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21

Te Puurongo aa Tau mai i
Te Kaahui o Rauru

ANNUAL REPORT



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RURUKU

HIKI...

Hikihikitia, riariakina
Hapahapainga, rangarangahia
Te tapuwae o taku waka nei
Rere huruhuru , Rere-aa-manu
Rere taketake i tuu ai,
keu ai, mania ai paheke haere ai
Tama ki toona whenua

KA MATE...

Ka mate tama aa Te Hemahema
Ka puta kei tua, kei waho
Kei aa tama kotahi
Kei te mokopurangi
Kei te whaiao, kei te ao maarama
E Rongo whakairihia ki runga
Turuturu o whiti whakamaaaua kia tiina?
Tiina!

Hui e!
Taaiki e!



KO NGAA ARONGA

OUR VISION

Whakatipungia Ngaa Rauru Kiitahitanga
Thriving and excelling as Ngaa Rauru Kiitahi

KO NGAA WHAINGA MATUA

OUR MISSION

Kia rangatira te whakaaro, kia rangatira te tuu

- Provide political and strategic leadership
- Assist development that delivers sustainable benefits to our marae, whaanau, hapuu and iwi
- Foster unity and enable our people to embrace Ngaa Rauru Kiitahitanga

KO NGAA WHAI PAINGA

OUR VALUES

TIKA

Treating one another with dignity and generosity of spirit

PONO

Honouring the memories of our tuupuna and the futures of our mokopuna above all else

MAARAMATANGA

Creating and seizing opportunities to achieve our objectives, continuously learning, sharing and improving

KOTAHITANGA

Speaking with one voice, acting with one mind

TE PUURONGO MAI I TE TUMU WHAKARAE

TUMU WHAKARAE REPORT

Te Kaahui o Rauru Annual Report to June 2021

It is my pleasure to present the Annual Report for Te Kaahui o Rauru for the period 1 July 2020 to 30 June 2021. The year has seen several changes to the way we operate to give effect to the Strategic Governance Review proposed at the last Hui-aa-Tau.

Te Paepae have continued to focus on achieving our overarching strategy - Ngaa Raurutanga crossing generations through investing our time, people and resources, reviving our language, culture and identity, developing our knowledge and expertise, and growing our leadership and succession.

The priority areas approved by the Paepae in 2019 – Ngaa Raurutanga, Maatauranga, Kaitiakitanga and Oohanga; are what guide us in terms of our development and will continue to be progressed in the coming year.

Te Paepae Kookiri

A key component of the Strategic Governance Review was the establishment of Te Paepae Kookiri which is in essence, the executive of Te Paepae o Te Kaahui o Rauru. The role of Te Paepae Kookiri is to maintain governance oversight and control of the Te Kaahui o Rauru Group and Operating Entities. Te Paepae Kookiri comprises seven members, two from each Paahuki and the Tumu Whakarae. Te Paepae Kookiri meets monthly and reports to Te Paepae o Te Kaahui o Rauru quarterly.



Paepae Rangatira

Paepae Rangatira is our Crown negotiating platform that occurs each year. Based on our new accord, Te Mata o te Here which is grounded in the tikanga of He Tatau Pounamu, we have held three workshops with the Crown officials with the key focus areas being data, digital futures, innovation and how we engage with our taura here.

We have received funding support from Te Puni Kookiri, the Ministry of Education and the Ministry of Social Development to establish our Innovation Hub. We are in the process of securing premises and working on the implementation plan





with our partner JIX Limited. This is an exciting development to give effect to our key focus areas of data, digital futures and innovation. Te Kura i Huna (Digital Kura) is progressing slowly due the imbedding of our technology into the Ministry of Education's curriculum. We are committed to this kaupapa to provide our taiohi with other alternatives of learning, especially in the Covid-19 environment.

Pookai Aronui

One of the key workstreams of Te Paepae Kookiri was the reset of the Pookai Aronui. We went to market for directors who had the skills and attributes to grow our assets, look at our investment framework and review our direct investments. We acknowledge the work of our previous directors, who were able stewards of our assets. We welcome the new directors, Blair Anderson, Jamie Tuuta and Matthew Hodge as well as incumbent Arohaina Owen. They bring with them a wealth of experience and expertise and we look to a prosperous future under their leadership and direction.

Strategic Relationships and Alliances

We have developed strong relationships with Te Ranga Tupua, Ngaa Iwi o Taranaki and the National Iwi Chairs Forum as the Secretariat. This has provided the reach into the political framework, some of the most influential groups in Aotearoa. We have developed a strong relationship with the South Taranaki District Council and the Taranaki Regional Council on the Resource Management Act, Three Waters and Regional Council reforms. We are also working closely with the Taranaki and Whanganui District Health Boards on the Health Reforms.

These are all complex issues and has stretched our internal capacity.

Finally, ki a taatou mate huhua i haongia e te kupenga a Taramainuku e kore rawa te mihi me te rere o te roimata e miimiti haere, whakangaro atu i te kanohi kitea. Mauri ora ki a taatou.

Naaku noa, naa

Tumu Whakarae Chair
Te Kaahui o Rauru



TE PAEPAE O TE KAAHUI O RAURU

THE GOVERNANCE BOARD FOR TE KAAHUI O RAURU

In accordance with Te Kawa o Te Kaahui o Rauru, recorded below is the attendance of the Paepae Representatives for eight (8) regular meetings that were convened in the financial year 2020-2021.

TE KEI O PAHITONOA		HUI ATTENDED	AGM
Wai-o-Turi	Wheturangi Walsh-Tapiata	8	1
Whenuakura	Robina Broughton (ceased 24 May 2021)	4	
	Te Aroha Mackintosh (ceased 24 May 2021)	3	
Te Wairoa Iti	Mark Pirikahu	5	
Waipapa	Huirua Sullivan	5	1
	Marie Broughton	8	1

TE PAAHUKI O TE AWA

Takirau	Sonya Wirihana	7	
	Matt Lowrie	8	
Kaipoo	Sylvia Forester	6	1
	Yvette McGregor	7	1
Te Ihupuku	Te Huia Bill Hamilton	6	
	Paul Sullivan	6	1
Tauranga Ika	Carolyn Young	8	1
	Renee Bradley	7	1

TE PAAHUKI KI TE TONGA

Paakaraka	Ruta Broughton	3	1
	Rakei Hina	8	
Taipakee	Te Huatahi Hawira	3	
	Desmond Canterbury	0	
Kai Iwi	Mary Bennett	7	1
	Sharlene Tapa-Mosen	4	
Te Aroha	Charmaine Matiaha	6	
	Ngapari Nui	8	1

TUMU WHAKARAE

Michael Neho		8	1
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TE PUURONGO MAI I TE KAIWHAKAHAERE

KAIWHAKAHAERE REPORT

Having commenced the role as the Group Chief Executive in late November 2020, it has been a busy year implementing Te Paepae Kookiri, the reset of the Pookai Aronui, an in-depth review of our businesses, a complete restructure of the staff and organising the election of Te Paepae o Te Kaahui o Rauru.

Operations Restructure

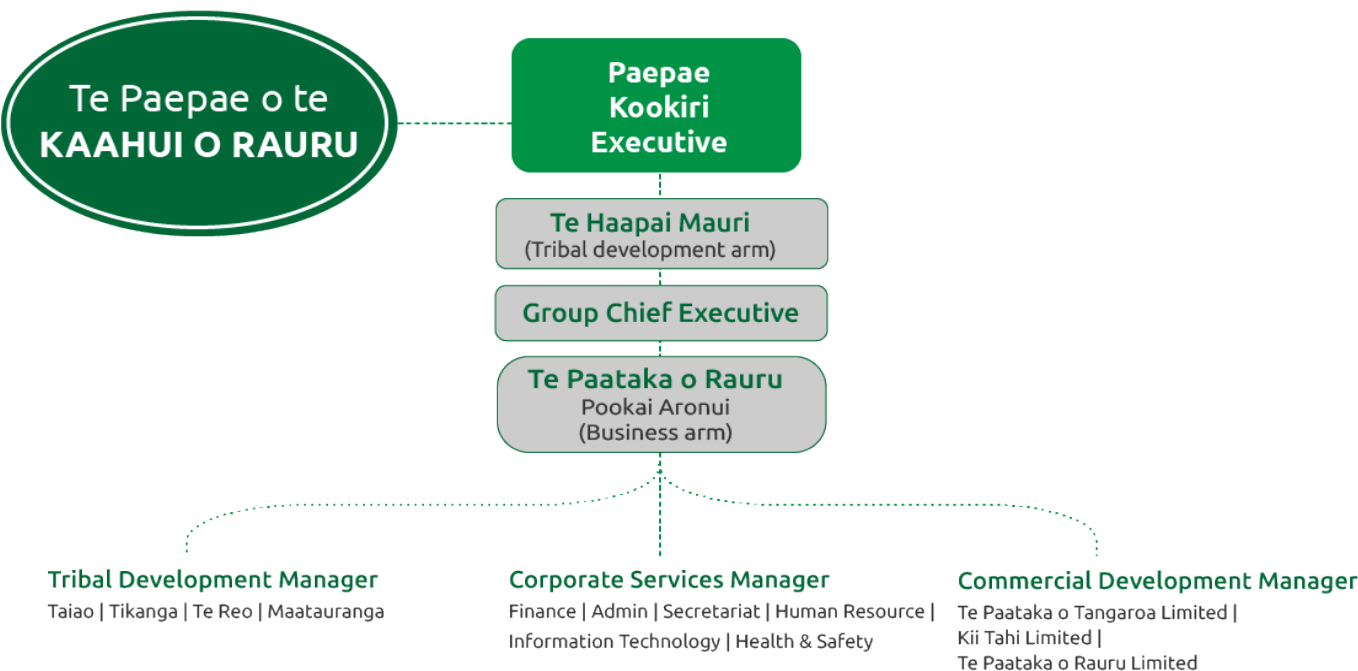
Due to the changes with Te Paepae Kookiri and the reset of the Pookai Aronui, it was prudent that we also undertake a review of our organisational structure. The key purpose of this review was to ensure operational efficiency, build the foundation to realise the vision of Ngaa Rauru Kiihahi, develop a clear separation between governance and management, and build a positive culture and desire to strive for excellence.

