



Annual Report

2018-2019

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## **Our Vision**

Kia pupū noa ake a Tūhourangi –  
a vibrant and thriving iwi

## **Our Mission**

Creating opportunities for  
Tūhourangi through incisive  
leadership and prudent  
management of our resources

## **Our Values**

- ▶ Collaboration
- ▶ Communication
- ▶ Courage
- ▶ Integrity
- ▶ Respect
- ▶ Trust

# ANNUAL GENERAL MEETING PAPERS

## AGENDA

1. Karakia
2. Apologies
3. Previous minutes
4. Chairman report
5. Operations report 18/19
6. Audited accounts 18/19
7. Confirmation of auditor
8. General business: 2019 TTA elections
9. General business: Trust Deed review & ballot



The AGM will conclude with a light supper.

### APOLOGIES

**Resolution:** That the apologies are received and accepted.

**Moved** \_\_\_\_\_

**Second** \_\_\_\_\_

# TABLE OF RESOLUTIONS

- 1 **Resolution:** That the minutes of the 2018 Tūhourangi Tribal Authority Annual General Meeting are received and noted as a true and correct record.

Moved \_\_\_\_\_

Second \_\_\_\_\_

2. **Resolution:** That the Tūhourangi Tribal Authority audited financial accounts are received and accepted.

Moved \_\_\_\_\_

Second \_\_\_\_\_

3. **Resolution:** That Glenn Sullivan Chartered Accountants Ltd are reappointed as Auditors.

Moved \_\_\_\_\_

Second \_\_\_\_\_

4. **Resolution:** That the Annual Report for the year ended 31 March 2019 is received and accepted.

Moved \_\_\_\_\_

Second \_\_\_\_\_

5. **Resolution:** That the meeting supports the planned Trustee actions to review and update the Trust Deed following which a new election will be held within three months of the new Deed being executed.

Moved \_\_\_\_\_

Second \_\_\_\_\_

# MINUTES OF PREVIOUS ANNUAL GENERAL MEETING

MINUTES OF TŪHOURANGI TRIBAL AUTHORITY (TTA)  
ANNUAL GENERAL MEETING  
HELD SATURDAY, 1 SEPTEMBER 2018 AT TE PAKIRA MARAE

**TRUSTEES IN ATTENDANCE:** Allan Skipwith (AS) (Chairman), Rangitihi Pene (DP), Manutai Schuster (MS)

**GENERAL ATTENDANCE:** Anaru Rangiheuea (AR), Maramena Ralph MR), Owen Mitai-Wells (OMW), Ngarangimihi Maika (NM), Janice Skipwith (JS), Te Ohu Wikingi (TOW), Kiri Skipwith (KS), Moira Skipwith (MSk), Tarewa Rota (TR), Ammon Skipwith (ASk), Rangirauwaka Hawe (RH), Michele Hawe (MH), Bob Te Aonui (BTA), Lilibet Balle (LB), Daniel Wickliffe (DW), Nephi Skipwith (NS), Mehau Johnstone (MJ), Roimata Mihinui (RM), Tarati Kinita (TK), Kathy Tonihi (KT), Rangingangana Wade (RW), Nyrun Kiriona-Nelson (NKN), Philip Balle Jnr (PBj), Eileen Waerea (EW), Deliah Balle (DB), Philip Balle (PB), Petera Clark (PC), Tania Rangiheuea (TR), Rea Rangiheuea (RR), Pirihiira Haira (PH), Ngaroma Maika (NM), Metcalf Hawe (MH), Jamie Warbrick (JW), Makuini Warbrick (MW), Richard Nelson (RN), Candace Bell (CB), Anaru Rangiheuea (Aust)(AR2)

## 1. KARAKIA / MIHIMIHI

Anaru Rangiheuea/Allan Skipwith

A warm welcome extended to Tūhourangi whanui. OMW from Deloitte to speak to the Accounts then follow the Agenda. The Chairman to speak to any other items in General Business including the Meade Street Whakarewarewa property and the Ngāti Rangitihi claim.

## 2. APOLOGIES

Watu Mihinui, Shane Gibbons, Ngarepo Eparaima, Karen Walmsley, Robert Schuster, James Schuster, Julia Schuster-Rika, Blue Rikihana, Tana Rikihana, Orewa Crook, Jude Langendoen, Tina Skipwith, Robyn Skipwith, Huru Maika, Tangi Vautier, Rangi Skipwith, Sandra Skipwith.

**Resolution:** That the apologies be received and accepted.

**Rangi Hawe/Bob Te Aonui**

**CARRIED**

## 3. MINUTES OF PREVIOUS AGM

**Resolution:** That the Minutes of the Tūhourangi Tribal Authority Annual General Meeting held 27 August 2017 at Te Pakira Marae be confirmed as a true and correct record.

**Rangi Hawe/Bob Te Aonui**

**CARRIED**

#### 4. MATTERS ARISING

Nil

#### 5. CHAIRMAN'S REPORT

Chairman spoke to each matter raised in his report.

##### TTA – Governance

Acknowledged work of Trustees over the past 12 months particularly the work required to complete the investment in the Waimangu business within three months, May–August.

##### TTA – Economic

###### Waimangu:

Acknowledged the Chair and Directors of Te Puia who helped fund the TTA investment in Waimangu, a 50-50% arrangement with Ngāti Rangitihi. Te Puia contributed to the TTA investment as TTA did not have the full cash requirement. For this support Te Puia committed to a minimum of five years but would sell back their shares to TTA whenever that might best happen. TTA priority was to get into the business. The Directors of Waimangu developed a Strategic Plan, available for perusal or discussion. As there was little in the Waimangu bank accounts at the time of purchase, an overdraft \$250k was arranged. The season opened in Sep–Oct and in quick time the overdraft was repaid and a tidy bank balance achieved. Before the end of the financial year in March, the profit was just short of \$700K – TTA dividend share 14%.

Waimangu Directors – two directors each under the 50-50% arrangement:

- Ngāti Rangitihi – Harima Warbrick and Ken Raureti
- Tūhourangi – Allan Skipwith and Deryck Shaw (Te Puia rep).

###### Te Arawa Group Holdings (TAGH):

Financial year ended June 2017 TAGH reported EBITDA (Earnings Before Interest, Tax Depreciation and Amortisation) of \$10.656m vs 2016 \$11.917m. Group profits \$ 7.401m vs 2016 \$8.502m. Group assets reached \$125.5m vs 2016 \$121m.

TTA Trustees continue to push for maximum dividend of \$350k per annum, currently set at \$100k remains a strain on the TAGH–TTA relationship. TTA Trustees continue to explore potential development/investment opportunities within the Tūhourangi rohe.

TAGH doing very well, ahead of projections. TAGH Annual Report available for perusal. Unaudited profit for last financial year \$11m when original projections for TAGH estimated at \$4-5m. All sectors performing well although results impacted by increased land rentals for one TAGH acquisition, the Waiotapu geothermal business. Waiotapu Valley was devolved to Tahu-Whaoa, still a point of contention as TTA believes the Tūhourangi boundary goes through the middle of the Waiotapu Valley. After 12-18 months of negotiation with Tahu-Whaoa, the Waiotapu lease rentals increased five times. Negotiations took that long owing to mediation but TAGH still performing well. Next development is all the property along Fenton Street from Gwendoline St to Wylie St including Gwendoline Court Motel property, Wylie Court and Silver Oaks, a huge development.

After the Te Pūmautanga o Te Arwa (TPT) settlement, all commercial assets and remaining putea deposited with TAGH to grow for the collective. As TAGH is well ahead of projections, TTA Trustees on TPT believe the current dividend policy needs to be reviewed. There was a dividend holiday for some time but two years ago TAGH started paying an annual dividend of \$100k to each affiliate. Two new Directors appointed to TAGH – Piki Thomas from Ngāti Pikiao replaced Eru George and Tracey Houpapa replaced Andy West, previous Chairman of TAGH.

TTA investigated a number of funding sources in order to float the shares in Waimangu but all putea tied up in TAGH. Approach made to TAGH but easier to deal with other organisations – this issue was raised at the TPT hui yesterday

## **TTA – Environmental**

### **Te Arawa River Iwi Trust (TARIT):**

TARIT trustees were asked to follow up and report on actions taken to address the failures identified in the forensic audit. Restrictions on the forensic audit report and the AGM attendance only for affiliate trustees afforded no transparency and low confidence that the matters were being attended to. Serious Fraud Office (SFO) advised investigation was ongoing with a second investigator appointed.

TTA Trustees attended TARIT AGM where TARIT Chairman in the Annual Report referred to the Forensic Audit as a non-issue. A copy of the TARIT Forensic Audit was available for perusal. If no issues with the Forensic Audit, why were affiliates blocked from sharing the information?

A summary of key findings in the Forensic Audit:

- Observed a number of control failures, incorrect accounting procedures, inaccuracies in invoice creation, general lack of clarity in accounting responsibilities, THL (TARIT Holdings Ltd) administration haphazard and at times perceived to be personally motivated – just some of the reasons for TTA concerns regarding TARIT business.
- SFO still investigating and an extra officer appointed.
- Some political pressure after Labour MP Tamati Coffey was made aware of concerns; the net extended as TARIT Chairman involved in a number of other organisations.
- SFO would report in the media if the decision was made to lay charges. Even if fraudulent activity was not found, there would be concerns around breach of trust which would need to be resolved.
- TARIT Chairman recently appointed to WRA (Waikato River Authority) resulting in resignations from WRA.
- SFO investigation matters and personal grievance by previous CEO still unresolved.
- Pamphlet distributed by Tahu-Whaoa was not complimentary of TTA, but the hui was reminded that all the blocks at Tahu-Whaoa were Parekarangi.

## **TTA – Social**

### **Health:**

TTA Administrator, Ngarepo Eparaima, was acknowledged for his work with the Kuia/Koroua programme; Ministry of Health funding confirmed for 15 months and Kuia/Koroua membership had grown.



**TTA – Cultural**

Tūhourangi cultural events and projects – Wānanga, Ahurei, ANZAC Day – supported by TTA for the benefit of the whole iwi/hapū.

**TPT – Mana Whenua**

Mana whenua work continues but still a lot to do including resolution of Ngāti Raukawa claimed interest in Whaka Forest.

**TPT – Equity**

TPT Equity biggest issue confronting Tūhourangi. TTA claim in TPT settlement still unsettled having swapped the grievance with the Crown to a new grievance with TPT. TTA settlement package could be \$120m, but considering Tūhourangi claims, that figure should be more like \$530m. A huge amount of work carried out by Shane Gibbons contracted by TPT to carry out the work for Te Arawa not just Tūhourangi. TTA Trustees on TPT now need to work towards resolution.

When asked whether High Court Action was still being considered, AS stated some way to go before that step was taken. TPT resolved at a hui-a-iwi, that Equity issue would be shared with TPT affiliates, then a Special Board hui to decide a resolution to take to a normal TPT Board hui by end November. Replacement of TAGH board directors – TAGH Directors comprised two appointments from the TPT board table and three independents from the market.

**TPT – Financial Sustainability**

TPT invested surplus cash into the purchase of a commercial building providing much improved investment income however a considerable shortfall remained in the TPT sustainable funding.

**Conclusion**

Chair acknowledged TTA Trustees and Ngarepo for all the support provided over the past year, a good level of trust and everyone endeavoured to share the load. Currently do not have the financial resources to carry out the work that needs to be done but working on it. The issue of equity and more appropriate TAGH dividend remained important for the financial security and benefit of TTA beneficiaries.

Request made that all abbreviations be noted in full and statements linking back to the previous Report be provided. Further clarity regarding the \$50m TPT Settlement – \$12m distributed to affiliates and balance invested in TAGH.

**Resolution:** That the Chairman's Report be accepted.

**Rangi Hawe/Bob Te Aonui**

**CARRIED**

## 6. AUDITED ACCOUNTS YEAR ENDED 31 MARCH 2018

Owen Mitai-Wells (OMW) of Deloittes advised the Auditor had provided a clean and unqualified audit report.

