13 November 2016 be accepted as a true and correct record. (Mawhaturia White / Lillian Williamson) CARRIED

Matters arising from previous minutes:

Action Points from 2016 AGM

At the next AGM invite our iwi representative on the Taranaki Regional Council (TRC) standing committee to attend and present a report on their work.

The Chair reported that the TRC iwi representatives' first meeting was not held until the 2017-2018 reporting period, in August 2017, and therefore this action will be deferred to the 2018 AGM.

Grant Knuckey asked:

What process was followed for the election of iwi representatives? It was confusing how these people were elected. We should have the right by now to elect our own people. Many people who do not use computers were not aware that these were happening until it was reported in the local newspaper.

Te Kotahitanga response:

TRC called for open expressions of interest from all iwi around the Maunga. Their preference was that the candidates must be members of the runanga iwi boards. The TRC Board appointed the representatives

The concern raised regarding a need for non-digital communications was noted - Te Kotahitanga are working on developing other avenues to get communications out to the members in a cost effective way.

It was the New Plymouth City Council (NPDC) preference to select representatives from elected runanga iwi Boards for the Te Huinga Taumatua committee, with the Mayor and Council deciding the final appointments.

Grant Knuckey asked:

It seems that anyone can be a member on the lwi Chairs if they just pay the fee. How is membership in lwi Chairs determined?

Te Kotahitanga response:

The Taranaki lwi Chairs is an informal forum comprised

of the 8 lwi runanga Chairs, and the CEOs and General Managers of those iwi. They meet informally to discuss regional kaupapa to determine how to work together and support each other with regional issues.

Taranaki Mounga Project report to be delivered at the next AGM

The Chair advised that an update on the Taranaki Mounga Project will be presented within the next round of Taranaki Maunga Negotiations wānanga. Information can also be accessed on the Taranaki Mounga Project website, and other queries can be directed to Hemi Sundgren, (Director, Taranaki Mounga Project), at the Te Atiawa tari.

Grant Knuckey:

What is being done to protect customary rights and ownership in the Taranaki Maunga negotiations?

Te Kotahitanga response:

A second round of wānanga are planned on the Maunga negotiations. These were postponed due to a hiatus while awaiting for the national election results and the subsequent selection of a new Minister and administration. These wānanga will be scheduled once there is a newly-prioritised workplan in place with the Ministry and after a briefing with the new Minister has been held.

3. TE KOTAHITANGA O TE ATIAWA ANNUAL REPORT TO 30 JUNE 2017

Trust Structure

The Chair presented an overview of the Te Kotahitanga o Te Atiawa organisational structure.

It was noted that the Te Kotahitanga Trustees are also the Trustees for Te Atiawa Iwi Charitable Trust, and shareholders in the commercial entities. Trustee elections for the seven Trustee positions are held every 3 years; the next elections will be held in 2018.

The commercial entities, Te Atiawa Holdings Management Ltd, Te Atiawa Iwi Holdings LP and Te Atiawa (Taranaki) Holdings Limited, are all governed by the same five Directors with the Te Kotahitanga Trustees as shareholders.

It was noted that Te Atiawa (Taranaki) Settlements Trust was wound up on Settlement.

Strategic Planning and Development

The Chair reported on the progress, achievements and highlights against the nine strategic objectives set in 'Te Haeata - 5 Year Strategic Plan 2016-2021.

Matauranga/Education

Wharehoka Wano (Deputy Chair) noted that education is the major driver for providing pathways for Te Atiawa uri. Collaboration and discussions are in progress with schools within Te Atiawa rohe on how to support them, and partnerships with WITT and Te Wānanga o Te Aotearoa are being developed to add cultural value to future educational resources.

Atiawatanga/Atiawa Culture and Identity

The Trust is committed to providing support and promoting Te Atiawa kaupapa, for example:

- Further wānanga regarding the Taranaki Maunga Settlement negotiations will be held to enable iwi members to provide feedback to the negotiators. The early wānanga were about identifying our aspirations for the negotiations.
- Mitchell Ritai is assisting a team of rangatahi with the facilitation of workshops for Te Atiawa rangatahi to encourage involvement and support for cultural kaupapa of Te Atiawa.
- Te Atiawa support Maui Pomare Day celebrations and also encourage and promote members' travel and attendance together as a united front at other events in a collective manner e.g. Koroneihana.

The Chair also acknowledged Ngamata Skipper for her work with te poi manu group, Te Puapua.