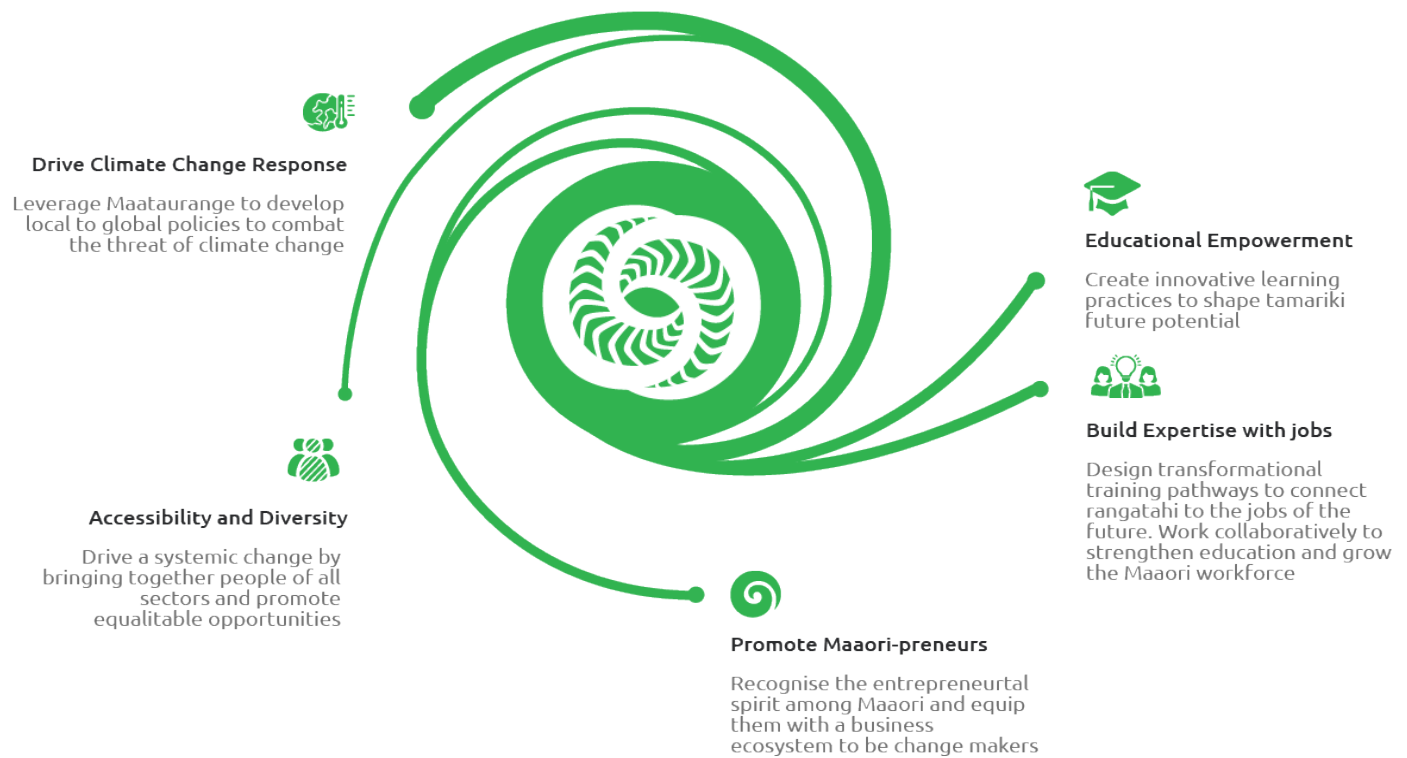


Direct Investment Review

In the prior 12 months, investments were made in an accommodation/tourism business called Ashley Park, a hydroponic lettuce operation in Waverley and a fishing charter based in Whanganui.

NEW OPERATIONS STRUCTURE





A comprehensive review of these businesses and our existing businesses Kiitahi Nursery, Kaitahi – the Native Superfood Company and Ngaa Pou Tiritiri (fencing and planting) enterprise was undertaken. Business models, balanced score cards and budgets have been developed for each business. Some of these assets require additional capital due to deferred maintenance. A shared service model (above) has also been developed to enable staff to work across the group, create scale and provide opportunities for future employment.

Paepae Whakapakari

As part of our co-design workshops with Crown officials and our Ngaa Rauru whaanau the Innovation Hub has come to life. I have worked closely with our partner JIX Limited to establish an innovations framework and secure premises in Whanganui. The Innovation Hub will focus on key areas such as climate change, educational empowerment, Maaori-preneurs, and accessibility and diversity. We are also developing an eco-system of relationships and partnership that are key to the success of the Innovation Hub. Te Kura i Huna will also be part of the Innovation Hub to create opportunities for our rangatahi to grow and thrive in the digital space.

Strategic Relationships

I am working closely with my fellow Chief Executives in Taranaki and Te Ranga Tupua. The Te Ranga Tupua Chief Executives meet fortnightly to look at collaboration such as Jobs for Nature, Department of Conservation concession, shared services and the Three Waters, Resource Management Act reforms to name a few. A significant amount of government contracts has been secured to fund our tribal development activities which will continue for the foreseeable future.

In conclusion, I acknowledge that Covid-19 is our reality and will have a significant impact on Te Kaahui o Rauru. Inflation is on the rise; global supply chains are seriously compromised, and international markets will be adversely affected. Te Kaahui o Rauru will need to be agile to minimise the impact which is already being felt through increased fuel prices and the inability to source materials for our businesses. On the domestic front we need to look at how we build resilience in our communities using our marae as the foundation. We face the biggest challenge ever experienced in Te Kaahui o Rauru's history in these uncertain and unprecedented times.

Naaku noa, naa

Victor Goldsmith
Group Chief Executive Officer

TE PUURONGO MAI I TE POOKAI ARONUI

POOKAI ARONUI REPORT

On behalf of the Pookai Aronui, and as the new Chair, I am pleased to present the annual report for the 12 months ended 30 June 2021.

Introduction of new Pookai Aronui

Following on from a whole of iwi review, it was determined a reset of the Pookai Aronui was required through this financial year.

From May 2021 the Pookai Aronui are

- Blair Anderson (Chair)
- Matthew Hodge
- Jamie Tuuta
- Arohaina Owen

We wish to thank Mike Walsh and Hayden Potaka for their commitment to our commercial entities during their term.

Enhancing Foundations for the Future

The key objectives for Pookai Aronui remain:

1. Protect and grow our investment portfolio;
2. Develop strategic relationships with potential iwi co-investments partners; and
3. Supporting the development of our uri.

Investment Portfolio

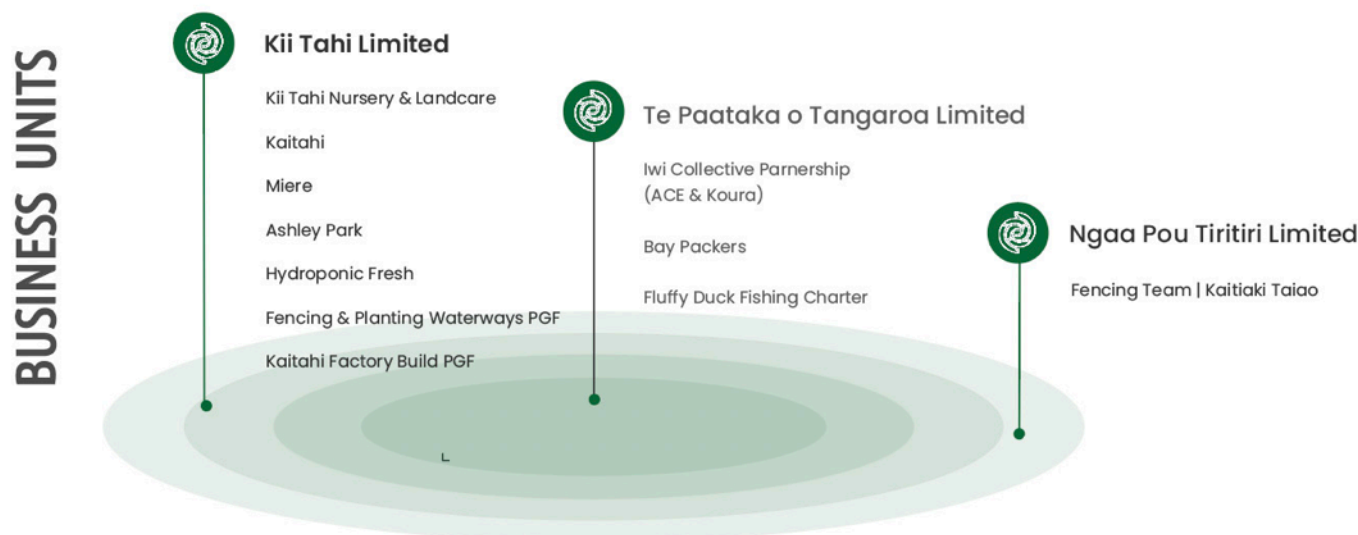
As at 30 June 2021 the total investment portfolio is \$49,221,601. The below table provides a comparison of FY21, FY20 to FY19 results.