### Statement of Financial Performance:

Total Revenue \$409,495; Total Expenses \$206,329; Surplus Before Tax \$203,166; Surplus After Tax \$208,379.

Statement of Revenue and Expenses/Profit and Loss – \$203k more was made than spent, tax benefit received so surplus \$208k actual cash. Value of Investments in TAGH and Waimangu increased so Total Comprehensive Income for year \$806k. Revenue increase due to receiving two dividends from TAGH in June and March this financial year. Waimangu investment from term deposits which had been earning 3.5% now earning 14%. Total Expenses \$206k, last year \$300k so spent \$100k less. The budget reconfigured after Waimangu investment saving \$30k.

### Statement of Financial Position:

Total Current Assets \$526,173; Total Non-Current Assets \$11,810,838; Total Assets \$12,337,011; Total Liabilities \$26,324; Net Assets \$12,310,687; Total Equity \$12,310,687.

Non-Current Assets included property, plant and equipment and investments included both TAGH and Waimangu. Net Assets worth \$12.3m could be realised if TTA were to cash up, it increased from \$11.5m last year so putea had grown. This year TTA made \$200k cash, investments grew by \$600k; TTA now worth \$12.3m.

### Notes to the Performance Report:

P.37: No Contingent Liabilities, Capital Commitments, Securities & Guarantees or Events after Balance Date.



**Q/A:**

- Bank Accounts and Cash Balance \$478k after Waimangu investment.
- When TAGH investment made, affiliates agreed to no distributions for first five years, then a distribution of \$100k per affiliate for next five years. At year 11, dividend distribution to revert to the maximum of 40% on any income, so could be more than \$350k per affiliate at that time. Some affiliates want to secure that maximum dividend now.
- Debtors, mainly Ministry of Health, invoiced in June but did not pay till July. Doubtful Debts recorded so balances were not overstated and would be removed once received. Debtors balance much lower than \$67k last year.
- Legal Expenses related mostly to the SFO investigation where legal advice was required on TTA position and risk, only support for the TTA stance came from Te Arawa Kaumātua, the other two TARIT iwi supported their Chairman. \$6k for Waimangu due diligence work.
- TTA not yet looked at strategies for use of funds if TAGH distribution increased, still a huge amount of work to do before getting to that point, some TPT affiliates did not support TTA stance as they had already received well in excess of their entitlement. If dividend did increase, TTA would be able to do more for Tūhourangi iwi and marae. New TAGH directors at least afforded new eyes on the business. If TPT Equity issue resolved and TAGH agreed to a reasonable commercial dividend, TTA would be satisfied with a fair commercial return on investment in TAGH.
- Kaumātua Anaru Rangiheuea (AR) agreed affiliates were waiting for that in order to invest in other opportunities.
- TARIT fraudulent activity and personal grievance still unresolved, need to find out what went on, resolve and get on with business. Had hoped the Chair would stand down but had remained with the support of the other two iwi. Manutai Schuster and Rangitihī Pene who were previous TTA Trustees on TARIT had resigned after airing concerns, receiving no support from the other two iwi, and legal advice was they resign for their own protection. Paul East and Shane Gibbons appointed as replacement TTA Trustees on TARIT. Consideration was given to withdrawing from TARIT but nothing to be gained from that and by continuing to attend TARIT hui at least TTA position on record.
- If TAGH dividend remained the same, financial expectation would be a similar year to 2017, Waimangu earnings would be more exciting.
- Future legal costs - if TTA went down the High Court path, costs would be covered in forecasting and budgeting.
- Waimangu planned an iwi open weekend on 9 September but too short notice. Directors were asked to consider every day an iwi open day, protocols required but registered beneficiaries would be able to visit, the same as Te Puia and Waitapu with their whānau cards.
- The Waimangu Directors include 2 Ngāti Rangitihī, 1 Tūhourangi and 1 Te Puia as Te Puia provided the majority of the TTA cash requirement and essentially were Tūhourangi's partner in the 50% shareholding, contemplated having an independent director but only a small business and wanted to keep costs down.

**Resolution:** That the Tūhourangi Tribal Authority Audited Accounts for the year ending 31 March 2018 be approved.

**Te Ohu Wikingi/Bob Te Aonui**

**CARRIED**

**Resolution:** That Glenn Sullivan Chartered Accountants Ltd be re-appointed as Auditor.

**Te Ohu Wikingi/Anaru Rangiheuea**

**CARRIED**

## 7. GENERAL BUSINESS

Matters raised with general comments and queries from the floor:

### **Rotorua Lakes Council (RLC):**

Need access to TAGH putea in order to take up opportunities within Tūhourangi rohe. RLC funding available for feasibility work on development of lakefront and Whaka Forest for which RLC had the licence, different from other Forest licences for growing and felling trees. Tokorangi and Whaka Forests had visitors' centre with biking, walking and recreational aspects. That revenue goes to Central North Island Iwi Holdings Ltd (CNI) to redistribute to affiliates as the land currently in trust with CNI till 2043. RLC planned to upgrade Redwoods but owing to increasing numbers, needed to spread the load; an opportunity to establish another information access centre further up Tarawera Road where Whaka Forest belonged to Tūhourangi. Part of development to install a passenger and bike chairlift up the maunga, then downhill ride with all other necessary facilities in place. TTA currently engaged with RLC, CNI and Ngāti Whakaue to establish a co-governance arrangement over the Forest, a significant opportunity for Tūhourangi. Concern expressed about expanding cycle tracks in the Forest but CNI obligated to achieve highest and best use for the land with putea distributed to CNI affiliates.

Block opposite Okareka turn off was originally Rotomahana Parekarangi 6, Haira whanau still owners and should be involved in any ongoing discussions. The land block on the right-hand side of the entrance to the long mile gateway was under claim and could possibly be used for other purposes. Awatea Road residents had asked whether a garden could be put there, a coffee place or something similar as it was prime property on a road well used by tourists going into the Redwoods.

The TPT representative on CNI is AS whose responsibility is to CNI affiliates. When CNI was established, eight iwi were in the collective – Tūwharetoa, Tūhoe, Ngāti Whare, Ngāti Manawa, Ngāti Rangitīhi, Ngāti Whakaue, Ngāti Raukawa and TPT. The Crown allocated each affiliate their quantum and the Crown used the Kaingaroa Forest to settle those claims.

The allocated percentage based on what was considered to be iwi entitlements, TPT percentage 15%, if \$1m went into the putea, 15% belonged to TPT. Through the mana whenua process, up to the eight affiliates to resolve where the mana rests, that work is ongoing. For TTA, Crater, Waimangu, and Highlands resolved but Whaka Forest as yet unresolved with only the Ngāti Raukawa claim outstanding. Kaingaroa still to be resolved around Maunga Kakaramea.

### **Ngāti Manawa:**

Crown assessed their commercial equivalent entitlement as 5% but when mana whenua in Kaingaroa Forest is resolved, would receive just short of 20%. TTA concern is that they had already received more than their commercial entitlement and in terms of cultural redress property, they would receive significantly more than the TPT collective or Tūhourangi through the TPT settlement.

### **Tarawera Trail:**

An application was submitted for the Tarawera Trail to be designated as a Great Walk; a number of tracks around the country identified. Tarawera still on the shortlist, keen to have the Tarawera Trail designated as a Great Walk.



### **RLC Spray Pond in the Forest:**

RLC signed an agreement 2013-14 to stop spraying paru in the forest by 2019. The sewage treatment plant at the lakefront now upgraded with waste water going into the lake. However RLC notified CNI that owing to concerns including consultation with iwi, they would not meet the 2019 deadline. No indication yet as to projected deadline date.

### **1080:**

Need to make a stand as 1080 considered detrimental to the ngahere, manu and kararehe. Had the knowledge, knowhow, people to take care of the kararehe that should not be there and an opportunity to look after our own whenua. Issue not yet discussed at TPT. TTA to review and update the Tūhourangi Iwi Environmental Management Plan (TIEMP), however wider consultation required in order to be better informed on environmental issues, no policy at this time, not aware of any groups wanting to carry out protests, TTA office next to Department of Conservation (DOC) offices who were aware protestors were coming to express issues and concerns. Suggested that 1080 issues should be left to the Land Block owners.

### **Ngāti Rangitihi Claim:**

At a TPT Board meeting it was raised that the Ngāti Rangitihi claim threatened to undermine the TPT claim. The Ngāti Rangitihi claim was broad and affected Tūhourangi in respect of Tarawera and Rotomahana lands. Ngāti Rangitihi were claiming Tarawera Scenic Reserve made up of eight parcels of DOC land right around Lake Tarawera. Another part of their claim that affected Tūhourangi was Waimangu Scenic Reserve. Tūhourangi acknowledged Ngāti Rangitihi were included in Waimangu Scenic Reserve according to the Native Land Court (NLC) records but a big parcel of the Waimangu Thermal Reserve was 90% Tūhourangi while Ngāti Rangitihi interest was at the other end, adjacent to Onuku. The Ngāti Rangitihi claim also included the whole of the Tarawera Scenic Reserve. Some of those blocks were part of Rotomahana Parekarangi 6, while others were part of Ruawahia which were awarded to Ngāti Rangitihi. A year ago TTA met with the Office of Treaty Settlements (OTS) who wanted feedback on the Ngāti Rangitihi claim. TTA declined to provide any feedback until OTS provided the actual details of the Ngāti Rangitihi claim. Fortunate to have had support of Anaru Rangihueua and John Waaka along with others who helped with research but had nothing to work to because no details of the Ngāti Rangitihi claim had been provided until a month ago which prompted the hui-a-iwi at which all the maps relating to the Ngāti Rangitihi claim were able to be sighted.

The hui-a-iwi agreed to acknowledge the Ngāti Rangitihi interest, however important to note that at settlement, Tūhourangi were able to get a whenua rahui established over the face of Mt Tarawera from the top of the maunga down to the lake. Prepared to acknowledge Ngāti Rangitihi interest in the Ruawahia block awarded to them by the NLC but if we agreed to share the whenua rahui with Ngāti Rangitihi then we wanted Waimangu back with fee simple title. That resolution was agreed at the hui-a-iwi, however agreement could not be reached with Ngāti Rangitihi. Yesterday it was proposed at the TPT Board that TPT raise a contemporary claim with the Waitangi Tribunal relating to the Ngāti Rangitihi claim. OTS had since requested a hui to get a response regarding the Ngāti Rangitihi claim. They wanted to bring Ngāti Rangitihi with them but it was made clear that we would not meet with Ngāti Rangitihi until the Crown had explained their rationale for what they had put on the table for Ngāti Rangitihi.

At the hui-a-iwi, several iwi members spoke about Tūhourangi mana at Tarawera and the stories that would help our case. A further hui was held where it was organised to collect all those stories from each of the blocks so that they could be combined with the TTA evidence and comprise one concerted plan.





At the TPT hui, it was proposed that TPT lodge a contemporary claim with the Waitangi Tribunal and organise a hui with OTS on our terms at a neutral venue large enough to cater for the iwi. Eventually there would be a meeting with Ngāti Rangitihī but it was not for Tūhourangi to defend its position, rather for Ngāti Rangitihī to provide evidence in support of their claim to our lands. It was unreasonable for the Crown to expect Tūhourangi feedback to the Ngāti Rangitihī claim at such short notice given it had taken them 12 months to provide details of the Ngāti Rangitihī claim and Tūhourangi needed reasonable time to properly prepare its position. At the same hui, correspondence was received from Ministry of Justice that Kaumātua AR had lodged a claim on behalf of Tūhourangi. Agreed it was a good thing to have both the AR claim and TPT contemporary claim on the table together. Of the 11 affiliates of TPT, 9 had agreed to support Tūhourangi. The lands being claimed by Ngāti Rangitihī were not made available to Tūhourangi at the time of the TPT settlement. There were maps of the Tūhourangi lands at Tarawera which were extensive including the back of Tarawera and over half of Lake Tarawera, other lands belonged to Ngāti Tarawhai and Ngāti Rongomai, but now NR had included all those lands in their claim. When asked how those parcels of land had suddenly become available to Ngāti Rangitihī when they had not been available to Tūhourangi during the TPT settlement, it was believed inside information had led to Ngāti Rangitihī making those claims.