Te Taiao/Environment

It was noted that the initial draft of the Te Atiawa Iwi Environmental Plan is nearing completion for hapū feedback. Iwi members may also contact Sera Gibson if they wish to be involved in providing feedback.

A new Te Atiawa Geographical Information System (GIS) mapping tool, Te Manuao, has been implemented to identify and protect whanau and hapū sites of significance and to ensure these are identified during the consent process for development and potential development of sites. Te Atiawa are working through the process with the New Plymouth District Council (NPDC) on where their identified sites are located in relation to our sites.

Grant Knuckey asked:

Hapū don't automatically have customary rights over sites. Who are Hapū? Do they have a legal entity to tie into this organisation? I want to be clear on how that relationship works. We have pa sites, beaches, urupa, waahi tapu, rivers, and the airport that are of interest to us, but I have no say on what happens to these.

Te Kotahitanga response:

The Trust is committed to engaging with hapū and marae and is working on MOUs for establishing relationships with Hapū. All Te Atiawa Hapū are legal entities, however the Trust is responsible to all beneficiaries. We are completely open - if there are other entities that the Trust needs to establish relationships with, or whanau to be engaged with, then we will work through that process. If any member has any concerns they may come and discuss these with the Trustees and work through these.

Grant noted:

I am used to transparency and want everyone to know what is discussed, I am not interested in private meetings. I want everyone to hear what is said.

Te Kotahitanga noted:

Everyone has heard Grant's concerns and the responses.

Maunga Settlement

Ngamata Skipper asked:

I am interested on the actual points of the Taranaki Maunga Settlement. My understanding is that water is not on the table for discussion in the negotiations. If so, 90% of conservation moving forward through the next 100 years will be around water rights. If there are things already being left out then why are we having an MOU and aspirations on things at a wider level, but not covering a Settlement for things the Crown don't want to talk about. Why are we going in to this?

Also, is the Crown putting an urgency on the timeframe for negotiations to reach an end point that does not fit with the process it will take for us to prepare?

Te Kotahitanga response:

There is no pressing timeframe. The Taranaki Maunga negotiations were unable to start until every lwi had settled or had a mandate to settle, which is now the case. The previous Minister, Chris Finlayson, was enthusiastic to start the Maunga discussions and originally there was some urgency to move these along prior to the elections, however a decision was made not to rush this and to park it until after the election outcome.

Secondly, we are discussing water. That is in a difficult space given the National Freshwater Framework; but we have asked for water to be on the table. However we are not sure where that will fit with the new Government. It will be raised again.

Key things being looked at are:

- Title the fact that it is currently in Crown Title
- · Governance models for the National Park
- Management models for the National Park
- · Name changes for the sites within the National Park

The negotiations are not being rushed and nothing definitive has been arrived at yet. Time will be taken to ensure the best possible deal and to also understand that important items such as freshwater are on the table.

The Chair acknowledged the Te Atiawa regional environmental champions involved in the environmental kaupapa and projects undertaken, e.g. the translocation of species into the National Park: Hoani Eriwata, Mary-Jane Waru, Donna Eriwata, Fern Brand and Robin Martin-Kemp.

Leadership

TRC Standing Committees

Kim Skelton (Trustee) reported:

Iwi representation on the TRC standing committees was gained through the treaty settlements legislation. The Iwi Chairs appointed three representatives from the three Taranaki waka, Tokomaru, Aotea and Kurahaupo to carry out the expressions of interest and selection process and interviews of candidates. Recommendations were then made by the selection panel to TRC for the six appointments.

Te Atiawa members appointed were:

Consents and Regulatory Committee: Keith Holswich and Hoani Eriwata

Policy and Planning Committee: Mitchell Ritai and Emily Bailey

The other two iwi representatives are Fay Mulligan and John Hooker.

Te Huinga Taumata

The Chair noted:

The NPDC have set up and appointed a joint committee of five iwi members and five NPDC councilors to deal with various kaupapa affecting Maori in the community. This committee has delegated authority for road naming and approving grants for marae development.

- Strategic Governance
- Commercial and Economic Development
 The Annual Report from Te Atiawa Iwi Holdings
 LP to be presented later in the meeting.
- Communications

Te Kotahitanga noted:

The importance for iwi members to update their contact details to ensure they receive regular pānui.

Whakapapa Database and Member Registration System

Te Kotahitanga noted:

The membership registration database lists 9,711 iwi members, including tamariki. It was noted that 68% of Te

Atiawa members live outside Taranaki. There are 2,705 members with no current contact details. Lists of these entries are being circulated at the meeting to enable that information to be updated if possible. Missing date of birth records are also required in order for those members to be eligible to vote.