	FY2021	FY2020	FY2019
Surplus/ Deficit Te Paataka o Rauru Limited	\$6,277,823	\$2,911,155	-\$3,330,162
Dividend Te Kaahui o Rauru *	\$1,540,000	\$1,700,000	\$4,591,000
Net Assets Te Paataka o Rauru Limited	\$44,993,884	\$40,256,061	\$39,044,906
Net Assets Te Paataka o Tangaroa Limited	\$4,227,717	\$4,160,017	\$3,914,584
Investment Portfolio	\$49,221,601	\$44,416,078	\$42,959,490

* Office and Marae distributions

Te Paataka o Rauru Limited Group Structure

Te Paataka o Rauru Limited



The current structure for Te Paataka o Rauru across all entities is as above.

Te Paataka o Rauru Limited

Our managed funds and bedrock portfolio provided positive returns over the last financial year. With a strong focus on our direct investments, no dramatic changes have occurred across these investments. This is the intent of the bedrocks (Tai Hekenga, Te Pūia Tāpapa, Booster Tahī) as the long-term holds should provide for stable growth and the desired returns we hope to achieve.

Kii Tahī Limited

During the FY21, the focus for Pookai Aronui had been to deliver to the expectations of ensuring local investment to deliver on our commitments. With this in mind, there was a desire to further enhance Kii Tahī Ltd to provide not only the desired portfolio returns but also additional benefits including employment, growth and development of our uri and our region as a whole.

Hydroponic Nursery (Waverley)

With the established Food and Beverage brand, Kaitahi, the broader strategy within this industry is to deliver the complete value chain.

As an existing business, we created more employment opportunities and the ability to increase the scope of kai to allow for future plans of additional ingredients for our existing Kaitahi smoothie products.



Kaitahi

From the effort of the Kaitahi Working Group, we have been successful in being recognised by the Fast Moving Consumer Goods sector (FMCG) by winning the Foodstarter 2021 competition providing fresh branding on our packaging and national distribution across New World.

We continue to focus on the retail sector within Aotearoa with the need to future plan any additional opportunities through research and development as well as international markets.

We ask you again to support Kaitahi through our social media strategy via our Facebook and Instagram pages and help share our story!

Pookai Aronui have supported the business to date and recognise the commitment required to ensure a successful future for Kaitahi.

Part of the journey includes a clear direction on the factory build through our PGF funding to ensure the most appropriate usage of our commercial lands both at Mill Road in Whanganui and the lands in Waverley.



Fencing and Waterways

Pookai Aronui were successful in its application for \$1.5mil in funding over 2 years from the Provincial Development Unit. Alongside Ngaa Pou Tiritiri Limited, the overall intent is to provide employment, training and upskilling, and a full compliment of land care services across the Ngaa Rauru rohe.

In addition to these newly acquired business activites, we continue to review our existing portfolio under Kii Tahi Limited, including:

Ashley Park

Ashley Park (State Highway 3, Waitootara) a 30-acre property which comprises a 6-bedroom homestead, 3-bedroom farm-house, cabins and dorms – 15 beds, bathroom facilities, communal kitchen, games room, 2x 2bedroom lake units, 24 powered camp sites, tennis court, mini golf, petting farm animals, antiques museum as well as a shop/ café.

Kii Tahi Nursery and Landcare

Our team continues to provide excellent services across our rohe through new and existing contracts for riparian plant production and landcare services. 13,000 plants were delivered compared to 19,160 the previous year with an increase in planting jobs taken on over the winter months.





Bees and Trees

Our joint venture with Bees and Trees enjoyed another successful season producing 1,914kg of manuka honey (2020, 2106kg & 2019, 1609kg).

Te Pataka o Tangaroa Limited

Te Pataka o Tangaroa hold our Iwi shares received from Te Ohu Kaimoana as part of the Fisheries Settlement in 2008. The role of the Company is to use prudently on behalf of the Shareholder the fishery assets allocated to it and to administer them and its liabilities by operating a profitable and efficient business. The main sources of income are the sale of annual catch entitlement (ACE) via the Iwi Collective Partnership (ICP) which TPOT continues to participate with 14 plus iwi partners. In addition, Pookai Aronui recognised the need to further diversify across our fisheries entity to include a Fishing Charter as well as the existing investment into Bay Packers Ltd.

Fluffy Duck Fishing Charter, an existing fishing charter based in Whanganui was purchased in October 2020 as part of the broader desire for employment and diversification in the TKOR Group.

The past financial year saw a positive return of \$67,700 (2020, \$195,107) and increase in asset base to \$4,227,717 (2020, \$4,160,017). TPOT also holds a 20% interest in Bay Packers Limited with our investment falling slightly since last year \$502,792 (2020, \$622,100).

Distributions

During the year the Pookai Aronui distributed a dividend of \$1.5m to fund office operating expenses which included the annual fisheries and marae distributions of \$340,000.

Blair Anderson

Pookai Aronui, Chair

TE PUURONGO MAI I TE KAIAARAH-IA-IWI

IWI DEVELOPMENT REPORT

This last year for the Iwi Development Team has been challenging but, in many ways, incredibly rewarding. With a new structure being introduced and some leadership changes, reshaping the team has meant a bit of movement and repurposing of some appointments. This aside we have managed to achieve a few outcomes aligned to the Paepae Strategic themes.

Kaitiakitanga

Through some hard work by our Taiao Advisor, we secured \$2.4 million that has allowed us to grow our Kaitiaki Nursery team by three people. It has also allowed us to employ a Geographical Information System (GIS) Technician and a Catchment Advisor that will operate at the Iwi level to drive our land

and water care capabilities. Still under negotiation is funding from Te Mana o Te Wai that will further help us address this priority area.

Our team has also been working in partnership with the Ministry for the Environment to build a Climate Change Framework that will provide a

foundation for our Paepae to clearly establish our strategic direction in this space. This has been an eight-month journey bringing together strengths of western science and the tried and proven competence of our own maatauranga - a blended approach to help with good decision making.



Ngaa Raurutanga

The Provincial Growth Funding for marae renovations provided a great opportunity for a small number of our marae. Approximately \$500,000 was allocated for this programme that enabled those marae who applied, to renovate and refresh their buildings and infrastructure. It was pleasing to see that some marae did their own applications and cracked on without Te Kaahui o Rauru assistance.

Waahi Tapu is a sensitive area and our team has responded to several callouts. Whilst all are important, the one that stands out is an Urupaa called Omaatua located at Mowhaanau Beach. We have been working with an archaeologist who is also skilled in the use of LiDar (light detection and ranging) to help determine how big the site is. The next step is to use Ground Penetrating Radar to further determine the size, the closeness to the cliff edge and what the risk might be as the erosion of the cliffs along the coastline continues.



Maatauranga

Leveraging off the marae renovations, we were able to get five of our uri trained to a standard where they are now all in full-time apprenticeships. Other upcoming initiatives will also provide a continuation of this opportunity.

Te Kura i Huna (our digital kura) and the Innovation Hub are two projects that we also assist with. Working in collaboration with the Ministry of Education and our IT partner JIX Limited, these two projects will provide an alternative learning medium and a place where imaginations can roam free to create, perhaps fail or maybe succeed.

He Poutama Rangatahi is a programme designed



to assist youth who are not employed, in education or training. Our aim is to help them grow as a person and eventually assist them into education or employment of their choosing. An 18-month programme that leverages off existing projects that are being conducted by some of our people now, will set the foundation. Work in progress but looking very positive as we draw closer to submitting our proposal with a proposed start date of February 2022.

Oohanga

There isn't a lot in this theme for our team however, we are engaged with four renewable energy companies who have interests in the Nukumarū Reserve. We acknowledge that our team doesn't have a say in how the land might be used but it's good to keep these companies engaged. One of the companies is currently conducting energy audits for our marae and businesses.

Summary

This is a brief snapshot of what your Iwi Development Team have been up to. We also manage events, Taranaki Tuu Mai, as an example and others such as our annual Kaumaatua luncheon. Additionally, we also provide people to upload and monitor our communication platforms, social media and our websites.

We acknowledge that we have much work to do in terms of growing our reo, paepae and tikanga programmes. Our future role whilst yet to be finalised under the new structure, it is likely to be more advisory and leveraging marae talent and expertise where appropriate and enabling resources through networks and connections. A very disruptive reporting period with some good outcomes, our team thank you all for your ongoing manaaki. Mauri Ora!