**TPT resolution proposed, accepted and approved that TPT would lodge a contemporary claim with the Waitangi Tribunal, would organise a hui with OTS and a hui with NR following that.**

The Tūhourangi claim was settled under the TPT collective claim so there was real value in having the TPT affiliates in support of Tūhourangi at this important time.

Regarding the Crown Estate, all the lands taken 100 years ago, the TPT settlement was full and final but the Ngāti Rangitihī claim proposed to undermine that settlement, now the basis of the AR claim with OTS, no detail yet, just wanted to halt the Ngāti Rangitihī Agreement in Principle (AIP).

Referencing the Crown Estate of 36 trustee sites there was a query whether an approach had been initiated with the trustees of those blocks. Another claim could be lodged on behalf of those blocks as an obligation to beneficiaries. Has taken 100 years to get to this point, so need to be patient. The wide claim presented by AR had got through so ensured support from TPT. The proposal to lodge a contemporary claim was discussed extensively at the TPT Mana Whenua hui.

Rangipuawhe Maika (RM) had called the iwi together some years back to allocate ownership of the Tarawera blocks and BTA was elected Chair of Te Ariki 6Q2B. The first claim was the Wai7 claim but did not get through to TPT settlement as agreement could not be reached by negotiators. It went to OTS but eventually the vote went against that claim. When the trustees were installed, RM put a blanket claim across all whenua that belonged to Tūhourangi under the Wai7 claim so any whenua that Tūhourangi could lay claim to should be listed under that claim.

TR raised several points:

- Request for urgency came after reading the Ngāti Rangitihī claim to all the Tarawera lands currently held in the DOC estate.

- The Tūhourangi claim was full and final under the TPT settlement but did not include the DOC estate. TTA Trustees should have been aware the DOC estate was not included and made a claim a long time ago.
- The whole Treaty claims process is fraught with politics and issues, the reason a claim had to be made by Kaumātua AR on behalf of Tūhourangi, but did not preclude TPT from putting in a claim.
- Tūhourangi had mana whenua over the DOC estate so needed to assert mana whenua by making a stand as opposed to waiting to see what TPT came up with.
- Ngāti Rangitahi now had an Agreement in Principle with the Crown, hard to pull back from that unless Ngāti Rangitahi unable to prove their claim.
- Opening up the DOC estates was now a big problem for the Crown. Over the last ten years there had been a push to open up the DOC estates and Māori were having to stand the cost. Now required to assert mana whenua in an unreasonable timeframe and negotiating around changing government policy relating to fee simple title.
- Had heard nothing from TPT or TTA regarding a strategy so had to register our voice by lodging the Request for Urgency.
- Having an Agreement in Principle was like signing off so surprised at the lack of communication from TPT, perhaps because TPT comprised affiliates who did not have Tūhourangi vested interest at heart.
- If Tūhourangi resisted any opening up of the DOC estate then OTS would have to come back to us.
- Despite a limited timeframe we lodged the Request for Urgency on Monday, the Judge came back on Thursday, granted. That was a huge win for us as the whole process could take years but we now had an opportunity which might otherwise have been forfeited.
- Need to send a letter to the Crown asking what their current policy and status is in respect of the DOC estate as Tūhourangi land interests were being compromised.
- TPT should have asked these questions under the Official Information Act (OIA).
- Will lodge an OIA request and get that information out to everyone, no other choice than to drive our own kaupapa while other iwi could lodge their own claims.
- How many had read the Ngāti Rangitahi Letter of Offer from the Crown? Surprised that the iwi had not had access to that information. TPT and TTA were not doing enough which raised the legitimacy of those mandated by the iwi.
- The Crown had set a deadline of 26 September to gather all evidence to substantiate our claim. Seeking Agreements in Principle from the Crown to not opening up of DOC estates until every single trust, trustees and beneficiaries had been contacted. The threshold was high and the Crown was bound by those thresholds.
- **Moved that TTA who had the mandate drive a separate claim, acknowledge any other ancillary claims in support of Tūhourangi like the TPT claim, also acknowledge other iwi claimant groups.**
- TTA should drive this on behalf of the iwi and work in collaboration with the kaumātua group. Was there an iwi treaty claims group who could work together on this? In the meantime, iwi must read the Ngāti Rangitahi claim then would understand the need for urgency with our claim.



Roimata Mihinui (RM) thanked everyone for a most informative meeting, saddened by the personal attacks but agreed that the iwi needed to be more proactive. If Rangipuwāhe had already put in a claim, why not use that as a blanket claim. The problem was Ngāti Rangitihī had their agenda while we had ours, we had played by the rules but the rules and playing field had changed. Now had the DOC estate which was our land that we had not been allowed to touch because it was there for the whole of Aotearoa / New Zealand. Need to send a strong message from this meeting to OTS and should make application under the OIA for any dealings related to this issue. Glad AR was there as our only kaumātua who had been involved since the beginning. Need to work together as an iwi to send a strong message while working under structures forced on us by the creation of a totally false collective like CNI. The iwi has to work around all of this and our only strength is ourselves. Would be happy to tautoko the resolution to enable the iwi to move forward and lead rather than just be responsive.

**Resolution:** That Tūhourangi lodge a claim for the Tarawera lands separate to the claim being driven by TTA through TPT and acknowledge all other ancillary claims in respect of the Ngāti Rangitihī claim.

**Tania Rangiheuea/Roimata Mihinui**

**CARRIED**

A group was informally established to carry out the required work, comprising Chairpersons and others from the various blocks. The group needed to be formalised so it was clear who would be doing the work and collecting the information – Bob TeAonui, Te Ohu Wikingi, Metcalfe Have, Marisa Balle, Rea Rangiheuea. Need to gather experienced people to facilitate the work. All korero would be valid and vital. A meeting to be held after this hui to decide who would lead this process. Need all the pūrakau from tangata whenua and anyone who wanted to contribute could attend the hui. Need to collate information quickly owing to limited timeframe.

### **5 Meade Street, Whakarewarewa:**

Tony Wihapi had offered to transfer their whanau trust block at 5 Meade Street, Whakarewarewa, to TTA. Comment made that there were 4,000 owners in that block and Tony was the only surviving trustee. Seemed there were a number of hurdles before getting to the possible point of transfer.

### **9 Mead Road, Te Wairoa:**

To be dealt with at a later date.

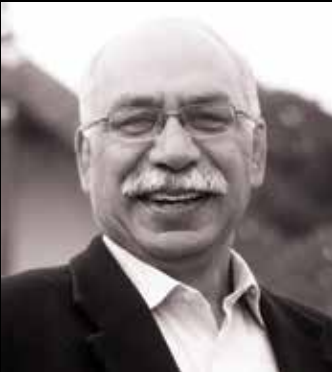
## **8. CLOSING**

The Chair thanked everyone for their attendance. Kaumātua AR put his name to several documents but wanted the iwi to work together to share each other's vision. The knowledge was there, just needed to collate the information and lodge a document with a covering letter. Offered thanks to TTA Chair, Trustees and whanau for the support of all endeavours to achieve satisfaction for the iwi.

**Karakia by AR at 12.50pm.**



# CHAIRMAN'S REPORT



Tuia ki roto, tuia ki waho, tuia i te pō, tuia i te ao!

Tīhei mauri ora!

Kai aku rangatira, Te Heketanga-a-Tūhourangi,  
Tātau e tangi ana ki a rātau kua huri kaweka atu

Tātau e kori ana i te mata o Papatūānuku

Tenā tātau katoa!

It is my privilege to present this annual report on behalf of the Board of Trustees.

This year you will notice there is a slight change in the reporting format which I sincerely hope is a lot clearer and more informative about our iwi assets, financial accounts, and operational outcomes against our annual plan. It also includes a copy of our plan for 2019-2020 year that will progress us toward our strategic iwi objectives.

I am pleased to report our financial position is \$16.056m against last years \$12.337m being made up of \$673k of current assets (mainly cash in the bank), and \$15.383m of investments (\$764k Waimangu and \$14.607m Te Arawa Group Holdings (TAGH)).

You will see the plan for 2019-2020 contains an option to possibly elevate this to legal action.

Secondary to resolving our equity is achieving a greater commercial dividend for our investment in TAGH. Fortunately most of the TPT affiliates agree with this so we are hopeful that TPT and TAGH can agree to a review and an increase to the maximum dividend for the upcoming 2019-2020 financial year, which will see our dividend increase from \$100k to over \$300k.

## Te Pūmautanga o Te Arawa Trust

As discussed at our last hui-ā-iwi, resolving the question of equity from our Te Arawa collective settlement remains the single biggest issue for the trustees. This is fundamental to developing the Tūhourangi Tribal Authority (TTA) financial base to put us in a position where we can provide greater social outcomes to our beneficiaries. For the past six years, TTA Trustees endeavoured to work within the Te Pūmautanga o Te Arawa Trust (TPT) board without success.

Sustainable funding for TPT has also been an issue for the TPT collective as funding will likely run out in May 2020 prompting the sale of its only asset, the old Westpac Bank building in Tutanekei St. However, this will likely only provide another year of funding. TPT will likely seek affiliate input that will support the provision of funding by the cancellation of income assignments given to TAGH.

## Ngāti Rangitihi Settlement

At our last AGM there was some anxiety expressed in regard to the Ngāti Rangitihi claim and how we might resolve the overlapping interests at Tarawera and Rotomahana. Clearly each iwi have their differing views of history and who actually held the mana over these lands. We could continue to assert our view of history but what is impossible to ignore is the fact that Rotomahana Parekarangi 6 was awarded by the Native Land Court (NLC) to Tūhourangi and the Ruawahia land block was awarded to Ngāti Rangitihi. It was unfortunate that the initial Ngāti Rangitihi interest and the initial crown offer included parcels of land from within the Rotomahana Parekarangi 6 block. These have now ALL been removed to respect those original NLC awards.

It is likely that any dispute of the NLC award in respect of the Ruawahia block, even with substantial evidence and after significant time and legal cost, would NOT result in a reversal and/or an award of exclusive mana whenua to Tūhourangi.

Trustees consulted with our kaumātua, pae tapu, hui-ā-whānau, and hui-ā-iwi. It was very helpful for us to hear your voices, the views and concerns from whānau and for the support for the proposition to enter into a deed of understanding with Ngāti Rangitihi. This deed of understanding will enable Tūhourangi and Ngāti Rangitihi to jointly negotiate with the Crown for the return of not just the lease area of the Waimangu Volcanic Valley business, but also a lake strip that is adjacent to the sacred lands of Otukapuarangi and Te Tarata (together, the Pink and White Terraces). The agreement sets out how the land will be owned and how it will be managed.

This path of reconciliation provides the opportunity for our two iwi to move forward together on a positive constructive basis without requiring either of us to resile our respective versions of history.

## TTA Trust Deed

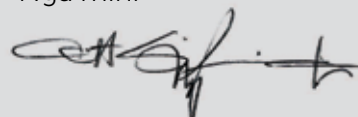
Trustees proposed – and it was unanimously supported at the 2017 AGM – to amend the Trust Deed enabling elections by rotation to ensure business continuity and a smooth transfer of institutional knowledge. While it was our intention to begin the rotation in the 2019 election, the deed is unclear and a great deal needs to be reviewed and updated and that both of these would be initiated by the new Board.

## Next Steps

From the events over the last year, TTA trustees are acutely aware more than ever of the need to be more diligent and focused in our work if we are to achieve results to our plans over the next term. We will continue to listen to all of our people to ensure we continue to improve the information flow back to you, our beneficiaries.

I would like to acknowledge and thank the Trustees for their work and support for the past year. In particular, I wish to thank Shane Gibbons who was replaced as a Trustee at the last election for his contribution to the work of TTA.