- Hapu/Marae Development
- Relationships

Te Atiawa Iwi Holdings LP (TAIHLP) Annual Report

Mark Tume (Chair) introduced those Directors present at the meeting and acknowledged the apology from Mike Pohio.

The mandate of the commercial entities Board is to Protect, Deliver and Grow the cash so Te Kotahitanga o Te Atiawa Trust can make distributions.

• Deferred Selection properties (DSP)

TAIHLP noted:

The putea of \$90m was received in full in February 2017. Accounting systems are in place and the cash has been invested in bank term deposits and managed funds.

Work has only just started on the Deferred Selection Properties (DSP). The total value required to acquire and develop all of those DSP is \$60 to \$70 million, and the Board must ensure that cash is available as opportunities come through. There is a lot of work to be done to sift through, deliberate and identify the properties of value to be purchased - the nuances of the portfolio put in front of us. All of the properties have a two year decision timeframe out to February 2019 in which to provide notice of intent to purchase. There is a balancing act to grow the putea intergenerational and create long-term stable investments, including land banking of some properties. The focus is on the DSP portfolio at this stage. It is important that all the developments are undertaken in such a way that enhances the reputation and mana of Te Atiawa in the district.

Grant Knuckey asked:

Is there a strategy regarding opportunities for iwi members to purchase the properties that Te Kotahitanga o Te Atiawa don't want? To be the first cab off the rank while the values are low?

TAIHLP response:

Yes, absolutely. A policy is being developed for iwi members to have that opportunity to have a first option.

Question from the floor:

Are we going to spend all our cash on these buildings or run mortgages on them for tax purposes, or not?

TAIHLP response:

It depends on the property. The portfolio contains both land and buildings. We are not borrowing from the bank at this stage, however it may be that is considered when we put some of the properties into land banking for the future.

• Investment Strategy

Moana Denness asked

Is the Ihaia Street, Waitara property one of the listed properties?

Te Kotahitanga response:

Ihaia Street was not part of the DSP - it was a right of first refusal.

Moana Denness asked:

I understand the commercial view on the properties, however some of the DSP are sites of cultural significance. Before these are sold off will Te Atiawa members have a say about these? Some of these were involved in the land confiscations and are of great importance to iwi members.

TAIHLP response:

The commercial board have two Trustee representatives to provide guidance on these matters. It has taken over 100 years to arrive at this position, and it may take another 100 years to get at least somewhere back to where we were. We are very conscious that the trading of the land is a means to an end - not the actual end in itself. Working with the Te Kotahitanga Board, if that is one of the goals, it is a very expensive route to land bank vast areas of land that provide no income. The end result would be that the land would need to be sold anyway to get income. It will always be a balancing act between whenua versus distributions to hapū and marae. It may be that some land needs to be sold to gain better leverage for other land purchases later.

Grant Knuckey asked:

The Barrett Street site is 27 acres in the middle of town. It would be too expensive to hold that for the next five years. Where is the next lot of partners to develop this site? That's where the work is to be done.

TAIHLP response:

Yes, that is the work that is being done. The issue is that holding costs are critical. We want to ensure that the decontamination of the site is done correctly and thoroughly, and completed prior to purchasing the site. The longer that takes, the longer we have to prepare and plan in advance to have an immediate start rather than incurring lengthy holding costs.

Te Kotahitanga reponse:

The two properties that are currently being acquired are acquired from the Crown under sale and leaseback arrangements under the Deed of Settlement. These are the NP Courthouse and NP Police Station.

Due diligence is taking place on all the DSP properties there are no holding costs yet as these properties are still Crown owned. There has been no final decision made on the purchase of any of these properties.

TAIHLP response:

Unlike those two lease-back properties, we have a two year period to decide which DSP we will purchase. Barrett Street notification could be extended for a longer period to ensure the land is in good condition.

Harry Nicholas asked:

No doubt before you make any decision on Barrett Street, you will come back to the people before putting it into practice? Bearing in mind that where any major decisions on big purchases are concerned that the people have a say on this?

TAIHLP response:

Yes. The Te Kotahitanga Board can come back to the members about that. It is important that everyone is happy with the decisions.

Perry Cassidy asked:

Concerning asset management, when you go to purchase a property will you be selling down assets to fund that?

TAIHLP response:

Decisions were made on how much of the settlement funds were put into long term managed funds, with the remainder held in cash bank term deposits to be available to finance the property purchases over the next two years. There are also other investment opportunities in the pipeline that could come into the portfolio.