Naaku noa, naa

Danny Broughton

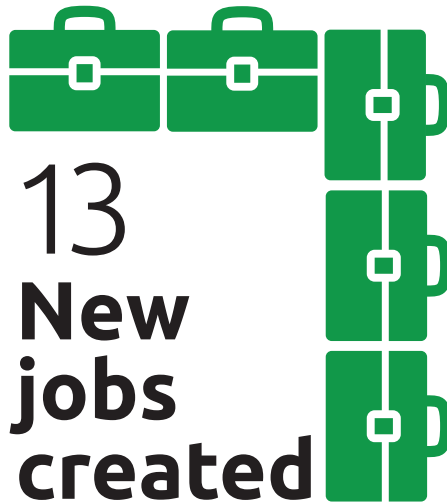
Kaiaarahi Iwi Development



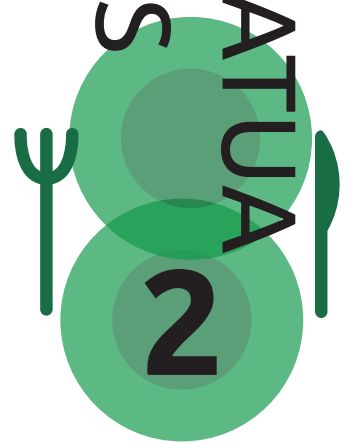
Total
registered
members



**Education
Grants** 037



**KAUHAATUA
DINNERS**



5

Waahi Tapu sites investigated

Climate
Change
Strategy
Interviews
with uri



**CULTURAL IMPACT
ASSESSMENTS COMPLETED**



Nanni Camps
X2



KOIA NEI

Waahanga Tuatahi (Verse 1)

Koia nei ngaa rohe o Rauru Kiitahi
Tiimata i Ngaati Hine ki Hinewaiatarua
Ko Ngaati Hou, Ko Ngaa Ariki,
Ngaati Pourua, Ruaiti,
Ngaati Maika, Puukeko

These are the boundaries of Ngaa Rauru Kiitahi
Beginning from Ngaati Hine to Hinewaiatarua
Ngaati Hou Tipua, Ngaa Ariki Ngaati, Pourua, Ruaiti
Ngaati Maika and Puukeko

Waahanga Tuarua (Verse 2)

Rauru maranga ki runga
Kei wareware koutou raa
Ki ngaa tongi tawhito
Tiimata i Paamatangi,
Rere ki Ngaa Wai e Rua
Ihupuku, Piraunui e

Rauru rise up,
Don't forget who you are
These are the land marks
This will remain for the families to establish
Starting from, Paamatangi to Ngaa Wai e Rua
Ihupuku and Piraunui

TE ITI ME TE RAHI O NGAA RAURU KIITAHĪ

SNAPSHOTS OF NGAA RAURU KIITAHĪ









An aerial photograph of a vast, lush green forest. In the foreground, there's a dense canopy of trees and large, flat-topped ferns. A dirt road winds through a valley in the middle ground, leading towards distant, forested hills. The sky is filled with large, white, fluffy clouds, with some blue visible between them.

NGAA TAUA AKI PUUTEA

FINANCIAL STATEMENTS

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Te Kaahui o Rauru Group

Trust Directory

For the 12 Months Ended 30 June 2021

Purpose of Trust	Kia rangatira to whakaaro, kia rangatira te tu.
Nature of Activities	To provide political and strategic leadership, assist development that delivers sustainable benefits to our marae, whaanau, hapuu and iwi and foster unity and enable our people to embrace Ngaa Raurutanga.
Address	14 Fookes Street, Waverley 4510 PO Box 18, Waverley 4544
Paepae (Members of Trust Board)	Te Huatahi Hawira, Mary Bennett, Sharlene Tapa-Mosen, Ngapari Nui, Charmaine Matiaha, Ruta Broughton, Rakei Hina, Carolyn Young, Mark Pirikahu, Matthew Lowrie, Yvette McGregor, Sylvia Forester, Sonya Wirihana, Paul Sullivan, Renee Bradley, Te Huia Hamilton, Marie Broughton, Huirua Sullivan, Robina Broughton (Ceased May 2021), Te Aroha Mackintosh (Ceased May 2021), Wheturangi Walsh-Tapiata and Desmond Canterbury.
Tumu Whakarae (Chair)	Michael Neho
Chief Executive Officer TKOR Group	Victor Goldsmith (Appointed 29 November 2020) Danny Broughton (Acting August to November 2020) Leonie Matoe (Acting until August 2020)
Pookai Aronui (Subsidiary Directors)	The Pookai Aronui are the Directors of the subsidiary companies as listed in individual subsidiary company financial statements.

Te Kaahui o Rauru Group

Consolidated Statement of Comprehensive Revenue & Expenses

For the 12 Months Ended 30 June 2021

		Group	
	Note	2021	2020
		\$	\$
Revenue from Exchange Transactions			
Investment income	7	7,270,009	4,308,951
Grants and funding	8	2,314,592	707,008
Sales income	13	701,258	239,440
		<u>10,285,859</u>	<u>5,255,399</u>
Revenue from Non-Exchange Transactions			
Grants and funding	6	58,330	222,535
		<u>58,330</u>	<u>222,535</u>
Total Revenue		<u>10,344,189</u>	<u>5,477,934</u>
Expenses			
Employee and governance expenses	9	1,858,958	819,915
Consultants	10	726,190	620,792
Depreciation of property, plant & equipment	18	138,210	101,397
Scholarships, sponsorship and koha	11	67,922	47,502
Other operating expenses	12	2,204,500	1,787,029
Trade expenses	13	767,952	221,856
Total Expenses		<u>5,763,732</u>	<u>3,598,491</u>
Net Operating Surplus		<u>4,580,457</u>	<u>1,879,444</u>
Marae donations & Marae capital upgrades		340,000	600,000
Net Surplus after Marae Donations & Write Offs		<u>4,240,457</u>	<u>1,279,444</u>
Other comprehensive income		-	-
Total Comprehensive Revenue & Expenses		<u>4,240,457</u>	<u>1,279,444</u>

These financial statements have been audited. To be read in conjunction with the accompanying notes.

Te Kaahui o Rauru Group

Consolidated Statement of Changes in Net Assets

For the 12 Months Ended 30 June 2021

	Group	
	Accumulated comprehensive revenue and expense	Total Equity
Note	\$	\$
Opening balance 1 July 2019	44,289,061	44,289,061
Prior Period Investment Adjustment	50,325	50,325
Surplus / (Deficit) for the year	1,279,444	1,279,444
Closing equity 30 June 2020	45,618,830	45,618,830
Opening balance 1 July 2020	45,618,830	45,618,830
ICF Historical Adjustment	11,373	11,373
Surplus / (Deficit) for the year	4,240,457	4,240,457
Closing equity 30 June 2021	49,870,660	49,870,660

These financial statements have been audited. To be read in conjunction with the accompanying notes.

Te Kaahui o Rauru Group

Consolidated Statement of Financial Position

As at 30 June 2021

	Note	Group	
		2021	2020
		\$	\$
Current Assets			
Cash & cash equivalents	14	2,627,394	1,921,422
Investments		45,734	629,125
Inventories	15	558,578	361,471
Taxation refund		7,508	10,645
Trade receivables	16	733,013	357,121
Total Current Assets		3,972,227	3,279,784
Non-Current Assets			
Investments measured at fair value	17	40,206,952	38,048,127
Investments measured at cost	17	2,313,998	3,262,572
Property, plant & equipment	18	3,688,467	972,596
Quota shares	19	1,127,795	1,127,795
Goodwill		273,000	-
Prepayments		-	165,000
Total Non Current Assets		47,610,212	43,576,090
Total Assets		51,582,439	46,855,874
Current Liabilities			
Trade & other creditors	20	524,822	253,212
Employee benefits		212,917	87,824
Finance lease	24	3,903	6,300
GST payable		22,858	20,663
Income in advance	21	473,826	59,277
Funds held in trust	22	469,876	802,614
Total Current Liabilities		1,708,202	1,229,890
Non Current Liabilities			
Finance Lease	24	3,578	7,156
Total Non Current Liabilities		3,578	7,156
Total Liabilities		1,711,780	1,237,046
Net Assets		49,870,660	45,618,830
Trust Capital			
Accumulated comprehensive revenue and expense		49,870,660	45,618,830
Total Trust Funds		49,870,660	45,618,830

Signed for and on behalf of Te Paepae o Te Kaahui o Rauru who authorised these financial statements for issue on 29 October 2021



Tumu Whakarae



Paepae Representative

These financial statements have been audited. To be read in conjunction with the accompanying notes.



Te Kaahui o Rauru Group

Consolidated Statement of Cash Flows

For the 12 Months Ended 30 June 2021

	Note	Group	
		2021	2020
		\$	\$
Cash Flows from Operating Activities			
<i>Receipts</i>			
<i>Exchange Activities</i>			
Receipts from sale of Goods and Services		1,918,319	664,922
Receipts from fees, services and grants		1,162,935	53,861
Receipts from interest and dividends		42,252	54,087
<i>Non Exchange - Donations</i>		52,580	411,928
		3,176,086	1,184,798
<i>Payments</i>			
Donations and Marae capital upgrades		340,000	817,250
Net GST		(11,331)	(54,946)
Payments to suppliers and employees		4,427,882	2,818,796
Net tax paid		(3,379)	2,467
		4,753,172	3,583,567
Net Cash Outflow from Operating Activities		(1,577,086)	(2,398,769)
Cash Flows from Investing Activities			
<i>Receipts</i>			
Sale of Investments		6,212,385	-
Withdrawal of investments		305,658	11,496,908
		6,518,043	11,496,908
<i>Payments</i>			
Other Investing & Financing activities		240,897	-
Payment of Leases		5,704	4,987
Purchase of property, plant & equipment		2,854,081	215,356
Purchase of investments		1,134,303	9,128,533
		4,234,985	9,348,876
Net Cash Inflow from Investing Activities		2,283,058	2,148,032
Net increase / (decrease) in cash and cash equivalents		705,972	(250,737)
Cash and cash equivalents at beginning of period		1,921,422	2,172,159
Cash and Cash Equivalents at End of Period	14	2,627,394	1,921,422

These financial statements have been audited. To be read in conjunction with the accompanying notes.