Ngā mihi



Allan Skipwith  
Chairman

# TRUSTEES

## Allan Skipwith

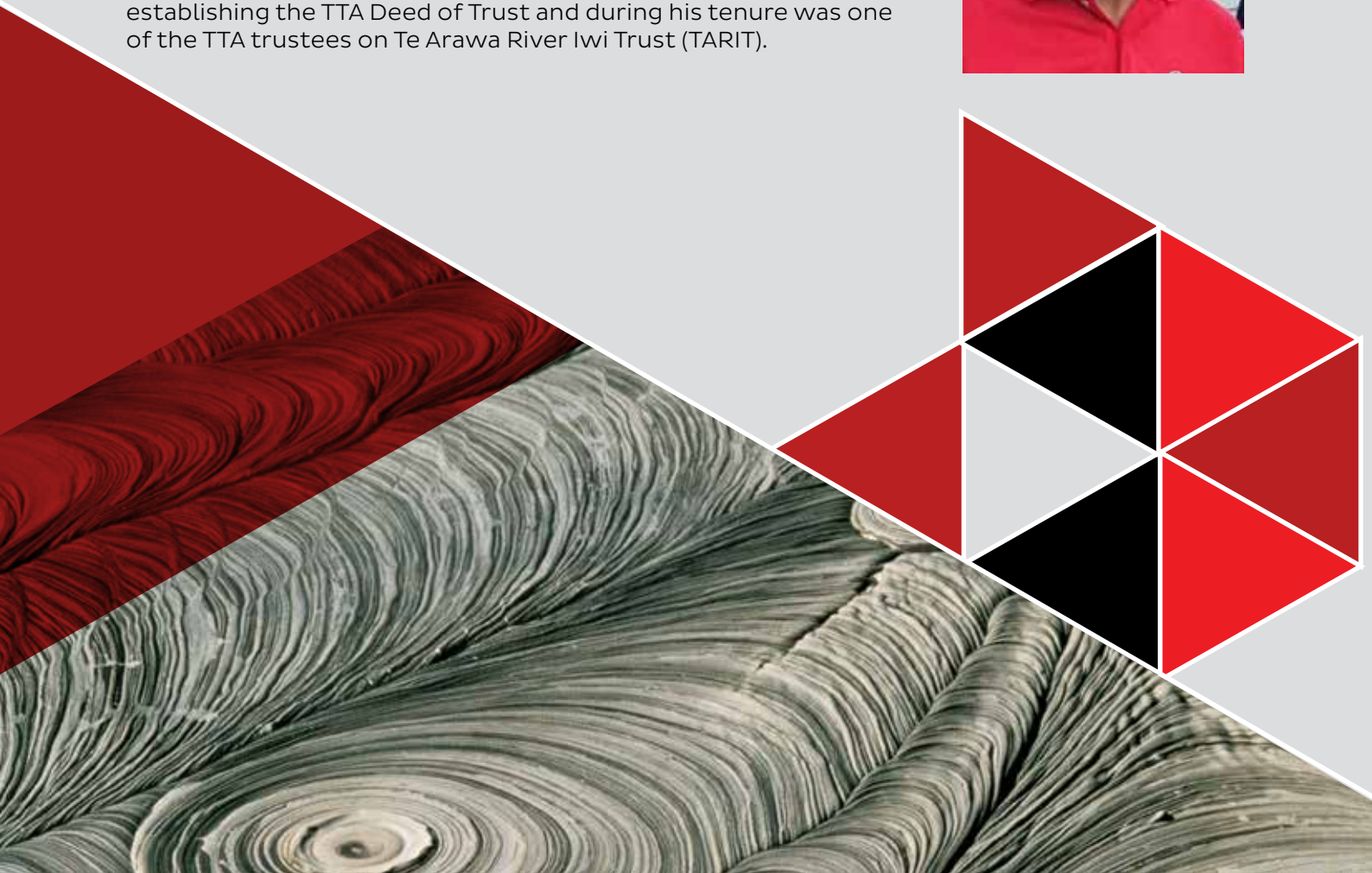
Allan, of Tūhourangi Ngāti Wāhiao descent, has had an extensive senior accounting and management background at Fletcher Buildings. Allan joined Benchmark Building Supplies after having held management positions in Rotorua, Sydney and Tauranga. In 1997, he was appointed Area Manager for Benchmark, based in Auckland. In 2000 Allan became Bunnings NZ National Operations Manager responsible for all stores in New Zealand.

Allan is now retired and is happy to now be able to give back into the business and social objectives for Tūhourangi Ngāti Wāhiao. As such Allan is a trustee on Te Pūmautanga o Te Arawa Trust (TPT), is a Director/Chairman on Central North Island Iwi Holdings Ltd (CNI) and is a Director/Chairman of Waimangu Volcanic Valley. He is the current chairperson for the Tūhourangi Tribal Authority (TTA).



## Shane Gibbons

Shane has practiced as an Office Solicitor in various government departments before taking up managerial positions after completing his MBA. His experience includes Regional Director for the Waiariki Department of Māori Affairs, Claims Registrar/Legal Advisor for the Waitangi Tribunal, Legal Advisor with Te Puni Kokiri, Registrar of the Māori Land Court and Secretary/General Manager of the Te Arawa Māori Trust Board. He has also been a trustee on the Rahui Trust and Pukeroa Oruawhata Trust. Shane assisted in establishing the TTA Deed of Trust and during his tenure was one of the TTA trustees on Te Arawa River Iwi Trust (TARIT).





## Watu Mihinui

Of Tūhourangi Ngāti Wāhiao descent, Watu has a wealth of experience and skills in community and hapū development. She is a passionate advocate for her hapū and Māori, heavily involving herself in kaupapa across the rohe. Amongst her many roles, Watu is secretary-treasurer and trustee for Te Pākira Marae, as well as treasurer and trustee for both Rahui Land Trust and Whakarewarewa Village Charitable Trust. She is the newly appointed chair of Tūhourangi Ngāti Wāhiao Kapa Haka and has a shared role in charge of finances for TTA.



## Rangitihi Pene

Rangitihi (Ngāti Hinemihi, Ngāti Huarere and Ngāti Tūohonoa) is an Education Consultant and Director of Auahi Tūroa Ltd. Apart from promoting the interests of TTA, Rangitihi is interested in tribal history, tikanga, kapa haka, reo and basketball. He assists in the running of tribal wānanga and advocated on behalf of Tūhourangi at both the Whakarewarewa Thermal Valley and Kaingaroa Forest adjudications. He is Tūhourangi's trustee to Te Arawa Lakes Trust (TALT) and Te Mātāwai. He is also kept busy as Chairman of Hinemihi Marae Trust.



## Manutai Schuster

Manutai (Tūhourangi-Ngāti Wahiao/Ngāti Pikiao) brings to TTA many skills from her varied professional background in business management and administration, education, film and television, broadcasting and communications, strategic and business planning, government entity funding, legal and reporting compliance. Manutai still carries out work in the film and television industry while her particular areas of general interest include tikanga and reo Māori, environmental awareness, iwi growth and development. As well as a trustee for TTA, Manutai is also a director on the Te Puia | New Zealand Māori Arts and Crafts Institute (NZMACI) board.



Following Trust elections on 15 June 2019, Deliah Balle was appointed as a Trustee.

## Deliah Balle

Deliah (Ngāti Hinemihi, Ngāti Tūohonoa and Ngāti Tutea) is the newest Trustee of TTA having been elected onto the Trust in July 2019. Currently working with Te Arawa's two environmental entities, TALT and TARIT, Deliah is also a member of the iwi technical advisory group for freshwater. She is passionate about protecting the natural resources and advocating for the rights and interests of her people.



# AT A GLANCE

## INVESTMENTS



**\$14,607,000**  
9% shareholding in TAGH<sup>1</sup>



**\$673,000**  
Term Deposits

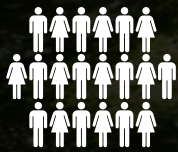


**\$764,000**  
Waimangu Investment

## INCOME STREAMS



## DEMOGRAPHICS



**4,501**  
Beneficiaries



**1,993**  
Tane/Male



**2,058**  
Wahine/Female



**3,797**  
Over 18



**145**  
Overseas

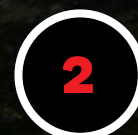
## EVENTS



Rumaki Wānanga



Bilingual Wānanga



Rangatahi Wānanga

<sup>1</sup>Estimated value as at 2019



## SUMMARY OF HOW REVENUE EARNED WAS ALLOCATED TO EXPENSES

**Taura Whiri i te Reo \$45,138**  
For every \$1 earned, we allocated 11 cents for the services provided to Te Taura Whiri i te Reo.

**Te Arawa River Iwi Trust \$11,367**  
For every \$1 earned, we allocated 3 cents for the services provided to the Te Arawa River Iwi Trust.

**Ministry of Health \$17,842**  
For every \$1 earned, we allocated 4 cents for expenses relating to the services provided to the Ministry of Health.

**Grants & Donations \$2,574**  
For every \$1 earned, we allocated a cent to koha and grant distributions.

**Tax Expenses \$9,195**  
For every \$1 earned, we allocated a cent to the tax expense.

**Amortisation & Depreciation \$1,625**  
For every \$1 earned, we allocated a cent to amortising and depreciation costs.

**Staff Expenses \$77,949**  
For every \$1 earned, we allocated 20 cents for the services provided to employee related expenses.

**Operation & Administration \$59,665**  
For every \$1 earned, we allocated 15 cents to operation and administration costs.



**2019 Net Surplus**  
For every \$1 of revenue earned in 2019, 35 cents was retained as a surplus after tax.

**Waimangu**  
For every \$1 of revenue earned in 2019, 13 cents was derived from Waimangu investment venture.

# OUR STORIES

Te Whare Kōrero o Tūhourangi is the cultural subcommittee of the TTA. Its members are TTA representatives Watu Mihinui, Rangitihi Pene, TTA staffer Ngārepo Eparaima, as well as Matetu Mihinui, Aneta Morgan and Hākopa Tapiata.

Te Whare Kōrero continue to run wānanga and other activities to build our knowledge and understanding about ourselves and our cultural identity. We also seek to strengthen connections both within ourselves and to others. It has been heartening to observe the wider and younger range of whānau members participating over the last year. Whānau numbers who are seeking to reconnect back to home have also grown. The activities over the past year have contributed positively to our collective wellbeing.

In all, four rumaki, three bilingual and two rangatahi wānanga were held. These variously covered detailed discussions about tikanga and kawa, exploring ways to increase rangatahi participation, travelling to Te Whai o te Motu marae in Ruatāhuna, Maketū, and hosting Ngāti Awa ki Tamaki Makaurau.

Highlights of the wānanga were many. On one of the rumaki wānanga, facilitated by Anaha Hiini, the deeper meaning of tikanga and kawa were explored. Sample topics included: why men can speak in the evening but women can't karanga, and the differences / similarities between marae tikanga and kawa. The inclusive and empowering nature of the wānanga meant that people felt at ease to engage in conversation.

“He wāhi, he wānanga haumaruru tēnei. Kua taea e au te whiu i ngā pātai, kāore tētahi i whakahē mai, i whakaiti mai, engari i wānangahia te kaupapa ki roto i te hūmarie...”

*“This place, this wānanga is a safe environment. I was able to ask questions*

## Te Whare Kōrero o Tūhourangi

*without being criticised or belittled. Instead we debated and discussed issues in a gentle manner.”*

At another rumaki, a group of tribal members visited Ruatāhuna. We heard from local kaumātua, led by Koro Ron Tahī, about the battle of Pukekaikāhu. We listened to explanations about Te Taumata o te Riu pā and different sites of significance including Te Whakaea, the place where te tatau pounamu (the peace accord) was negotiated.

“Te whakatinana me te akiaki i te āhuetanga ki te tatau pounamu tētahi hua nui. Kua takoto he tūāpapa hou hai timatanga kōrero mō ēnei momo pakanga, nā wai kua timata pea te whakaaro ake te wānanga ki hea, mau ai ēnei kōrero ki hea, mā wai ēnei kōrero e paoho, me ēnei whakaaro kai te kurae o te whakaaro i tēnei wā.”

The connections and relationships between our iwi were strengthened as a result.