Perry Cassidy asked:

Is there an exit strategy on these funds?

TAIHLP response:

The managed funds are in quite safe, secure, low risk funds producing good returns. What is likely to happen is if other investments come along that are similar, e.g. other Crown lands on a sale and leaseback, and the market is good, then some of those funds may be used. However there is also the cash available to use if the market is not good and it is not prudent to break the fund at that time.

Grant Knuckey asked:

What about the Director Fees and expenses? There is no measurement for value for money.

TAIHLP response:

One of the most important decisions made by the iwi members through the Trust is in respect to the people you will appoint. As Chair of the Board, I will ensure that I get the best people who are 100% committed to what we are trying to achieve. And Directors Fees do come into that. I want the Directors on my Board to focus and commit their time as a priority to this Board. Value for money will

be determined 10 years down the line. We are looking at setting up a 1000 year investment.

The Kotahitanga Chair thanked Mark Tume and Andrew Harrison for their report and responses.

4. AUDITED FINANCIAL STATEMENTS

Presentation of Audited Consolidated Group Financial Statements for the year ending 30 June 2016

An overview of the accounts was provided by Adrian Taylor, VanBurWray Accountants (and TAIHLP Director).

Grant Knuckey

I thought you received \$87 million and now there is \$105 million in assets. Where did the extra come from?

VBW response

The fisheries assets have been transferred to Te Kotahitanga from TATST, and there was also some accrued interest from the settlement monies.

Moana Denness asked:

Where is the reporting on the over valuation of the fisheries shares? That was reported on the books for about 8 years.

VBW response:

There was a bonus issue of shares, with the increased value being added into the value of the asset on the books. This was rectified following receipt of an independent valuation carried out in 2015 and was reported in the annual accounts to year end 30 October 2015.

The figure now on the Group consolidated accounts is the amended amount arising from that independent valuation.

Grant Knuckey:

What was the annual return on the fisheries quota? We have \$7million worth of assets. How is that being deployed? Is it making a commercial profit?

VBW response:

Yes, it is making a profit of about \$350,000 profit on an annual basis after expenses. The figure presented is the return for the reporting period 6 December 2016 (the date that the fisheries assets were transferred from TATST to Te Kotahitanga), through to 30 June 2017. This is not a full year's income.

TAIHLP response:

The quota part performs well with returns of aprox 7% - 7.5%.

The bank interest return on \$350,000 is aprox 2.5% - 3%. The return overall on the assets is aprox 5% because the AFL shares lower the quota return.

Te Urumairangi Ritai (Chair, Ngati Rahiri Hapū) commented:

I would like to acknowledge as Chair of Ngati Rahiri Hapū, and on behalf of our youth, whanau, and hapu members, that there has been a lot of positive feedback. The achievements for building up the capability around our Hapū have been of a great benefit. We do appreciate the huge amount of work done, often in evenings and weekends, by the Trust and staff to engage with us, provide resources and workshops to enable us to go back to our members. The assessment process was wonderful. The actual work that came out of that helps build confidence in the Board to get it right and that we can share together our similar ideas and concerns. Mihi to all the Board, Directors, Mitchell Ritai and Sera Gibson for helping us. You did listen, and you did engage.

Perry Cassidy (Chair, Ngati Te Whiti Topu Whenua Trust) commented:

On behalf of Topu Whenua Trust, mihi to the Trust for the assistance with everything we are going through. The Trust are doing a wonderful job, please keep it up, and we understand that things take time.

Resolution:

That the Annual report (including the audited Consolidated Group Financial Statements) for the period ending 30 June 2017 for Te Kotahitanga o Te Atiawa Group be received.

Moved: Maikara Tapuke

Seconded: Ngamata Skipper CARRIED

5. APPROVAL OF APPOINTMENT OF AUDITOR

The Chair explained that although BDO were appointed auditors at the 2016 AGM, the cost quoted by BDO was overinflated - they were given a chance to requote, however it was still too high. The quote provided by Silks Audit was 50% less and the company had received good recommendations.

Resolution:

That the change from the previously appointed auditor, BDO Taranaki, to Silks Audit for the financial year 2016-2017 be noted; and

That Silks Audit be appointed as the auditors for Te Kotahitanga o Te Atiawa Trust for the financial years 2017 - 2018.