Te Kaahui o Rauru Group

Notes to and Forming Part of the Financial Statements

For the 12 Months Ended 30 June 2021

1 Reporting Entity

Te Kaahui o Rauru is a trust created by Deed of Trust dated 9 December 2004. Te Kaahui o Rauru is domiciled in New Zealand and is a trust registered under the Charities Act 2005.

The financial statements comprising of Te Kaahui o Rauru and its controlled entities, Te Pataka o Rauru Limited, Te Pataka o Tangaroa Limited and Kii Tahi Limited together the "Group" are presented for the year ended 30 June 2021.

These group financial statements and the accompanying notes summarise the financial results of activities carried out by the Group. The parent is a charitable organisation registered under the Charities Act 2005. The controlled entities, Te Pataka o Rauru Limited, Te Pataka o Tangaroa Limited and Kii Tahi Limited are registered under the Companies Act 1993 and the Charities Act 2005.

The financial performance and cash flow reports and accompanying notes are reporting for the year ended 30 June 2021.

2 Statement of Compliance

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-for-Profit entities. For the purposes of complying with NZ GAAP, the Group is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-for-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Paepae (Board of Trustees) has elected to report in accordance with Tier 2 Not-for-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

3 Summary of accounting policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements:

3.1 Basis of measurement

These consolidated financial statements have been prepared on the basis of historical cost.

3.2 Functional and presentational currency

The consolidated financial statements are presented in New Zealand (\$), which is the Group's functional currency. The financial statements have been rounded to the nearest dollar.

3.3 Basis of consolidation

Controlled entities are all those entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities. The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the consolidated financial statements, all interentity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with policies adopted by the Group and have a 30 June reporting date.

For the 12 Months Ended 30 June 2021

3.4 Revenue

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

Revenue from exchange transactions

ACE sales

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

Dividends

Dividend income is recognised when the Group's right to receive the payment is established. Revenue from dividends are recognised in the year they are declared and receivable.

Fees for services

Fees for services are recognised when the service has been delivered and the entitlement for payment has arisen.

Interest income

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

Lease income

Lease income is recognised on a straight line basis over the term of the lease.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

Investment Income

Investment income includes interest, dividends and unrealised gains or losses from holding or trading. Investment income is recorded in the period it is earned in the Statement of Financial Performance.

Revenue from non-exchange transactions

Grants

Grant revenue includes grants given by government entities, other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been complied 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 revenue as the conditions are fulfilled.

For the 12 Months Ended 30 June 2021

3.5 Financial instruments

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

The Group derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Group has transferred substantially all the risks and rewards of the asset; or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Assets

Financial assets within the scope of NFP PBE IPSAS 29: 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.

The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive income and expenses. The Group's financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The Group's financial assets include: cash and cash equivalents, receivables from exchange transactions and investments.

All financial assets, except for those at fair value through surplus or deficit, are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired.

Impairment of financial assets

The Group assesses at the end of reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Financial Liabilities

The Group's financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements and deferred income (in respect to grants whose conditions are yet to be complied with).

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.

3.6 Fair value measurement

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

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

For the 12 Months Ended 30 June 2021

3.7 Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.8 Inventories

Nursery Stock on Hand

Inventories are valued utilising the discounted selling prices (DSP) method as per Tax Information Bulletin Vol 13, No 11, November 2011 guidelines issued by the Inland Revenue Department.

Miere Stock on Hand

Stock is valued at the market value rate at the time of harvest as per clause 2.11 of the Management Agreement between Kii Tahī and Forest & Bees Native Honey LP.

Kaitahi Stock on Hand

Stock is valued at cost price per unit.

Hydroponic Stock on Hand

Lettuce on hand is valued at \$1 per plant.

3.9 Property, plant and equipment

Property, plant and equipment is recognised at cost less aggregate depreciation. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

All other repairs and maintenance are recognised as expenses in the Statement of Financial Performance in the financial period in which they are incurred.

Items of property, plant, and equipment with an individual value in excess of \$500 are capitalised on purchase. Other items with an individual value below \$500 are expensed.

Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year.

Depreciation is charged on a diminishing value basis over the useful life of the asset, except for land. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Land and buildings	4% - 25%
Plant and equipment	9% - 67%
Motor vehicles	11% - 36%
Office equipment	11% - 67%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or services potential embodied in the asset.

3.10 Intangible assets

Quota shares have an indefinite useful life and generate economic benefits beyond one year. Quota shares are held at deemed cost and tested annually for impairment. Any adjustments made to recognise impairment are reported in the statement of comprehensive revenue and expense.

3.11 Investments Held with Public Trust Custodian Trustees

Investments are recorded at market value. Net income including realised and unrealised gains or losses from holding or trading are recorded in the statement of financial performance.

For the 12 Months Ended 30 June 2021

3.11.1 Direct Investments

Direct Investments are recorded at cost less any impairment.

3.12 Shares in Moana (previously Aotearoa Fisheries Limited)

These shares are valued at the original transfer value as assessed by Te Ohu Kaimoana based on the net equity of Moana as at the transfer date of 30 September 2009.

3.13 Iwi Collective Partnership (ICP)

The ICP investments are recorded at original cost price.

3.14 Distribution to Marae

Distribution or donations to marae are treated as expenses and applied to the amounts owing to marae liability in the statement of financial position upon the appropriate resolution being made by the Paepae.

3.15 Operating leases

Operating lease payments, where the lessors effectively retain substantially all of the risks and benefits of ownership of the leased items, are recognised in the determination of the operating surplus in equal instalments over the lease term.

3.16 Employee Benefits

Wages, salaries and annual leave

Liability for wages and salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

Employee benefits expected to be settled within 12 months of reporting date are accrued and measured based on accrued entitlements at current rate of pays. These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

3.17 Income Tax

The Group is exempt from tax due to its charitable status.

3.18 Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST except for receivables and payables, which are stated with the amount of GST included.

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

Cash flows are included in the statement of cash flows on a net of GST basis. The GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

3.19 Equity

Equity is the beneficiaries interest in the Group, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is the Group's accumulated surplus or deficit since its formation.

4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Finance lease commitments

The Group has entered into a photocopier lease based on evaluation of the terms and conditions of the arrangements. Assets purchased under finance leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the property are included as non-current assets in the Balance Sheet. Finance Leases will be capitalised at the present value of the minimum lease payments. A corresponding liability is also disclosed. The depreciation policy for depreciable assets, that are the subject of a finance lease, will be consistent with that for assets that are owned.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group bases its assumption and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The significant estimates and assumptions are:

- The useful life of the property, plant and equipment.
- Impairment of current investments.

5 Group Information - Subsidiaries

The consolidated financial statements of the Group include the following subsidiaries:

<u>Entity</u>	<u>Parent</u>		2021	2020
Te Pataka o Rauru Limited	Te Kaahui o Rauru	Interest	100%	100%
Te Pataka o Tangaroa Limited	Te Pataka o Rauru Limited	Interest	100%	100%
Kii Tahi Limited	Te Pataka o Rauru Limited	Interest	100%	100%
Ngaa Pou Tiritiri Limited	Te Pataka o Rauru Limited	Interest	100%	N/A

The reporting date of Te Kaahui o Rauru and its subsidiaries is 30 June.