“Pai te rongo ki ngā orero a te koroua mō ngā tūhonotanga I waenga I a Tūhoe me Te Arawa. Kōrero tuku iho, ngā kupu huna e pā ana ki ngā whakairo, ngā whakapapa, ngā tikanga ake o Tūhoe. Te tūmanako, ka orero tahi me ōku hoa rangatahi ngā āhuetanga kua akongia. Ko te manako ka hokihoki mai kia kaua e memeha haere.”

The joint wānanga hosted with Ngāti Awa ki Tamaki Makaurau and facilitated by Pouroto Ngaropo in May 2019 similarly highlighted our shared whakapapa links. Pouroto outlined the journey traversed from Hawaiki to our eventual arrival in Waiariki, pointing out our connection in Auckland, Hauraki, Te Tairāwhiti, Taranaki and other key areas.

“Ko ngā hononga pai ki au, ko nga whakapapa I mua I te hū o Tarawera, ērā whakapapa, I hua mai anō whaimuri I te



hū. Ara, te tono I ngā wāhi noho nā ngā hononga ki a Ngāti Porou, ki Taranaki, ki Hauraki anō hoki.”

The increased participation of rangatahi and their important roles in current and future tribal development was also evident.

“I rawe ngā kōrero hai kai mā te hirikapo nā ngā wānanga e hora mai nei. Tāria te wā mā mātou ngā rangatahi e whakakikī i ngā whāwhārua o te paekōrero, o te pae karanga. Nō reirā he rautaki tēnei mā mātou ki te ako i ngā tātai whakapapa o tērā iwi me ngā hononga tāngaengae o ngā iwi kia mātou o Tūhourangi.”

These reflections were broadly consistent with the general positive feedback received from wānanga participants throughout the year.

“Pai ana ki au te hoki mai [ki tēnei kainga nōku]. Mai i te timatanga ki te mutunga, kua whakawhānui ōku whakaaro e pā ana ki ngā mea katoa”.

*“Returning home has been a positive experience for me. From start to finish, my thoughts about everything have broadened.”*

Reflecting on the many positive achievements over the past year, perhaps the most pleasing aspect is the increased usage of te reo Māori and the improved quality being heard. Our goal of normalising te reo and improving the standard being used is progressing well.

Ko te whaingia ia ka eke tō tātou reo ki tōnā Taraweratanga.

Our goal is that our reo and our tikanga are elevated to the highest levels as exemplified by our tupuna. There is still much to do to ensure that goal is reached but we are making great progress.

Looking ahead, 2020 will also signal the 10th year of wānanga activities run by the Whare Kōrero, mahi we all enjoy.

Te Whare Kōrero is grateful for the financial assistance received from Te Mātāwai which has helped us in our planning and facilitation of wānanga events.



Ngā urī a Papawharanui – Ngāti Awa ki Tamaki Makaurau me Tūhourangi / Ngāti Wāhiao,



Pae Kōrero, Joint Wānanga with Ngāti Whakaue / Ngāti Rangiwewehi, 26-28 November 2018.



Te Whai o te Motu, Mataatua Marae, Ruatāhuna, 30-31 May 2019 – Tawharau Mohi and Nika Rua



# ABOUT TŪHOURANGI TRIBAL AUTHORITY

## Key Stakeholders

### Tūhourangi Ngāti Wahiao

Tūhourangi; Ngāti Wahiao; Ngāti Apumoana; Ngāti Hinemihi; Ngāti Hinganoa; Ngāti Huarere; Ngāti Kahu Upoko; Ngāti Puta; Ngāti Taoi; Ngāti Te Apiti; Ngāti Tionga; Ngāti Tukiterangi; Ngāti Tumatawera; Ngāti Tuohonoa; Ngāti Uruhina .

## Tūhourangi Rohe

The traditional boundaries and sites of cultural significance to Tūhourangi are vast. Mountain landmarks indicate these areas, starting with Moerangi forming the northern boundary and encompassing the Whakarewarewa forest. Haparangi and the Horohoro bluffs to the west, south to Kakaramea or Rainbow Mountain, and the eastern identity of Ruawāhia, more commonly referred to as Mount Tarawera. It must be noted that the Tūhourangi boundaries are not exclusively within these identifiable landmarks as hapū of Tūhourangi also reside in the Te Puke area.

## Purpose

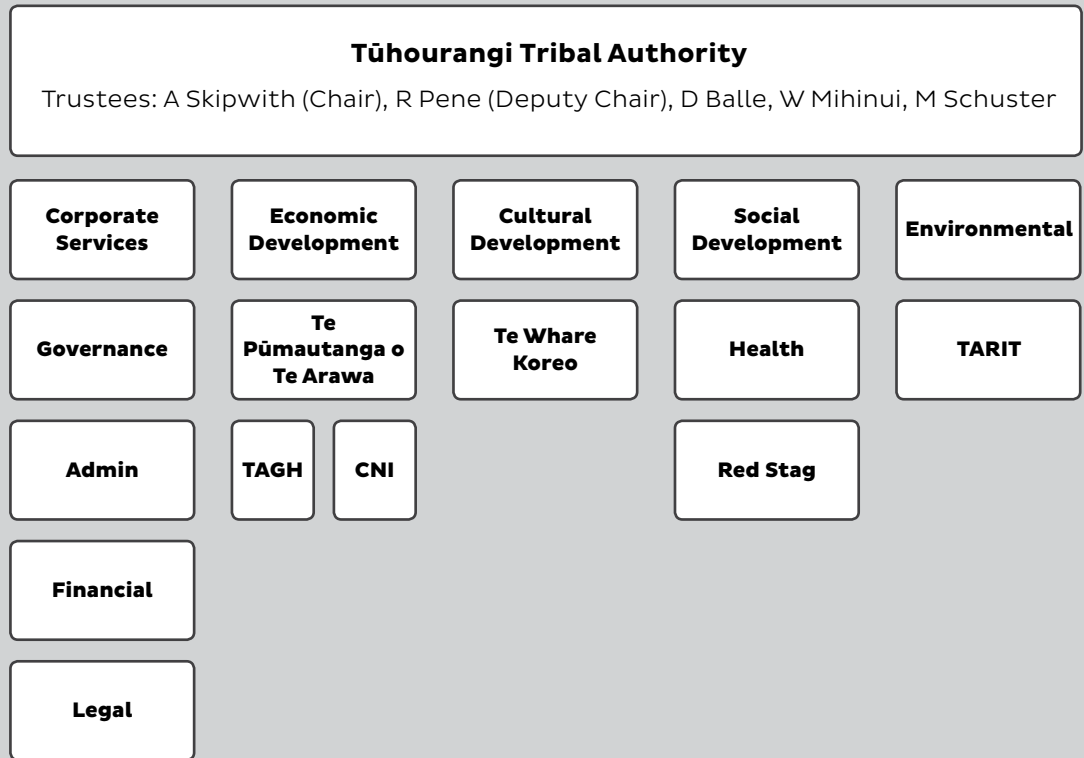
The purpose of TTA is to manage the collective development of Tūhourangi including Te Arawa Treaty of Waitangi settlements that have been achieved on behalf of Tūhourangi. These settlements include those resources managed by TPT, TARIT, Te Kotahitanga o Te Arawa Trust and TALT.

## Business Environment

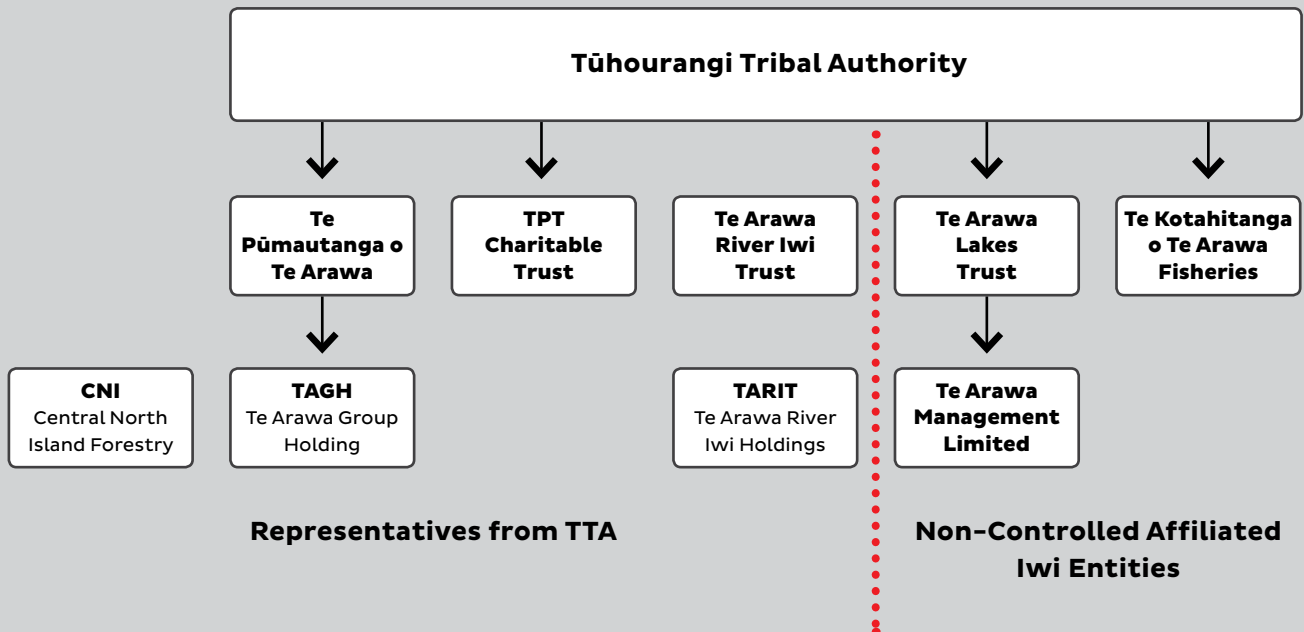
TTA's mission is to receive, distribute and safeguard assets to achieve successful and lasting outcomes in accordance with the TPT, TARIT and the Central North Island Forests Land Collective Settlements.



## Structure



## TTA and Affiliated Entities



# OPERATIONAL REPORT

## 2018 / 2019

### Strategic Objective 1: To build the TTA economic base

Summary	
<p>Building a strong economic base that simultaneously enables TTA to deliver the highest and best use of iwi assets and to deliver greater social outcomes, is dependent on having strong revenue streams. The TAGH dividend is integral to these aspirations.</p> <ul style="list-style-type: none"> <li>• TAGH results for the year ended June 2018: all sectors performed well and report good results.</li> <li>• Relationship with the parent TPT board requires more work.</li> <li>• The key relationship issues derive from the fact that all settlement income is assigned to TAGH and results in the lack of sustainable funding for TPT past May 2020. Despite higher than projected earnings, TAGH are reluctant to review the current \$100k per annum dividend policy.</li> <li>• Recent changes in the directors are Piki Thomas in for Eru George as an internal director, and Ian Boyd replaced Andy West (term expired) as an independent director; this could assist in having the dividend policy reviewed.</li> </ul> <p>The Rotorua District Health Board (DHB), Te Reo and TARIT remain the main project funding sources. Current projects include:</p> <ul style="list-style-type: none"> <li>• The development of the new bike hub adjacent to the Lake Okareka turn off, providing for off road parking with toilet and shower facilities. This also offers future commercial development for the iwi. Funding provided by the Provincial Growth Fund.</li> <li>• Development of the Landing at Lake Tarawera, with some possible funding from Tourism Infrastructure.</li> <li>• The return of the Landing Café to Tūhourangi.</li> </ul>	
Key Outcome	Update
<p>Ensure that TPT establishes a policy with affiliate support/ agreement for the devolution of ALL commercial settlement assets that best meets the principal of equal levels of satisfaction to resolve all affiliate claims.</p>	<p>A fair and equitable level of satisfaction for the original TTA claims remains unresolved and is frustrated by affiliate non-attendance at hui, and the lack of action by TPT board and management. TTA is the only affiliate significantly impacted by the current situation, two others are marginally impacted and the rest are excessively over in the level of satisfaction of their claims.</p> <p>TPT and affiliates are unwilling to consider any notion of equal levels of satisfaction. TTA formal options include:</p> <ul style="list-style-type: none"> <li>• TPT Trustees agree to a negotiated equity settlement (NO LONGER AN OPTION)</li> <li>• TPT seek a declaratory judgement</li> <li>• TTA take an injunction preventing any further dividend until the matter of equity is resolved</li> <li>• And/or TTA take high court action.</li> </ul>
<p>To seek remedy of Tūhourangi mana whenua interest in Waio tapu Valley incorrectly returned solely to Tahu Whaoa.</p>	<p>This issue continues to be raised with TPT and with the title having already been transferred to Tahu Whaoa resolution of this matter may only be achieved through resolving the question of equity.</p>