Moved: Te Urumairangi Ritai

Seconded: Grant Knuckey CARRIED

6. TRUSTEE REMUNERATION

The Chair noted that the Trust Deed does not require the Trustee Fees to be approved at the AGM, however the Trust is required to get independent advice and disclose what the fees are. The independent advice was received from Strategic Pay on remuneration levels when the fees were determined. These fees were set two years ago at the start of the current Trustees' term and will remain the same for the duration of that term which ends next year. The fees are Chair: \$37,000, Deputy Chair: \$23,125, and Trustees: \$18,500.

The Director Fees are approved by the Trustees, and again were set through independent advice. Those fees are: Chair: \$60,000 and Directors: \$30,000. Mike Pohio also receives an additional project fee for work carried out for Te Atiawa regarding the property acquisitions and investments.

7. 2017-2018 ANNUAL PLAN

A handout containing the Annual Plan 2017-2018 targets and the Distribution and Spending Policy was included as an appendix in the Annual Report.

The Chair requested that members approach the Trust to identify new ideas and discuss opportunities, e.g. provisions for training and/or support.

Ngamata Skipper asked:

It has been discussed in the past that there is to be a review of the Trust Deed?

Chair

The Deed was reviewed by the Trust. The vote on the proposed Trust Deed amendments will be aligned with the Trustee election in 2018 so only one mail out will be required. Everyone will have the opportunity to vote on those items together.

Ngamata Skipper asked:

There was also some discussion at a previous AGM around reviewing the past entities and settlements process over the last five years in terms of identifying areas for improvement, e.g. communications. It is good to have a reflection on that period - what structures do or don't work, moving forward through the next ten years what are some of the key things we should be prioritising? We are still in reflection of the last five years of settlement process - if some of that was acknowledged we could be moving forward faster as hapū.

Te Kotahitanga response:

Ngamata has raised a good point that as an iwi we might come together to wānanga and review the journey through the Settlement, some of the learnings through that, understanding what things might not be appropriate moving through to the future, and reflecting on that further. It is acknowledged that there is still some maimai around that process, and as a board the Trust can take on and reflect how best to provide a space for that opportunity for reflection and review.

8. GENERAL BUSINESS

Taranaki Tū Mai

Te Atiawa participated in the event hosted by Ngāruahine in Manaia over the Labour Day holiday weekend.

Ngati Maru will host the 2019 Taranaki Tū Mai event.

Taranaki Maori Trust Board

AGM is to be held at Whakaahurangi, Stratford, 25th November 2017 at 9:30am.

Rangatahi wanaga

The 2nd wananga will be held 24-25 November 2017 at Owae Marae.

Grant Knuckey asked

Is Te Kotahitanga taking over the Pataka funding? Is that part of the general funding? Why hasn't is been working in the last 12 months? Kaumātua have been wanting fish heads.

Chair responded:

The pātaka now sits under Te Kotahitanga o Te Atiawa and is funded and operated under the same policy set out previously by Te Atiawa Taranaki Settlements Trust. The pātaka has continued to operate uninterrupted throughout the transition. Te Kotahitanga are in the process of reviewing the policy.

Karakia Whakamutunga:

Harry Nicholas

Meeting closed 12.55pm

Signed:	
Chair:	
Date:	

TE ATIAWA (TARANAKI) SETTLEMENTS TRUST (TATST) AND TE ATIAWA IWI AUTHORITY (TAIA)

Notes of the reports presented at Owae Marae on Saturday 11th November 2016, commencing at 12.55pm

Present

Wharehoka Wano (Chair)

Iwi Members

Liana Poutu, Kim Skelton, Shelley Kopu, Kura Denness, Gary Nicholas, Adrian Taylor, Hemi Sundgren, Bev Gibson, Tony Skelton, Moana Skelton, Mitchell Ritai, Sera Gibson, Ron Puata, Miria Patuwairua, Donald Marshall, Maikara Tapuke, Gemma Toa, Perry Cassidy, Rose Denness, Moana Denness, Henry Wensor, Harry Nicholas, Jack Nicholas, Elsie Kearns, Te Urumairangi Ritai, Mereaina Kirkwood, Fern Brand, Mawhaturia White, Jo White, Lillian Williamson, Puna Wano-Bryant, Grant Knuckey, Shelton Healey, Pat Bodger, Ngamata Skipper, Murray Bidois, Lea Sanson.