Te Kaahui o Rauru Group

Notes to and Forming Part of the Financial Statements

For the 12 Months Ended 30 June 2021

6 Grants & Funding (Non-Exchange)

	Group	
	2021	2020
	\$	\$
Taranaki Maori Trust Board	12,500	105,217
Te Puni Kookiri	5,000	46,950
Te Wai Maaori Trustee Ltd	-	29,000
Koha	-	100
Ministry of Education	-	41,268
Ministry of Justice	7,830	-
Ministry Social Development	23,000	-
Waverly Wind Farm	10,000	-
	58,330	222,535

7 Investment Income

	Group	
	2021	2020
	\$	\$
Investment Income	3,970,174	3,670,134
Unrealised Capital Gain/Loss	3,299,835	592,569
Other Revenue	-	46,248
	7,270,009	4,308,951

8 Grants & Funding (Exchange)

	Group	
	2021	2020
	\$	\$
ACE Sales	203,139	189,503
Dividends Received	41,517	52,894
Department of Conservation	18,444	-
Iwi Chairs Income	169,261	158,261
Iwi Event Registration	-	1,062
Lease Income	8,514	12,058
Merchandise	-	200
Ministry of Education	145,662	-
Ministry of Business, Innovation & Employment	1,329,994	-
Other Income	147,996	196,595
South Taranaki District Council	38,960	-
Taranaki Maori Trust Board	-	238
Te Matawai	20,000	-
Te Puni Kookiri	70,000	-
Transpower	83,384	-
Waverley Wind Farm	36,984	95,004
Interest Received	736	1,193
	2,314,592	707,008

Te Kaahui o Rauru Group

Notes to and Forming Part of the Financial Statements

For the 12 Months Ended 30 June 2021

9 Employee and Governance Related Costs

	Group	
	2021	2020
	\$	\$
ACC Levies	3,763	2,385
Directors Fees	39,583	55,000
Directors Insurance	-	3,000
Paepae Governance Training Expenses and Fees	706	-
Paepae Hui Hosting	3,575	4,200
Paepae Meeting Fees	30,250	47,000
Staff Training	11,327	18,144
Sub-committee Fees	23,881	14,024
Tumu Whakarae Fees	87,667	87,831
Salaries & Wages	1,658,206	588,331
	1,858,958	819,915

10 Consultants

	Group	
	2021	2020
	\$	\$
Accountancy Fees	73,284	67,244
Audit Fees	15,450	16,350
Investment Investigation Costs	-	18,500
Conferences	-	5,636
Consultancy	457,090	367,299
Custodial Fees	2,095	17,204
Due Diligence	157	-
Investment Advice, Admin and Management	14,936	78,854
Project Expenses	68,244	644
Legal Fees	94,935	49,061
	726,190	620,792

Te Kaahui o Rauru Group

Notes to and Forming Part of the Financial Statements

For the 12 Months Ended 30 June 2021

11 Scholarships and Koha

	Group	
	2021	2020
	\$	\$
Koha	21,742	6,133
Scholarships	40,000	40,669
Sponsorship	6,180	700
	67,922	47,502

12 Other Operating Expenses

	Group	
	2021	2020
	\$	\$
Advertising and Marketing	45,511	12,260
Bank Fees	2,265	1,192
Admin & Management Expenses	6,129	6,874
Animal Health	23,451	-
Catering	19,553	8,117
Cleaning & Laundry	2,647	-
Computer Expenses	663	-
Iwi Chairs Forum Expenses	45,365	76,637
Impairment	903,885	1,177,260
Insurance	43,997	20,489
Interest	3,463	-
Marae Upgrade Project	437,844	-
Motor Vehicle Expenses	57,866	43,459
Printing & Stationery	5,965	4,663
Project Resources	68,244	644
Provision for Doubtful Debts	23,000	10,555
Quota Share Levies	21,407	22,566
Repairs and Maintenance	179,257	61,522
Security	166	-
Telephone	25,651	24,116
Transport Costs	373	-
Travel	84,184	36,628
Waananga and Events	39,738	39,573
Other Operating Expenses	163,877	240,476
	2,204,500	1,787,029

Te Kaahui o Rauru Group

Notes to and Forming Part of the Financial Statements

For the 12 Months Ended 30 June 2021

13 Trading Accounts

	Group	
	2021	2020
Investment Income	\$	\$
Custodial Fees	(2,095)	(17,204)
Investment Income	3,970,174	3,716,382
Unrealised Capital Gain	3,299,835	592,569
	7,267,914	4,291,747
 Revenue from Sales	 \$	 \$
Sales	701,258	239,440
Less Cost of Goods Sold	(767,952)	(221,856)
	(66,695)	17,583

14 Cash & Cash Equivalents

Cash and cash equivalents include the following components:

	Group	
	2021	2020
Cash Accounts	\$	\$
Cash Accounts	2,488,582	1,868,507
Iwi Chairs Forum Bank Account	138,813	52,915
Total Cash and Cash equivalents	2,627,394	1,921,422

BNZ credit card facility available with a limit of \$13,000.

15 Inventory

	Group	
	2021	2020
Nursery Stock on Hand	\$	\$
Nursery Stock on Hand	89,967	27,910
Hydroponic Stock on Hand	66,269	-
Kaitahi Stock on Hand	100,346	66,087
Miere on Hand	301,996	267,475
	558,578	361,471

Te Kaahui o Rauru Group

Notes to and Forming Part of the Financial Statements

For the 12 Months Ended 30 June 2021

16 Receivables

Trade Receivables

Trade receivables from non-exchange transactions	5,750
Trade receivables from exchange transactions	803,203
Provision for Doubtful Debts from exchange transactions	(75,940)
Total Receivables	733,013

Group	
2021	2020
\$	\$
5,750	-
803,203	406,611
(75,940)	(49,490)
733,013	357,121

Impairment allowance on trade receivables from exchange transactions

There has been no Impairment allowance made.

17 Investments

Investments Measured at Fair Value

Alternative Growth	120,780
Australian Equities	2,270,547
Private Equity	820,211
US Equities	2,193,548
International	5,378,532
Property	5,486,727
New Zealand Fixed Interest	3,424,487
Cash	91,011
Total NZ & Australian Equities	2,175,801
Tai-Hekenga Property Partnership	12,698,480
Te Puia Tapapa	1,134,014
Booster Tahi Ltd Partnership	4,412,815
Total Investments Measured at Fair Value	40,206,952

Group	
2021	2020
\$	\$
120,780	120,780
2,270,547	1,916,916
820,211	820,211
2,193,548	1,741,402
5,378,532	5,338,716
5,486,727	6,249,064
3,424,487	3,405,323
91,011	1,692,529
2,175,801	2,116,178
12,698,480	10,464,130
1,134,014	-
4,412,815	4,182,879
40,206,952	38,048,129

Investments Measured at Cost

1Centre	63,230
Bay Packers Investment	502,792
CRA3 and CRA4 Quota for Port Nicholson Fisheries (PNF)	388,761
Iwi Collective Partnership Capital for PNF	99,166
Iwi Collective Partnership Loan for PNF	32,087
Investment in Moana	1,227,463
Te Puia Tapapa	-
Farmland Shares	500
Total Investments Measured at Cost	2,313,998

63,230	847,807
502,792	622,100
388,761	388,761
99,166	99,166
32,087	32,087
1,227,463	1,227,463
-	45,188
500	-
2,313,998	3,262,571
42,520,951	41,310,700

Total Investments

Further information on individual investments outlined in notes 32 and 33.

Te Kaahui o Rauru Group

Notes to and Forming Part of the Financial Statements

For the 12 Months Ended 30 June 2021

18 Property, Plant & Equipment

Group 2021

	Cost	Accumulated Depreciation	2021 Book Value
	\$	\$	\$
Land and Buildings	3,068,823	144,420	2,924,403
Motor Vehicles	410,350	69,354	340,996
Office Equipment	173,001	139,706	33,295
Plant & Equipment	363,647	103,374	260,273
Fluffy Duck Charter Boat	140,000	10,500	129,500
Total Fixed Assets	4,155,821	467,353	3,688,467

Group 2020

	Cost	Accumulated Depreciation	2020 Book Value
	\$	\$	\$
Land and Buildings	893,634	113,360	780,274
Motor Vehicles	40,471	31,671	8,800
Office Equipment	190,958	135,006	55,952
Plant & Equipment	199,938	72,368	127,570
Total Fixed Assets	1,325,001	352,405	972,596

Reconciliation of the carrying amount at the beginning and end of the period:

Group 2021

	Opening Balance	Additions	Disposals	Depreciation	Closing Balance
	\$	\$	\$	\$	\$
Land and Buildings	780,274	2,175,189		31,059	2,924,404
Motor Vehicles	8,800	369,879		37,683	340,996
Office Equipment	55,952	4,456	1,896	25,215	33,297
Plant & Equipment	127,570	164,557	28	31,829	260,270
Fluffy Duck Charter Boat		140,000		10,500	129,500
Total Fixed Assets	972,596	2,854,081	1,924	136,286	3,688,467

19 Quota Shares

	Group	
	2021	2020
	\$	\$
Quota Asset	1,127,795	1,127,795
Total Quota Shares	1,127,795	1,127,795

Te Kaahui o Rauru Group

Notes to and Forming Part of the Financial Statements

For the 12 Months Ended 30 June 2021

20 Trade & Other Creditors

	Group	
	2021	2020
	\$	\$
Accrued Expenses	49,750	32,050
Credit Cards	5,670	3,067
Trade Creditors	469,401	218,095
Total Trade & Other creditors	524,822	253,212

21 Income in Advance

	Group	
	2021	2020
	\$	\$
Income in advance from exchange transactions	473,826	59,277
Total Income in Advance	473,826	59,277

22 Funds Held in Trust

	Group	
	2021	2020
	\$	\$
Kai Iwi Marae	399,465	365,402
Whenuakura Marae	-	355,430
Iwi Chairs Forum	70,411	81,782
Total Funds Held in Trust	469,876	802,614

23 Operating Lease Commitments

The Parent entity leases a photocopier under non-cancellable operating leases.

The Parent entity entered into a vehicle lease agreement for 36 months from 21 February 2019.

The Parent entity has agreed to rent the property Suite 17, Wicksteed Terrace from 15 May 2019 to 15 November 2020.