<p>To establish a plan and/or build cash reserves for the buyback of Waimangu Volcanic Valley shares from Te Puia.</p>	<p>Waimangu continues to perform strongly for shareholders and after infrastructure investments, and investment into a new augmented reality app., they finished the year well ahead of budget. Profit \$488k vs budget \$339k.</p>
<p>To secure the transfer of title for all agreed mana whenua Crown Forest Licences (CFL's) direct from CNI to TTA as TPT's nominee.</p>	<p>Mana whenua work continues. In respect of Whakarewarewa, TTA still need to reach an understanding/resolution with Ngāti Raukawa. Crater, Waimangu, Highlands have been completed with signed mana whenua agreements ready to register with CNI.</p> <p>In respect to the nine adjudicated blocks, the validity of the adjudicated decision remains unclear and CNI are filing for a declaratory decision. There are a number of issues but two key issues for TPT arise from changes to the original adjudicated decision where the High Court ruled against, including adding Ngāti Whare as having a mana whenua allocation direct instead of as originally awarded via Ngāti Manawa, and adding two TPT affiliates as having direct mana whenua allocation instead of via TPT.</p>

## Strategic Directive 2: To build cultural capability

Protecting & Strengthening Tūhourangi Mana y	
Key Outcome	Update
<p>Settling Ngāti Rangitihi overlapping interest/claims whilst maintaining the integrity of Tūhourangi mana and the relativity of our settlement.</p> <p>To reassert Tūhourangi mana whenua over Te Tarata, Otukapuarangi, and the surrounding area and features.</p> <p>To continue to assert Tūhourangi mana at Tarawera.</p>	<p>Mana Whenua: With the guidance and support from hui-ā-iwi, kaumātua and Tūhourangi pae tapu, the Ngāti Rangitihi Waitangi claim settlement and overlapping interest (in particular at Tarawera and Rotomahana) has progressed to the point where NO title, Statutory Acknowledgement and Deed of Recognition for any Tūhourangi land, is being transferred. Ngāti Rangitihi have committed NOT to accept those offers from the crown.</p> <p>In respect of the whenua rahui on Mt Tarawera, it is clear from the TPT/TTA settlement legislation that the Crown can establish a whenua rahui for Ngāti Rangitihi alongside TTA.</p> <p>In keeping with the hui-ā-iwi, TTA and Ngāti Rangitihi are wanting to jointly negotiate with the Crown and have the return of two blocks, Waimangu and Otukapuarangi, facilitated via the Rangitihi settlement. Waimangu to be shared jointly 50/50 and Otukapuarangi to be sole ownership of Tūhourangi. Both are Tūhourangi mana whenua, and presents as the last opportunity for Tūhourangi.</p>
<p>To develop an iwi communications plan/policy to consider news updates iwi/hapū notices and reports.</p> <p>To review TTA Information Technology, administration and governance service delivery Māori.</p>	<p>Trustees commissioned Chris Parnell to review and update the Web and Facebook pages and this work is proceeding. There are plans to extend this facility to provide beneficiaries with online registration.</p>

<p>To build and strengthen the capability and capacity of tribal members in kawa, tikanga, and te reo.</p> <p>To upgrade the TTA website and Facebook page links to all other areas of TTA business.</p>	<p>A busy year for Te Whare Kōrero saw 4 rumaki, 3 bilingual and 2 rangatahi wānanga held. These variously covered detailed discussions about tikanga and kawa, exploring ways to increase rangatahi participation, travelling to Te Whai o te Motu marae in Ruatāhuna, Maketū, and hosting Ngāti Awa ki Tamaki Makaurau. It has been pleasing to hear increased usage and quality of te reo Māori and to see the enthusiasm of those attending the wānanga.</p>
<p>To develop a plan to ensure that the Tūhourangi interest is reflected in replacement entity for Te Puia.</p>	<p>Following submissions to the parliamentary select committee and subsequent amendments to the Wahiao Tūhourangi o Whakarewarewa trust deed, the transfer of the Te Puia business back to iwi appears to be on track. Tūhourangi are recognised as having an interest in the business alongside the three hapū, Tukiterangi, Hinganoa and Huarere.</p> <p>However the land ownership is heading back to adjudication following the successful appeal to the High Court by Ngāti Whakaeu. The beneficial owners from the hapū Tukiterangi, Hinganoa and Huarere will need to ensure they have appropriate (mandated) representation.</p>

### Strategic Directive 3: To establish a sustainable administrative unit

<b>Building our internal capability</b>	
<b>Key Outcome</b>	<b>Update</b>
<p>To have an integrated governance and operational structure that is future proofed and can be undertaken at a sustainable level.</p>	<p>Some administrative resource has been appointed on a part-time basis, however the Trustees continue to search for the most cost effective solution to build operational resource that ensures the achievement of strategic objectives and the implementation of the annual plan.</p>

### Strategic Directive 4: To contribute to a sustainable environmental future

<b>Protecting and strengthening our mana whenua</b>	
<b>Key Outcome</b>	<b>Update</b>
<p>To have an updated comprehensive integrated iwi environmental plan that encompasses all lands and waterways within the Tūhourangi rohe including:</p> <ul style="list-style-type: none"> <li>• Tarawera catchment</li> <li>• TARIT Waikato River catchment</li> <li>• The Puarenga river catchment</li> <li>• Tūhourangi trust areas</li> <li>• Other Tūhourangi</li> </ul>	<p>An updated Independent Environmental Monitoring Programme (IEMP) has been drafted and is currently under review by the Trustees. TTA Trustees have been engaged in an inordinate number of environmental resource, building, and concession applications that are likely more appropriately handled/managed by the various Te Arawa settlement trusts that are funded and resourced to deal with these matters (TALT, TARIT and TPT). This is a matter that the trustees should resolve within the new IEMP.</p>

<p>That guides the trustees with clear policy and procedures in the relationship with the Rotorua Lakes District Council (RLDC), Bay of Plenty Regional Council (BOPRC), DOC and the Waikato Regional Council in respect of all environmental matters within Tūhourangi rohe.</p>	<p>BOPRC: TTA continues to work closely with BOPRC on a number of projects and over the last year, including:</p> <ul style="list-style-type: none"> <li>• Mitigating the downstream effects from controlling the levels of Lake Okareka</li> <li>• Tarawera Sewerage plan</li> <li>• Flood control at Punaromia picnic area</li> <li>• Resolving the ownership of the landing jetty</li> <li>• Cultural mapping of structures on Lake Tarawera and the instigation of a new lakes structure policy.</li> </ul> <p>RLDC: TTA has a strong working relationship with the RLDC and are members on the Forest Recreation Committee, and participated on the Tarawera Sewerage Planning Committee.</p> <p>TARIT: The Waikaukau Rd/Whirinaki Valley riparian planting wetland restoration project commenced with weed and pest control as the first stage. Policy changes at TARIT require all future project funding will be on the basis of applications qualifying/approval and shared 50/50 with the Waikato River Authority.</p> <p>The Serious Fraud Office investigation contact formally advised TTA trustees that whilst they are unable to provide any comment they can confirm the investigation is still active. Having the Whitebait Investment Company placed in receivership possibly added another dimension to this investigation.</p>
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## Strategic Directive 5: To touch the people

<b>Strengthening our iwi and hapū</b>	
<b>Key Outcome</b>	<b>Update</b>
<p>To continue to lead significant tribal events.</p>	<ul style="list-style-type: none"> <li>• The annual January wānanga/hikoi continues to be supported by TTA.</li> <li>• Limited disposable income prevents the Trustees from providing greater social outcomes.</li> <li>• Cultural: Despite TTA limited finances, TTA were once again able to provide some support to the successful kapa haka team attending Matatini.</li> <li>• Kaumātua/Health: Ngarepo continues to lead this work with regular workshops funded via the DHB.</li> </ul>
<p>To have a subcommittee in place that has policies and procedures that manages and builds on the Red Stag support programme and ensures that those education and cultural objectives are met.</p>	<ul style="list-style-type: none"> <li>• Other iwi support includes free timber provided to the Apumoana, Hinemihi and Te Pakira marae via TTA and Red Stag relationship, ANZAC day, and the Tarawera/ahurei commemorations.</li> <li>• A new activity for the year was school holiday computer seminar for our tamariki held at Apumoana marae.</li> </ul>

# FINANCIAL REPORT YEAR ENDING 31 MARCH 2019

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# Directory

## Tūhourangi Tribal Authority For the year ended 31 March 2019

### Legal Name of Entity

Tūhourangi Tribal Authority

### IRD Number

099-444-436

### Physical Address

Mareikura, Tyron Street, Whakarewarewa, Rotorua

### Postal Address

PO Box 6161, Whakarewarewa, Rotorua

### Entity Type and Legal Basis

Tūhourangi Tribal Authority is an iwi trust created by Deed of Trust dated 20 May 2007

### Entity's Purpose

To manage the collective development of Tūhourangi including Te Arawa Treaty of Waitangi settlements that have been achieved on behalf of Tūhourangi

### Entity Structure

Tūhourangi Tribal Authority is governed by the Board of Trustees. The current Trustees are as follows:

- Alan Skipwith (Chairperson)
- Rangitihi Pene
- Manutai Schuster
- Watu Mihinui
- Shane Gibbons

### Accountants

Deloitte

1176 Amohau Street, Rotorua

### Auditor

Glenn Sullivan Chartered Accountants

23 Appleby Rise, Whakatane

### Bankers

Westpac

1228 Amohau Street, Rotorua



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**INDEPENDENT AUDITOR'S REPORT**

To the Members of Tuhourangi Tribal Authority

**Opinion**

We have audited the performance report of Tuhourangi Tribal Authority on pages 6 and 8 to 20, which comprises the statement of financial performance, statement of changes in equity and statement of cash flows for the year ended 31 March 2019 and the statement of financial position as at 31 March 2019, and the statement of accounting policies and other explanatory information.

In our opinion the accompanying performance report gives a true and fair view of the financial position of the Authority as at 31 March 2019, and (its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

**Basis for Opinion**

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report 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 performance report* section of our report. We are independent of the Authority 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 Authority.

**Other Information**

The Trustees are responsible for the other information. The other information obtained at the date of this auditor's report is the entity information and the statement of service performance. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon. In connection with our audit of the 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 on the other information obtained prior to the date of this auditor's report, 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.

**Responsibilities of the Trustees for the Performance Report**

**The Trustees are responsible for:**

- a) For identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) The preparation and fair presentation of the performance report, on behalf of the entity which comprises:
  - the entity information;
  - the statement of service performance;



- the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report;

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error. In preparing the performance report, the Trustees are responsible on behalf of Authority for assessing the Authority'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 Authority or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but 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 this performance report.

A further description of our responsibilities, which form part of our auditors report, for the audit of the financial statements is located at External Reporting Boards website at:

<https://xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

#### **Restriction on the Auditor's Responsibilities**

This report is made solely to the Members of the Authority, as a body, in accordance with their Trust Deed. Our audit work has been undertaken so that we might state to the Authority's Members 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 Authority and the Authority's Members as a body, for our audit work, for this report, or for the opinions we have formed.



