



Ngāti Koata GROUP

2018 Annual Report

Te Whakakitenga

Vision

Te hokinga mai o te manu hākapakapa
Ngāti Koata are flourishing

Te Ahunga

Mission

Hei hāpai i ngā whai hua o te iwi
To support the cultural, social, spiritual, political and
economic wellbeing of our people and places

Ngā Whāinga Matua

Purpose

Tiaki Tangata, Tiaki Taiao, Tiaki Taonga
Caring for our People, Places and Treasures



Frank Hippolite
Chair



Joanie Wilson
Deputy Chair



Tahua Solomon



Rāhui Kātene



George Elkington



Tom Speers



Melanie McGregor

Hui ā Iwi & Annual General Meeting Agenda

Friday 21 September 2018, Whakatū Marae

5:30pm

Kawe Mate / Pōwhiri

6:30pm

Hākari

Saturday 22 September 2018, Whakatū Marae

9am

Annual General Meeting

Karakia Timatanga

Mihimihi

Chair Report - Frank Hippolite

Financial Report - Hemi Toia

Commercial Report - Hemi Toia

General Business

Farewell & Welcome Trustees

11:30am

Morning Tea

12pm

Hui ā Iwi

Whakatū Marae Land Trustee Vote

Kaunihera Kaumātua Report

Te Reo Committee Report

He Kupu Reanga Report

Te Haeata Report

Tuatara Committee Report

Whakatū Marae Committee Representatives

General Business

Karakia Whakamutunga

1:30pm

Lunch

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Chair Report



Frank Hippolite

He mihi mahana ki a koutou katoa te iwi o Ngāti Koata.

Ka rere atu āku mihi ki ā rātou mā kua wehe ki tua o Paerau, ki te huihuinga o te Kahurangi. Haere atu, moe mai e te tini e te mano. Ka huri ki a tātou te kanohi ora, kia piki te kaha me te ora.

I would first like to thank all those who have contributed to another successful year for our Trust. My fellow Trustees, Directors, staff, kaumātua, community representatives, and the numerous volunteers who have helped steer our waka towards achieving our goals to care for our people, places and taonga. Thank you all very much for your passion and hard work for our iwi.

We have farewelled Anthony Pātete from the Board and we acknowledge his hard work and attention to detail. We welcome Melanie McGregor to the Board and appreciate her experience at the table. We farewelled Adrienne Kenney who was our GM for a period and we are fortunate enough to have Hemi Toia who is our commercial CE and is able to straddle both roles in the interim.

We welcomed Dianella Ngākuru onto our Associate Director programme, we are so fortunate to have such talent in our Iwi. Daniella's first year is with the Commercial Directors of Koata Ltd, and next year will be with the Trust Board. Dianella has been a welcome addition to the Director team, and she has been a valuable asset for them. We also have more talent in Kyle Edmonds in our Audit and Risk team and his experience is appreciated. It is great to link with our wider whānau from the motu and to allow them to increase their ahi kā.

The Board has been busy over the past 12 months with the MACA (Foreshore & Seabed) Claim underway, the King Salmon hearings, Taonga Tūturu, iwi representations and our ongoing Deed Review.

The Marlborough aquaculture settlement is nearing final agreement and we are confident this will be settled in the first half of 2018.

Our Commercial report shows a steady increase in financial performance and we are happy with our overall commercial direction toward the 2025 goal of growing a \$50M Net Asset Base. Our Commercial arm, Koata Limited is on a steady platform with Rob Pooley at the helm and supported by Rāhui Kātene and Dave Ashcroft as Directors, and Hemi Toia as CE.

Finally I would like to acknowledge Rāhui and Tahua who will be standing down from the Board this year. Thank you both for your contributions to the Board and our Iwi.

Nō reira he mihi anō ki a koutou katoa o Ngāti Koata whānui mō ō koutou manaaki mai ki ā mātou o Te Poari. Tēnā koutou katoa.

Frank Hippolite
Chair, Ngāti Koata Trust

Chief Executive Report

*Tēnā koutou katoa
Ko Ngāpuhi me Te Rarawa nga iwi
Ko Māhurehure me Ngāti Te Ao nga hapū*

Āku nui, āku rahi, tātou e huihui mai nei i raro i te korowai manaaki o te tupuna whaea a Koata, tēnā koutou katoa.