	Group	
	2021	2020
	\$	\$
Current (less than 1 year)		
Property Rental	-	2,060
Vehicle Lease	4,937	8,463
Total Current	4,937	10,523
Non-current (2-5 years)		
Property Rental	-	-
Vehicle Lease	-	12,694
Total Current	-	12,694
Total Operating Lease	4,937	23,217

Te Kaahui o Rauru Group

Notes to and Forming Part of the Financial Statements

For the 12 Months Ended 30 June 2021

24 Finance Lease Commitments

The Parent entity leases a photocopier under non-cancellable finance lease.

	Group	
	2021	2020
	\$	\$
Current (less than 1 year)		
Photocopier	3,903	6,300
Total Current	3,903	6,300
Non-current (2-5 years)		
Photocopier	3,578	7,156
Total Current	3,578	7,156
Total Finance Lease	7,481	13,456

25 Related Parties

During the year the Group entities entered into transactions with related parties in the normal course of business. All transactions take place on the basis of normal commercial terms.

Te Kaahui o Rauru

Paepae - Meetings fees of \$500 are paid to each Marae in attendance for all hui held within that month. An additional \$600 is paid to the host Marae per Paepae hui for expenses.

Marae - An annual ACE Fisheries distribution of \$100,000 is divided equally among the twelve Ngaa Rauru marae. The Paepae is made up of two representatives from each marae. A marae distribution was made of \$340,000.

Sub-committee Fees - Sitting fees are paid to members at a rate of \$373 per month, the Chair rate is \$466 per month.

The Parent charges management and administration fees to subsidiaries. From time to time it pays expenses on behalf of the subsidiaries and then recovers payment.

Te Aroha Marae was paid \$40,987 for renovation expenditure as part of the Te Aroha Marae Renovation Project. Paepae member Ngapari Nui is a Trustee of the Te Aroha Marae Society.

Parnell's Cafe was paid \$554 for catering costs. Paepae member Te Aroha Mackintosh is a director and shareholder of the Cafe.

Te Wairoa Iti Marae was paid \$3,080 for lawnmowing costs. Paepae member Michael Noho is a Trustee of the Te Wairoa Iti Marae Komiti.

Te Pataka o Rauru Limited

Taranaki Capital Partners were paid \$52,539 in 2020 year. TPOR withdrew from its 50% share of Taranaki Capital Partners effective 1 July 2020.

26 Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 *Related Party Disclosures*, are the members of the governing body which is comprised of the Paepae, Pookai Aronui and CEO, which constitutes the governing body of the Group. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	Group	
	2021	2020
	\$	\$
Total remuneration	302,697	301,552
Number of persons	31	29

27 Categories of Financial Assets and Liabilities

The carrying amounts of financial instruments presented in the statement of financial position related to the following categories of assets and liabilities:

	Group	
	2021	2020
	\$	\$
Financial Assets		
<i>Cost</i>		
Investments measured at cost	2,313,998	3,262,572
	2,313,998	3,262,572
<i>Loans and receivables</i>		
Cash and cash equivalents	2,627,394	1,921,422
Investments	629,125	629,125
Taxation refund	7,508	10,645
Trade receivables	733,013	357,121
	3,997,040	2,918,313
<i>Financial assets at fair value through surplus or deficit</i>		
Investments measured at fair value	40,206,952	23,401,118
	40,206,952	23,401,118
Financial Liabilities		
<i>At amortised cost</i>		
Trade and other creditors	524,822	253,212
Employee benefits	212,917	87,824
GST Payable	22,858	20,663
	760,597	361,698

28 Treaty Settlement

On 27 November 2003 the Ngaa Rauru Iwi Authority signed a deed of settlement with the Crown which agreed a package including (amongst other things):

- \$31 million
- The return of approximately 118 ha to Iwi ownership and control
- The creation of 5 one hectare Ukaipoo (camping sites), and the right to purchase selected surplus Crown property on a right of first refusal basis
- Annual hui with the Ministers of Treaty of Waitangi Negotiations and Maaori Development

On 27 July 2005 treaty settlement legislation was finalised by royal assent and ownership of the following tangible assets were passed to Te Kaahui o Rauru:

1. \$31 million (plus accrued interest)
2. Land as follows (approx 118ha)
 - The Nukumarua site
 - Puau site
 - Waiinu Beach site
 - The Bed of Lake Moumahaki
 - Rehu Village site

3. The settlement deed requires an entity jointly governed by Ngaa Rauru Kaitiaki and Ngaati Ruanui to be set up by 26 July 2007 to receive this site. Accordingly, Te Rehu Joint Venture Ltd was formed.

29 Fisheries Settlement - Te Ohu Kaimoana

As a result of the Maori Fisheries Act 2004, Te Ohu Kaimoana ("Te Ohu") was established (legal name Te Ohu Kai Moana Trustee Limited). Te Ohu's main role is administering, allocating and transferring fisheries settlement assets to mandated iwi organisations along the allocation model contained within the Maaori Fisheries Act.

All fishing quota and the majority of cash held directly by the Treaty of Waitangi Fisheries Commission will be transferred to mandated iwi organisations who will manage these assets on behalf of all of their iwi members.

Each of the 57 Iwi recognised in Schedule 3 of the Maaori Fisheries Act 2004 will receive (or have received) a mix of:

- Quota
- Income shares in Aotearoa Fisheries Limited ("AFL") - a subsidiary of Te Ohu Kaimoana
- Cash

To receive the assets Ngaa Rauru Kaitiaki set up a subsidiary Te Pataka o Tangaroa Limited as its Asset Holding Company and assets were transferred to this company.

Asset Type	2011-2019	2010	2009	2008	TOTAL
	\$	\$	\$	\$	\$
Cash	-	54,696	1,799	112,310	168,805
Quota share value income	-	525,401	17,408	584,986	1,127,795
Share in Moana (previously AFL)	-	-	-	1,227,463	1,227,463
	-	580,097	19,207	1,924,759	2,524,063

The company owns 968 (2018:484) out of a total 125,000 income shares in AFL. This shareholding therefore has a book value of \$1.63m based on the latest AFL audited accounts (Sept 16).

Quota Shares

Quota Shares entitle the Group to Annual Catch Entitlements ("ACE") which were sold during the year.

New Zealand Emission Trading Scheme

ACE entitles the Group to New Zealand Units under the NZ Emission Trading Scheme. No Units were sold during the year, 411 units remain.

30 Other Expenses

Other expenses consist of Investments impaired.

Investments Impaired

Investments measured at market value classed as "Private Equity" include the investment in Torchlight Fund LP. As referred to in note 32, in 2020 the Pookai Aronui have provided for a 100% impairment to the carrying value of the balance.

1Centre Ltd has been impaired by \$766,937 to match their ownership percentage of 21.33% of the total equity of \$379,137

Bay Packers Ltd has been impaired by \$119,308, to match their ownership percentage, being 20% of the total equity of \$2,513,961.

31 Taranaki Capital Partners Limited (TCP) - (Ceased 1 July 2020)

The company withdrew from Taranaki Capital Partners Ltd as at 1 July 2020.

32 Investments Measured at Fair Value

Torchlight Fund Limited Partnership

Torchlight Fund LP is within the private equity asset class. The value provided by Public Trust Corporate Trustee is \$4,501,738.

The Company hold 2,522,562.84 units valued at \$1.625 AUD per unit. The investment has been valued independently by Duff and Phelps, corporate finance valuers, with the latest valuation performed on 27 August 2020. The units are not traded on the open market. There is no observable market data to accurately measure the fair value of the Torchlight investment.

The Pookai Aronui have concluded that with the limited market information supporting the recoverability of the Torchlight investment the Pookai Aronui decided to fully write down the carrying value of the investment in the current year. The carrying value of the investment (after impairment) as at 30 June 2021 is \$Nil (2020 \$Nil).

Bay Packers Limited Partnership

Te Pataka o Tangaroa owns 20% of Awanui Moana GP Limited. Awanui Moana GP Limited is the sole General Partner of Bay Packers Limited Partnership.

Bay Packers Limited Partnership has entered into an agreement for the purchase of In-Shore and Deep Water Quota shares. The principle activity of the partnership is managing the catches, processing and sales of ACE from the In-shore and Deep Water quota.

Tai-Hekenga GP Limited

In 2017 Te Pataka o Rauru entered into an agreement as a limited partner with other Iwi to purchase various Crown Land and Buildings in the greater Wellington central business district which are occupied by various Crown agencies. The properties have been purchased and are leased back to the Crown. The total capital investment to date is \$8,047,846 (2020: \$8,047,846).

Te Puia Tapapa GP Limited

Te Puia Tapapa is a limited partnership set up to provide Iwi opportunities to invest their funds together in opportunities. Te Pataka o Rauru have invested \$1,162,426 (2020: \$33,067), with a capital commitment of up to \$4,000,000.

Booster Tahi Limited Partnership

The Booster Tahi Limited Partnership is a special investment fund set up to support privately owned small to medium-sized New Zealand companies.

Te Pataka o Rauru have invested \$4,000,000 in this company. At balance date the investment was valued at \$4,412,815 (2020: \$4,182,879).

33 Investments Measured at Cost

1Centre Limited

In April 2017 Te Pataka o Rauru entered into an agreement to purchase shares in 1Centre. 1Centre is a company which digitises the end to end trade credit application process, including sales tracking, CRM functions, and offers up to date newsfeeds. Te Pataka o Rauru owns 1,464,683 shares which represents 21.33%.

Port Nicholson Fisheries (PNF)

The Group has entered into an agreement for the purchase of CRA3 and CRA4 quota shares in a venture with the ICP. The principal activity of the partnership is managing the catches, processes and sales of ACE for lobster quota.