Glenn Sullivan Chartered Accountant Ltd, Whakatane, 27 June 2019



# Approval of Financial Report

**Tuhourangi Tribal Authority  
For the year ended 31 March 2019**

The Trustees are pleased to present the approved financial report including the historical financial statements of Tuhourangi Tribal Authority for year ended 31 March 2019.

APPROVED

For and on behalf of the Board of Trustees:



Chairman

Date 16/7/2019



Trustee

Date 16/07/19





# Statement of Service Performance

## Tuhourangi Tribal Authority For the year ended 31 March 2019

### Economic/ Business Sector

**Purpose:** The Tribal Authority is endeavouring to create "Kia pupu noa ake a Tuhourangi - Developing a vibrant and thriving iwi" by creating opportunities through prudent management of its resources. Key strategic priorities and outcomes include:

- CNI Iwi Collective, resolved Crater, Highlands, and Waimangu, partial agreement with Ngati Whakaue for Whaka CFL (Ngati Raukawa still complete).
- Progressed the equity issue within Te Pumautanga collective reiterating the collective settlement and developed the proposition for equal levels of satisfaction.
- Achieved an early dividend pay-out from TAGH, and proposed an increase to dividend policy to the maximum 40% of EBIT.
- Building crown agency relationships, DOC, regional and the Lakes Councils.
- Building key inter iwi relationships.
- Established iwi office, through taking over the sharing option with DOC previously held by Ngati Rongomai.

### Environment/ Te Arawa River Iwi Trust Funding

**Outcome:** Delivery of environmental and cultural programmes.

- 2nd Riparian Planting of the Gaghan property along Waipukura stream.
- Wetland recovery programme at 67 Whirinaki Valley Road.
- Support for health and well being of the iwi with support for various cultural activities including ANZAC celebrations, Te Arawa Matariki Programme, and the Tuhourangi cultural group.

### Social/ Health Funding

**Outcome:** Delivery health support services to Tuhourangi community.

- Delivered Koroua Kuia Programme.

### Social/ Te Reo Funding

**Outcome:** When we gather as a tribe, Maori language will be the norm.

- This funding stream has enabled weekly formal reo classes, pre iwi event akoranga to focus on specific event reo, scheduled iwi celebrations/ events, and Rua wiki where fluent speakers were able to attend and practice their reo in a less formal environment.
- The current annual income is \$76.6k (2018: \$22.4k).
- The Trust contributed expenditure of \$45k during the year (2018: \$37.3k).

### Social/ RST Funding

**Outcome:** Deliver social support services to Tuhourangi community.

- This funding stream has been established and held in a reserve account pending the development of a plan and policy for the utilisation and distribution of these funds.
- On going annual income is currently \$10k with the opportunity to grow this to a more effective fund by collaborating with other Tuhourangi trusts (2018: \$10.1k).
- Cultural Grants of \$1.7k were paid during the year (2018: \$1.5k).

# Statement of Financial Performance

## Tūhourangi Tribal Authority For the year ended 31 March 2019

	NOTES	2019	2018
<b>Other Comprehensive Income</b>			
<b>Revenue</b>			
Grants & Donations Received	1	100	700
Interest & Dividend Revenue	2	165,252	288,505
Other Revenue	3	24,139	10,707
Revenue from Providing Goods & Services	4	205,166	109,583
<b>Total Revenue</b>		<b>394,657</b>	<b>409,495</b>
<b>Expenses</b>			
Amortisation	16	1,625	-
Costs Relating to Providing Goods & Services	5	74,348	58,184
Depreciation	15	1,467	751
Employee Related Costs	6	77,949	45,887
Governance	7	29,500	34,505
Grants & Donations Made	8	2,574	1,474
Other Expenses	9	59,665	65,528
<b>Total Expenses</b>		<b>247,128</b>	<b>206,329</b>
Surplus/(Deficit) before Tax		147,529	203,166
Income Tax Expense/(Benefit)	10	9,195	(5,213)
Surplus/(Deficit) after Tax		138,334	208,379
<b>Other Comprehensive Income</b>			
Changes in Fair Value of Available-for-Sale Financial Assets	20	3,522,828	598,318
<b>Total Comprehensive Income for the year</b>		<b>3,661,162</b>	<b>806,697</b>



# Statement of Financial Position

## Tūhourangi Tribal Authority As at 31 March 2019

	NOTES	31 MAR 2019	31 MAR 2018
<b>Assets</b>			
<b>Current Assets</b>			
Bank Accounts and Cash	13	595,634	478,324
Debtors and Prepayments	14	67,572	39,012
Income Tax Receivable	10	9,744	8,837
<b>Total Current Assets</b>		<b>672,951</b>	<b>526,173</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	15	3,389	1,318
Intangibles	16	9,208	-
Investments	17	15,370,928	11,809,520
<b>Total Non-Current Assets</b>		<b>15,383,524</b>	<b>11,810,838</b>
<b>Total Assets</b>		<b>16,056,475</b>	<b>12,337,011</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and Accrued Expenses	18	73,533	19,966
Employee Costs Payable	19	11,093	6,358
<b>Total Current Liabilities</b>		<b>84,626</b>	<b>26,324</b>
<b>Total Liabilities</b>		<b>84,626</b>	<b>26,324</b>
<b>Net Assets</b>		<b>15,971,849</b>	<b>12,310,687</b>
<b>Equity</b>			
Available-for-Sale Assets Revaluation Reserve	20	14,606,811	11,083,983
Accumulated Surpluses	20	1,365,039	1,226,704
<b>Total Equity</b>		<b>15,971,849</b>	<b>12,310,687</b>



# Statement of Changes in Equity

Tūhourangi Tribal Authority  
For the year ended 31 March 2019

	2019	2018
<b>Equity</b>		
Opening Balance	12,310,687	11,503,990
<b>Increases</b>		
Profit for the Period	138,334	208,379
Changes in Available-for-Sale Assets Reserve	3,522,828	598,318
<b>Total Increases</b>	<b>3,661,162</b>	<b>806,697</b>
<b>Total Equity</b>	<b>15,971,849</b>	<b>12,310,687</b>





# Statement of Cash Flows

Tūhourangi Tribal Authority  
For the year ended 31 March 2019

	NOTES	2019	2018
<b>Cash Flows</b>			
<b>Cash Flows from Operating Activities</b>			
<b>Cash Receipts</b>			
Grants and Donations Received		100	700
Receipts from Providing Goods or Services		180,309	122,763
Interest and Dividend Revenue		122,969	216,235
Cash Receipts from Other Operating Activities		24,139	91,544
Income Tax (net)		-	20,645
GST (net)		-	-
<b>Total Cash Receipts</b>		<b>327,517</b>	<b>451,887</b>
<b>Cash Payments</b>			
Grants and Donations Paid		(2,574)	-
Payments to Suppliers and Employees		(182,977)	(231,454)
Income Tax (net)		(10,103)	-
GST (net)		(182)	(8,682)
<b>Total Cash Payments</b>		<b>(195,836)</b>	<b>(240,136)</b>
<b>Total Cash Flows from Operating Activities</b>		<b>131,681</b>	<b>211,751</b>
<b>Cash Flows from Investing and Financing Activities</b>			
Payments to Acquire, Property, Plant and Equipment		(3,538)	-
Payments to Acquire Intangible Assets		(10,833)	-
Payments to Acquire Investments		-	(725,537)
<b>Total Cash Flows from Investing and Financing Activities</b>		<b>(14,371)</b>	<b>(725,537)</b>
<b>Net Increase/ (Decrease) In Cash</b>		<b>117,310</b>	<b>(513,786)</b>
<b>Cash Balances</b>			
Bank Accounts and Cash at Beginning of Period		478,324	992,110
Bank Accounts and Cash at End of Period	13	595,634	478,324
<b>Net Change in Cash for Period</b>		<b>117,310</b>	<b>(513,786)</b>



# Statement of Accounting Policies

## Tūhourangi Tribal Authority For the year ended 31 March 2019

### Basis of Preparation

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

### Tier 2 PBE Accounting Standards Applied

The Trust elected to apply the following Tier 2 PBE accounting standards:

- PBE IPSAS 29 Financial Instruments: Recognition and Measurement
- PBE IPSAS 30 Financial Instruments: Disclosures

### Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous periods.

### Goods and Services Tax

These financial statements have been prepared on a basis exclusive of GST with the exception of trade and other receivables and trade and other payables that have been included on a GST inclusive basis.

### Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust 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.

#### Grants and Donations Received

Grant revenue is recognised when the conditions attached to the grant has been compiled with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.

#### Revenue from Providing Goods and Services

Revenue from the sale of goods is recognised when the goods are sold to the customer.

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

#### Interest and Dividend Revenue

Interest revenue is recognised as it accrues, using the effective interest method.

Dividend revenue is recognised when the dividend is declared.

#### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash on hand, cheque or savings accounts, and deposits held on call with banks.



## Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

## Financial Instruments

Financial instruments are initially recognised when the Trust becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent of classification of the financial instrument, and is specifically detailed in the accounting policies below.

## Financial Assets

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

### Financial Assets at Fair Value through Surplus or Deficit

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

Financial assets at fair value through surplus or deficit subsequently measured at fair value with gains or losses being recognised in surplus or deficit.

The Trust has not designated any assets as fair value through surplus or deficit.

### Loans and Receivables

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

### Held-to-Maturity Investments

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

### Available for Sale Financial Assets

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

Available-for-sale financial assets comprise investments in Te Arawa Group Holdings Limited.

Available-for-sale financial assets are subsequently measured at fair value with gains or losses recognised and presented in the available-for-sale financial assets fair value reserve within net assets/equity, less impairment.

## Financial Liabilities

The Trust's financial liabilities include trade and other creditors, and loans

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.





## Property, Plant and Equipment

All owned items of property, plant and equipment are recorded at cost less accumulated depreciation and impairment losses.

### Depreciation

Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation is used to allocate the cost (deemed cost), less any residual value, over an asset's useful life. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Account	Method	Rate
Office Equipment	Diminishing Value (100%)	16% - 67%

Depreciation methods, useful lives and residual values are reassessed at every reporting date.

### Creditors and Accrued Expenses

Creditors and accrued expenses are measured at the amount owed.

### Employee Costs Payable

A liability for employee costs payable is recognised when an employee has earned the entitlement. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

### Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation as a result of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

### Audit

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





# Notes to the Performance Report

## Tūhourangi Tribal Authority For the year ended 31 March 2019

	2019	2018
<b>1. Grants and Donations Received</b>		
Koha	100	700
<b>Total Grants and Donations Received</b>	<b>100</b>	<b>700</b>
	2019	2018
<b>2. Interest and Dividend Revenue</b>		
Dividend Revenue - Te Arawa Group Holdings	100,182	200,364
Interest Revenue	12,450	12,605
Te Hononga o Tūhourangi me Ngati Rangitihī Limited Partnership	52,620	75,537
<b>Total Interest and Dividend Revenue</b>	<b>165,252</b>	<b>288,505</b>
	2019	2018
<b>3. Other Revenue</b>		
Sundry Income	5,239	10,707
Te Taumata o Te Puia Settlement Income	18,900	-
<b>Total Other Revenue</b>	<b>24,139</b>	<b>10,707</b>
	2019	2018
<b>4. Revenue from Providing Goods or Services</b>		
Ministry of Health	65,202	59,510
RST	10,000	10,122
Te Arawa River Iwi Trust	48,043	12,174
Te Taura Whiri I Te Reo	76,620	22,477
TPT Payment	5,301	5,301
<b>Total Revenue from Providing Goods or Services</b>	<b>205,166</b>	<b>109,583</b>
	2019	2018
<b>5. Costs Related to Providing Goods and Services</b>		
<b>Ministry of Health Costs</b>		
Activities	10,212	2,713
Van Expenses	7,630	7,630
<b>Total Ministry of Health Costs</b>	<b>17,842</b>	<b>10,343</b>
<b>Te Arawa Rivers Iwi Trust Costs</b>		
Environmental Fund (Riparian Planting)	11,320	1,000
General Expenses	47	609
Legal Expenses	-	30
Projects	-	7,158
<b>Total Te Arawa Rivers Iwi Trust Costs</b>	<b>11,367</b>	<b>8,797</b>