1. TATST FINAL REPORT

The TATST Chair acknowledged the TATST Trustees who, for the last five years, oversaw the transition from TATST to Te Kotahitanga o Te Atiawa (Te Kotahitanga). All assets, (aprox. \$8 million including ACE Quota and Shares), and operations were transferred over to Te Kotahitanga and are now run out of the Te Atiawa office under Hemi Sundgren (CEO). The distributions of pātaka were acknowledged as being very generous over the past year. The previous TATST AGM was held 23 January 2016. A decision was made not to hold an AGM in January 2017, and to present the final report in conjunction with the date of the 2017 Te Kotahitanga AGM instead.

The Chair noted that this is the final report of Te Atiawa (Taranaki) Settlements Trust

2. TAIA UPDATE

Liana Poutu provided an update on the winding up of Te Atiawa iwi Authority (TAIA). The mahi for that Trust concluded once the Deed of Settlements was signed.

The final financial accounts are with the auditor and are expected to be completed in December. Once completed, these will be made available on the Te Atiawa website and also at the office for iwi members. There is approximately \$50,000-\$60,000 in the accounts that will be transferred back to Te Kotahitanga. The TAIA financial report will be formally presented at the next Te Kotahitanga AGM.

It was confirmed that TAIA Minutes and historical records have been archived and held for future reference.

Karakia Whakamutunga:

Harry Nicholas

Meeting closed 1 pm

ANNUAL PLAN 2018-2019 TARGETS

In alignment with Strategic Objectives

MĀTAURANGA / EDUCATION

- One initiative from education plan is developed into work programme and communicated to iwi membership
- Partnership agreements are operationalised into programme delivery

STRATEGIC GOVERNANCE

- Implement and uphold commitments agreements, protocols, etc
- Maintain oversight of policy and legislative changes
- Engage in Taranaki maunga negotiations
- Implement distributions policy
- Develop and implement Whanau Savings Programme and member benefits scheme
- Monitor accountability and reporting mechanisms

• Sign and operationalise MOU's across a range of sectors e.g Tui Ora, Te Korimako o Taranaki, Te Reo o Taranaki etc

TE ATIAWATANGA- CULTURE & IDENTITY

- Provision for Housing opportunities
- Investigate the development of a Te Atiawa Arts Strategy
- Support key Te Atiawa/ Taranaki Kaupapa Maui Pomare, Koroneihana, Parihaka
- Support provided for Atiawatanga wānanga, Paepae Kōrero and Waiata Wānanga
- Support whānau and hapū through customary pātaka

TE ATIAWA COMMUNICATIONS & ENGAGEMENT

- Continue to build on communications strategy
- Build online registration system
- Design and create Te Atiawa branded merchandise

TEWHAKAIHUWAKA / LEADERSHIP

- Support rangatahi to carry out leadership development
- Develop and implement a Te Atiawa Governance succession plan

COMMERCIAL & ECONOMIC DEVELOPMENT

- Corporatisation and brand development
- Develop direct co-investment relationships
- Implement property development pipeline
- Direct investment assessment and execution
- Fisheries management

HAPŪ & MARAE DEVELOPMENT

- Relationship Agreements/ MOU endorsed
- Make hapū distributions in accordance with Policy
- Explore Training Opportunities
- Continue to provide opportunities for capacity building and development and co-investment with the Trust

TE TAIAO / NATURAL ENVIRONMENT

- Operationalise lwi Environmental Management Plan including Kaitiaki Training
- Increase usability and content of Te Manuao GIS database and Scope out Development of Online Atlas
- Increase participation in environmental initiatives

DISTRIBUTION & SPENDING POLICY

1.5-2.0% of equity market value

COMMERCIAL INVESTMENT EARNINGS

Distribution to Te Kotahitanga 40%-45% of net operating surplus Reinvestment by TAIHLP 55%-60% of net operating surplus

Reinvestment by TAIHLP as per ISP

TE KOTAHITANGA / CHARITABLE TRUST ANNUAL ALLOCATION TO TRIBAL **DEVELOPMENT & GOVERNANCE**

COMMERCIAL INVESTMENT ACTIVITIES

GOVERNANCE AND OPERATIONS

- Protecting settlement rights -

(15-20% - Central Projects)

 Delivery of centrally led programmes and projects as per 5 year plan

TRIBAL DEVELOPMENT- HAPŪ AND MARAE DISTRIBUTIONS

Support Hapū / Marae (20-25% of total annual distribution)

- Direct cash distributions to Marae/ Hapū
- Provide shared services etc.

TE ATIAWA TRIBAL DEVELOPMENT

Support wider Te Atiawa Whānau and / or Uri (member) Suuport (20-25% of total annual distribution)

- Tribal Development Grants Fund e.g for culture and education / papa kāinga
 - Whanau financial savings programme