Moving my whānau from Te Tai Tokerau to Te Taihū to expand my voluntary ministry has been accompanied by many blessings, one of which has been the pleasure and privilege of working for and with Ngāti Koata, initially in my role as CE of Koata Limited from April 2017, and since March 2018 as Interim Chief Executive of Ngāti Koata Group (Ngāti Koata Trust, Koata Limited and Te Pātaka a Ngāti Koata Trust).

I acknowledge the Boards of both Ngāti Koata Trust and Koata Limited for their confidence and support, and the ongoing support of all staff and contractors, without whom my role would be impossible to fulfill. Ngā mihi ki ā Jacqui, koutou ko Louisa ko Ammon ko Kimiora ko Jarom ko Renee ko Margaret. Your continued support is very much appreciated. We have also farewelled staff including Adrienne, Maria, Susan, and Micah. Thank you from everyone at the Trust for your contribution to our team.

Most of the mahi done at or by the Trust cannot happen if it were not for the invaluable direction and contribution from our kaumātua, iwi representatives and volunteers. You are the essence of our organisation, and we strive to live up to your generosity of time, energy, expectations and aroha.

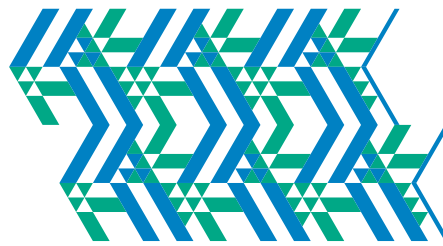
This years Annual Report includes an insight into the many cultural, environmental and social projects and opportunities the Trust has provided to the iwi over the past year, and how they align to the hoe from our Strategic Plan waka. We are also very proud to report on the excellent performance of Koata Limited in protecting, managing and growing Ngāti Koata commercial assets. This financial performance has enabled payments of \$1m from Koata Limited to support the various hoe of Ngāti Koata Trust including the distribution of \$ 63,358 in education, health and sports grants to whānau members and \$40,000 to Ngāti Koata iwi committees (which includes an internal transfer of \$10,000 to Te Haeata).

Nā reira, nei anō te mihi maioha ki ā koutou te ngare o Koata.

Hemi D Toia
Chief Executive - Ngāti Koata Group



Hemi D Toia



Ngāti Koata TRUST

Te Tauihu o te waka

The prow of the waka representing direction/vision

Te Whakakitenga *Vision*

Te hokinga mai o te manu hākapakapa
Ngāti Koata are flourishing

Te Hiwi o te waka

The hull of the waka representing the
supporting structure/purpose

Ngā Whāinga Matua *Purpose*

Tiaki Tangata, Tiaki Taiao, Tiaki Taonga
Caring for our People, Places and Treasures



Ngā Hoe

The paddles

Ngāti Koatatanga *Cultural Revitalisation*

Goals:

To promote, enhance, celebrate and
protect our whakapapa, our kawa,
our reo, and our mātauranga

Tiaki Tangata *Wellbeing*

Goals:

To provide opportunities for our
people to succeed

Tiaki Taiao *Environmental Management*

Goals:

To maintain, strengthen and develop
our kaitiakitanga and relationship
with our environment

The Ngāti Koata Trust Strategic Plan is depicted as a waka that embodies the Vision,

Strategic Plan

Te Hoe Ākau

The steering paddle, represents the values that steer the waka in the right direction

Ngā Tikanga Values

Our values are:

Kaitiakitanga, Whanaungatanga, Rangatiratanga
Kotahitanga, Whakatupuranga, Auahatanga
Mātauranga, Manaakitanga, Wairuatanga

Te Taurapa o te waka

The stern of the waka provides stability/mission

Te Ahunga Mission

Hei hāpai i ngā whai hua o te iwi

To support the cultural, social, spiritual, political and economic wellbeing of our people and places



Tiaki Taonga Cultural Wealth

Goals:

To assist Ngāti Koata whānau to maintain, protect and strengthen their kaitiaki role with our taonga

Mana Motuhake Iwi Development

Goals:

To foster the growth of te mana motuhake o Ngāti Koata

Te Hāpai Ō Organisational Development

Goals:

To provide an organisational, sustainable, informative, representative, transparent structure for Ngāti Koata

Purpose, Values and Goals that will progress the iwi into the future with purpose and unity

Ngāti Koatatanga

To promote, enhance, celebrate and protect our whakapapa, our kawa, our reo, and our mātauranga.