**Te Taura Whiri | Te Reo Costs**

Cameraman/Editing	-	4,348
Catering	6,682	4,969
Event 6 He Kura Reo	-	3,339
Kaiako	500	4,000
Project Manager	35,040	7,200
Projector & Screen Hire	-	236
Resources	-	5,427
Venue Reo Classes	-	5,766
Venue Tribal Events	2,774	2,087
<b>Total Te Taura Whiri   Te Reo Costs</b>	<b>44,996</b>	<b>37,372</b>
Other Project Costs	142	1,672
<b>Total Costs Related to Providing Goods and Services</b>	<b>74,348</b>	<b>58,184</b>
	2019	2018

**6. Employee Related Costs**

ACC Levy	166	296
Wages & Salaries	77,783	45,591
<b>Total Employee Related Costs</b>	<b>77,949</b>	<b>45,887</b>
	2019	2018

**7. Governance****Trustee Fees**

Alan Skipwith (Chairperson)	20,000	20,000
Manutal Schuster	2,000	4,335
Rangitahi Pene	2,500	3,500
Shane Gibbons	2,500	3,335
Watu Mihinui	2,500	3,335
<b>Total Governance</b>	<b>29,500</b>	<b>34,505</b>
	2019	2018

**8. Grants and Donations Made**

Cultural Grants	1,739	1,474
Education Grants	835	-
<b>Total Grants and Donations Made</b>	<b>2,574</b>	<b>1,474</b>
	2019	2018

**9. Other Expenses**

Accountancy Fees	6,471	9,903
Administration costs	-	525
Advertising	468	248
AGM & Election Expenses	2,456	2,831
Audit Fees	4,431	4,182
Bank Fees	130	237
Communications	1,261	879
Computer Expenses	2,249	-



Doubtful Debts	-	5,839
General Expenses	1,348	1,400
Hul Expenses	1,042	3,261
Interest	8	2
IRD Penalties	632	261
Koha	3,130	1,070
Legal Expenses	1,158	19,722
Office Expenses	239	-
Operating Lease Payments	1,100	1,533
Printing & Stationery	1,512	1,321
Rates Penalties	2,546	-
Rates - Spencer Road	16,334	-
Rent	10,400	10,400
Repairs & Maintenance	-	800
Technical Advisory	680	-
Telephone Expenses	2,069	1,116
<b>Total Other Expenses</b>	<b>59,665</b>	<b>65,528</b>
	<b>2019</b>	<b>2018</b>

**10. Income Tax**

Net Surplus/(Deficit) before Tax	147,529	203,166
<b>Plus/(Less) Adjustments</b>		
Maori Authority Tax Credits Attached to Dividends Received	21,251	42,501
Permanent Non Deductible Expenses	2,257	16,816
Loss Brought Forward	-	(48,394)
Temporary Non Deductible Expenses	2,940	(1,014)
Taxable Income	173,977	213,075
Tax Payable @ 17.5%	30,446	37,288
Less Maori Authority Tax Credits	(21,251)	(42,501)
Tax Expense	9,195	(5,213)
<b>Less</b>		
Prior year tax credits	(8,837)	-
Provisional Tax Paid	(8,000)	-
RWT Credits	(2,102)	(3,490)
Tax Transfers	-	(133)
Tax Payable/ (Refundable)	(9,744)	(8,836)
	<b>2019</b>	<b>2018</b>

**11. Tax Losses**

Losses Brought Forward	-	(48,394)
Less Tax Losses Utilised	-	48,394
<b>Total Tax Losses to be Carried Forward</b>	<b>-</b>	<b>-</b>



The Trust has Nil losses available to be carried forward to future years subject to confirmation by the Inland Revenue Department.

The taxation benefits of losses will be available provided:

- The Trust complies with conditions for offset imposed by the Income Tax Act 2007, and the amendments thereto;
- No change in taxation legislation adversely affects the trust in realising the taxation benefits of those losses; and
- The Trust generates assessable income in the future, against which the losses can be offset.

## 12. Maori Authority Credit Account

At balance date Maori Authority Credits available to shareholders were \$77,480 (2018: \$46,127).

	2019	2018
<b>13. Bank Accounts and Cash</b>		
Cash at Bank	291,422	176,580
Short Term Deposits	304,212	301,743
<b>Total Bank Accounts and Cash</b>	<b>595,634</b>	<b>478,324</b>

	2019	2018
<b>14. Debtors</b>		
Accrued Interest	3,704	3,267
Overpayment	833	-
Receivables	69,750	42,460
Less Provision for Doubtful Debts	(6,715)	(6,715)
<b>Total Debtors</b>	<b>67,572</b>	<b>39,012</b>

	2019	2018
<b>15. Property, Plant and Equipment</b>		
<b>Office Equipment</b>		
Opening Carrying Amount	1,318	2,069
Additions	3,537	-
Depreciation Expense	(1,467)	(751)
Closing Carrying Amount	3,389	1,318
<b>Total Property, Plant and Equipment</b>	<b>3,389</b>	<b>1,318</b>

	2019	2018
<b>16. Intangibles</b>		
App Development in Progress	4,333	-
<b>Website</b>		
Opening Carrying Amount	-	-
Additions	6,500	-
Less Amortisation	(1,625)	-
Closing Carrying Amount	4,875	-
<b>Total Intangibles</b>	<b>9,208</b>	<b>-</b>





	2019	2018
<b>17. Investments</b>		
Te Arawa Group Holdings Ltd	14,606,811	11,083,983
Te Hononga o Tuhourangi me Ngati Rangitahi Limited Partnership	764,117	725,537
<b>Total Available-for-Sale Financial Assets</b>	<b>15,370,928</b>	<b>11,809,520</b>

Tuhourangi Tribal Authority hold 9 of 100 ordinary shares in Te Arawa Group Holdings Limited. Te Arawa Group Holdings is a commercial company for Te Pumautanga o Te Arawa Trust and currently holds net assets of approximately \$135m (2018: \$123.1m). This asset is shown in the Statement of Financial Position, and any associated non taxable income is shown in the Statement of Financial Performance.

During the 2018 financial year, Tuhourangi Tribal Authority went into partnership with Te Mana o Ngati Rangitahi and Te Puia Limited to purchase Waimangu Volcanic Valley which is a tourism venture. The three entities created a Limited Partnership named Te Hononga o Tuhourangi me Ngati Rangitahi Limited Partnership to own and manage the Waimangu Investment. Tuhourangi Tribal Authority have a 10.8% ownership in this partnership.

	2019	2018
<b>18. Creditors and Accrued Expenses</b>		
Creditors	71,152	17,403
GST due for payment	2,381	2,563
<b>Total Creditors and Accrued Expenses</b>	<b>73,533</b>	<b>19,966</b>

	2019	2018
<b>19. Employee Costs Payable</b>		
Accrued Wages	1,530	-
Annual Leave	7,564	4,624
PAYE Payable	1,999	1,734
<b>Total Employee Costs Payable</b>	<b>11,093</b>	<b>6,358</b>

	2019	2018
<b>20. Accumulated Funds</b>		
<b>Accumulated Surpluses</b>		
Opening Balance	1,226,704	1,018,325
Surplus for the Year	138,334	208,379
<b>Closing Balance</b>	<b>1,365,039</b>	<b>1,226,704</b>
<b>Available-for-Sale Reserve</b>		
Opening Balance	11,083,983	10,485,665
Surplus for the Year	3,522,828	598,318
<b>Closing Balance</b>	<b>14,606,811</b>	<b>11,083,983</b>
<b>Total Accumulated Funds</b>	<b>15,971,849</b>	<b>12,310,687</b>

## 21. Contingent Liabilities

There are no known contingent liabilities at balance date (2018: \$Nil). Tuhourangi Tribal Authority has not granted any securities in respect of liabilities payable by any other party whatsoever.

## 22. Capital Comittments

There are no known capital commitments at balance date (2018: \$Nil).



### 23. Securities and Guarantees

There was no overdraft as at balance date nor was any facility arranged (2018: \$Nil).

### 24. Events After the Balance Date

No known events have occurred subsequent to balance date which could materially affect the Performance Report (2018: \$Nil).

### 25. Related Party Transactions

1. In 2018 Manutai Schuster was involved with NZ Maori Arts & Crafts Ltd (Te Puia) who received payment in relation to the purchase of Waimangu Volcanic Valley in the formation of Te Hononga o Tuhourangi me Ngati Rangitahi Limited Partnership. Tuhourangi Tribal Authority's share of this payment was \$3,153.

2. Manutai Schuster, Rangitahi Pene & Shane Gibbons are all part of the Te Arawa River Iwi Trust (TARIT) which has had contractual dealings with Tuhourangi Tribal Authority as follows:

2019: Funding received \$48,043; Accounts Receivable \$7,500; Payments made on behalf of TARIT \$11,367.

2018: Funding received \$12,174; Accounts Receivable \$7,500; Payments made on behalf of TARIT \$8,797.

3. Alan Skipwith is a Director/ Chairman of Te Hononga o Tuhourangi me Ngati Rangitahi Ltd Partnership (THTNR) and also Tuhourangi Tribal Authority:

2019: Tuhourangi Tribal Authority received a profit distribution of \$52,727, of which \$14,040 was paid as a cash distribution. This increases the investment to \$764,117.

2018: Tuhourangi Tribal Authority invested \$650,000 in a 10.83% share in THTNR and received a profit distribution of \$75,429, increasing this investment to \$725,429. Tuhourangi Tribal Authority paid \$15,303 to THTNR as reimbursements for legal costs relating to this.

4. Alan Skipwith, Manutai Schuster, Rangitahi Pene & Shane Gibbons are all shareholders in the Te Arawa Group Holdings Limited on behalf of Tuhourangi Tribal Authority:

2019: Tax Free Dividends Received \$100,182

2018: Tax Free Dividends Received \$200,364



# GENERAL BUSINESS

## 2019 TTA Elections

1. Tūhourangi Tribal Authority 2019 elections were held in June and resulted in the re-election of Allan Skipwith, Watu Mihinui, Rangitihī Pene, Manutai Schuster and the election of Deliah Balle.
2. Acknowledgement to Shane Gibbons for his contribution over the years and wish him well for the future.
3. Concerns have been raised about the election process held in June, and in particular the contents of the advertisements and notices. As a result, the new Board has decided to re-hold the elections.
4. The issues raised with the Board have resulted in the Board closely reviewing the Trust Deed and identifying several areas where interpretation has proven to be difficult.
5. The Board has undertaken a review of the Trust Deed to address these issues along with implementation of a rotation systems for Trustees which has been discussed for some time. That will require amendment to be approved through a member's ballot advertised to take place at this meeting.
6. The proposed amended Deed will introduce the rotation system and require the new elections to take place with the next Election notice required within 3 months.



# SUMMARY OF TŪHOURANGI TRIBAL AUTHORITY TRUST DEED CHANGES

Prepared for Ballot Meeting 7 December 2019

Topic	Trust deed Clause	Comment
Correction of Errors	Throughout	A number of typos, grammatical errors and cross referencing errors have been corrected.
Definitions	Clause 1.1	Language change. Tūhourangi Tribal Authority Representative changes to Trustee.  Definitions for Nomination Notices and Nominee move to First Schedule.
Elections – Schedule 1	Clause 1  Clause 3.2  Clause 3.4-3.5  Clause 3.7  Clause 3.11	Definitions moved to front of Schedule. Mail includes email.  Rotation system for Trustee elections introduced.  Full election in 2020 after which three Trustees will be elected in 2022 and two trustees in 2023, with elections then following that pattern will commence rotation system.  Clarification of wording for Nomination and Election notices. Time frame for notices expanded by 5 working days.  Voting process clarified.  Process for filling vacancies clarified. If vacancy within 12 months of election the next highest polling candidate is appointed if available. If number of Trustees falls below 4 then an election to fill the vacancy is held.
Members Ballot – Schedule 2	Clause 1	Definitions moved to front of Schedule. Mail includes email.  References to election process and meetings removed from Ballot process.









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