Iwi Collective Partnership (ICP)

In November 2010 Te Pataka o Tangaroa Limited became a member of the Iwi Collective Partnership (ICP). The Company has become a shareholder of the ICP and holds 321,011 shares.

The ICP is currently made up of the following Iwi: Ngaai Te Rangi, Ngaa Rauru Kiihahi, Ngaai Tai, Ngaati Awa, Ngaati Manawa, Ngaati Porou, Ngaati Ruanui, Taranaki Iwi, Te Arawa, Te Rarawa, Whakatohea, Ngaati Tuwharetoa.

Whilst recognising the mana and authority of each other, the aim of the ICP is to work together in a spirit of partnership and of whanaungatanga, kotahitanga and manaakitanga towards achieving their common vision of an iwi partnership that fosters iwi collaboration in fisheries and provides an effective, efficient and strategic means to achieve the collective goals of its iwi partners.

The objectives of the ICP are:

- Creating economies of scale through collectivisation of Iwi ACE;
- To obtain optimal returns on ACE;
- Create opportunities that build capacity, capability and participation within the fisheries sector;
- Improve understanding and capacity to understand and manage risk;
- Promote kaitiakitanga and sustainable practices with fisheries;
- Improve business performance through developing a strategic direction that is realistic, logical and achievable.

ICAP & Society One

An investigation led the Pookai Aronui to believe that the amounts that were believed to be invested in ICAP Limited and Society One have potentially been fraudulently misappropriated. An investigation subsequently led to a formal complaint being made to the New Zealand Police.

While the investigation and subsequent legal proceedings have not been completed, it is believed that the amounts allegedly misappropriated are not recoverable. The Serious Fraud Office has been informed.

34 Iwi Chairs Forum

From July 2013 Te Kaahui o Rauru assumed the role of National Iwi Chairs Forum (NICF) Secretariat for a 3 year period. The term was extended for another period to 2022. The NICF consists of Chairs of Iwi in Aotearoa who choose to participate. Membership fees are \$2,000 for non-settled Iwi and \$3,000 for settled Iwi per annum. The NICF hui four times a year to address current issues affecting Iwi. Hui are normally in the months of February, May, August and November.

Te Kaahui o Rauru provides secretariat support to the National Iwi Chairs Forum (NICF). Secretariat support includes providing administrative and secretariat support as well as managing membership fees on behalf of the NICF.

During the year payments were made on behalf of the NICF for Administration, Catering, Office Supplies & Printing and Travel.

Funds Held in Trust at the end of the Secretariat term will transfer to the next host of the Secretariat.

35 Capital Commitments

Te Puia Tapapa Limited Partnership

Te Pataka o Rauru has committed to contribute capital of \$4,000,000 (2020: \$4,000,000) in Te Puia Tapapa Limited Partnership. At balance date \$1,162,426 (2020: \$33,067) had been paid, leaving a balance of \$2,837,574 to contribute.

Ashley Park

Kii Tahi Limited paid a deposit of \$165,000 in June 2020 for the purchase of Ashley Park. Settlement on the purchase of this business and property took place on 31 July 2020, the balance of the purchase was \$1,485,000.

2 Rakau Developments Mill Road Whanganui

Te Pataka o Rauru Ltd is currently under contract with a property on Mill Road with a total commitment of \$1.4m, with the purchase agreement signed in September 2020. This will be funded by a Provincial Growth Fund grant of \$189k and \$1.2m loan, term 10 years 1% interest rate, repayment starting 3 years from the loan agreement being signed. A deposit of \$32,400 was made on 21 December 2020.

36 Contingent Assets and Liabilities

During the 2021 year Kaahui Legal acted on Te Kahui o Rauru's behalf in relation to an appeal to the Supreme Court regarding a decision made by the Environmental Protection Authority involving seabed mining consents sought by Trans-Tasman Resources Ltd. Legal costs for these proceedings were yet to be reconciled at 30 June 2021 (2020: Nil).

37 Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the financial statements.

38 COVID 19 Impact

On March 11, 2020, the World Health Organisation declared the outbreak of a coronavirus (COVID-19) a pandemic. As a result, ongoing economic uncertainties have arisen which could negatively affect our operations and services due to the restrictions imposed to prevent the spread of the virus.

The New Zealand Government announced a COVID-19 nationwide lockdown on 17 August 2021 and on 7th September 2021 the restrictions were reduced to COVID level 2 and this is the status at time of reporting. Management and Trustees have not yet had an opportunity to determine the full financial impact of the COVID-19 pandemic and how that may affect the group.

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Te Kaahui o Rauru

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Te Kaahui o Rauru and its subsidiaries (the Group) on pages 3 to 25, which comprise the consolidated statement of financial position as at 30 June 2021, and the consolidated and the statement of comprehensive revenue and expense, consolidated statement of changes in net assets/equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

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

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

Other information

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

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

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



Trustees Responsibilities for the Financial Statements

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

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

Auditors Responsibilities for the Audit of the Financial Statements

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

A detailed description of the auditors' responsibilities including those related to assessment of risk of material misstatement, evaluation of appropriateness of going concern assumptions and determining key audit matters are available on the external reporting board website:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-7/>

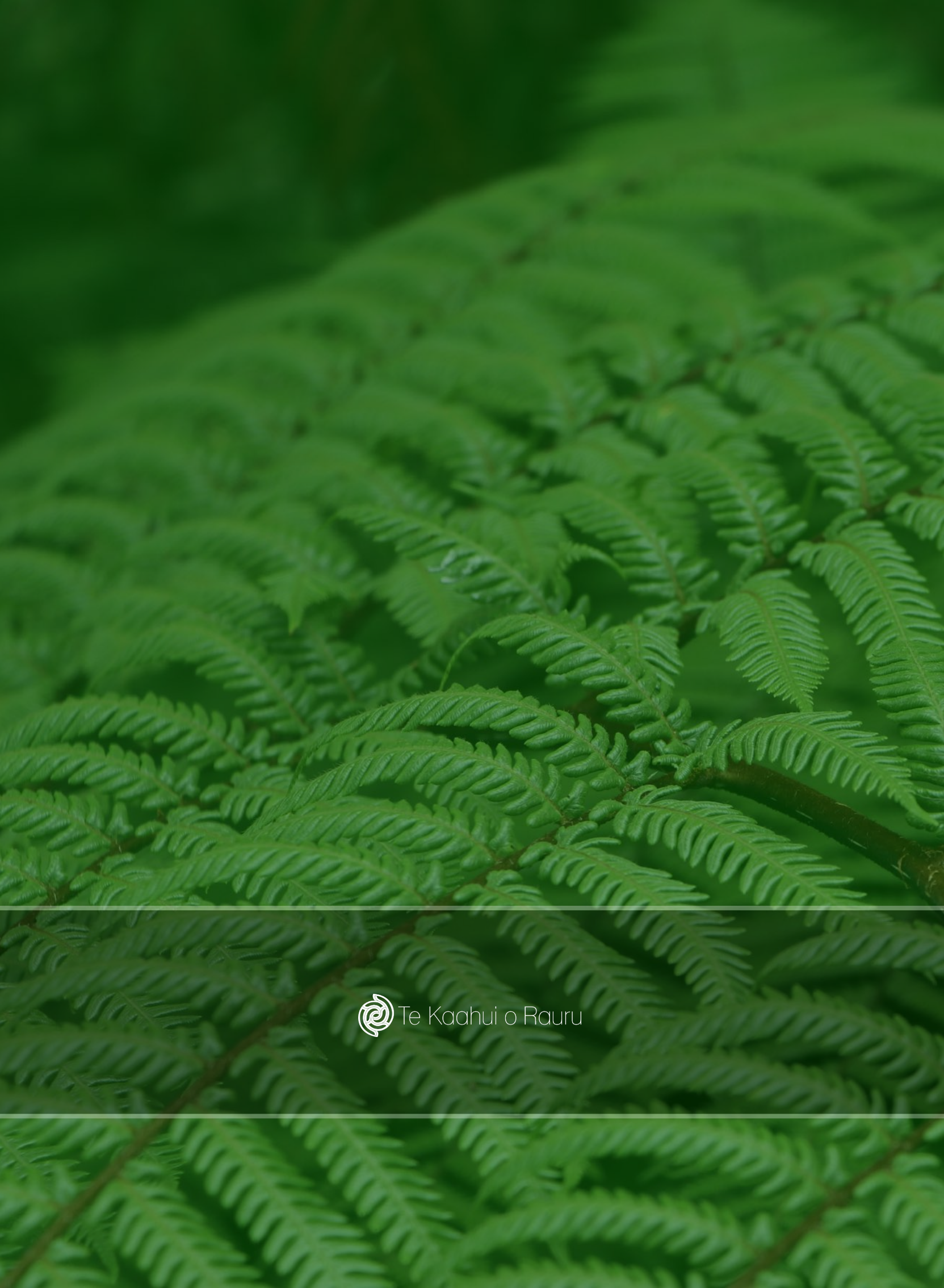
Restriction on Distribution or Use

This report is made solely to the Trustees, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Talia Anderson-Town
Silks Audit Chartered Accountants Ltd
Whanganui, New Zealand

Date: 29 October 2021



Te Kāhui o Rauru