Glomfjord Launch



Ipukarea



Three Rangatahi Pakeke Wānanga Reo



Matariki

Some of the highlights of the year include the promotion and revitalisation of Te Reo Māori through our wānanga reo. I tū ngā wānanga reo e toru ki roto o Anarū mō ngā rangatahi me ngā pakake. Te tokomaha hoki o ngā rangatahi i tae atu ki ngā wānanga, me te whakaihiihi hoki!

We also hosted the Ipukarea Te Taihū Inter-Iwi Sports Day that involved all the iwi of the Top of the South. Formerly known as Pā Wars, this event brought in hundreds from throughout the rohe and was a spectacular whānau day of competitiveness and fun-filled rivalry.

Our annual Matariki celebrations were also a major success with many whānau attending.



Ipukarea



Polly Parai Hippolite Memorial Trophy Cup



Wakatū vs Ngāti Toa Mixed Masters Hockey



Ngahuka Kohe Love Rugby League Trophy - Phoenix vs Toa

Tiaki Tangata

To provide opportunities for our people to succeed.

Trust Grants

Ngāti Koata Trust provides grants to iwi members for health, education and sports. The Trust approved a total of \$63,208 in grants to 121 iwi members in the last financial year. The breakdown is as follows:

Education \$29,958 to 66 iwi members.


Health \$21,250 to 25 iwi members.

Sports \$12,000 to 30 iwi members.

The Trust also provides an annual grant of \$10,000 to Te Kaunihera Kaumātua o Ngāti Koata, He Kupu Reanga, Te Haeata (which is just an internal transfer), and Whakatū Marae. This brings the total amount of grants to \$103,208.


The following graphs illustrate what was used for each of the education, health and sports grants. The bottom graph shows the full allocation of grants approved this financial year.

Education




43%	Bachelor	\$13,000
4%	Diploma	\$1,200
2%	Kip McGrath	\$700
9%	Kohanga Reo	\$2,587
25%	Post Graduate	\$7,400
2%	Professional Training	\$500
15%	School fees/Uniforms	\$4,571
		\$29,958

Health



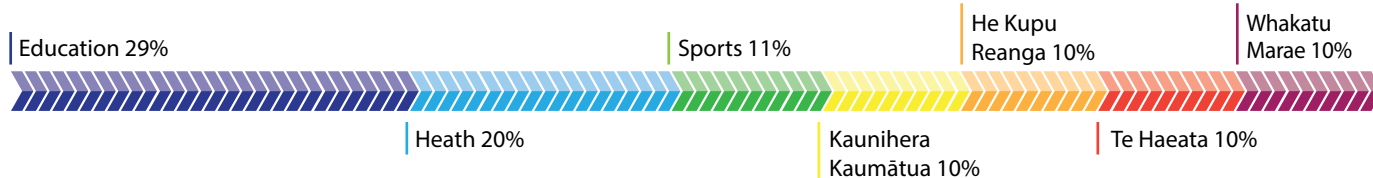
68%	Dental	\$14,523
8%	Optometry	\$1,697
18%	Hearing Aid	\$3,750
1%	Medical Expenses	\$200
5%	Orthotics	\$1,080
		\$21,250

Sport



8%	Regional Tournaments	\$900
74%	National Tournaments	\$8,881
18%	International Tournaments	\$2,219
		\$12,000

Grants Allocation



Our grants help to provide assistance to iwi members in education, health and sports.

The Trust also works collaboratively with our partners such as Tasman Pine who provide a cultural allocation of firewood for our kaumātua to keep their homes warm in winter.



Russleigh Parai

Education Grant Recipient

I wish to express my appreciation to Ngāti Koata Trust for their support of my academic journey into Marine Biology.

Upon returning to NZ in 2015 to spend time with my Dad, I found myself in the creek catching eels for him and my Aunties and Uncles. I had grown up learning and enjoying this art and I had also enjoyed heading out into the local harbour to empty the net of flounder and mullet when I was just a boy.

With the contamination of our water and depleted stocks of tuna I felt inspired to return to Victoria University in an attempt to combine mātauranga Māori with the relevant scientific tools. I am currently on track to complete my Graduate Diploma in Marine Biology and commence my Masters in Environmental Science (fresh water quality) at the beginning of 2019.

The Ngāti Koata Trust Education Grant provided a timely lift in supporting my academic efforts and I am humbled and grateful for their partnership and genuine support of my career aspirations.

Ngā mihi nui



Pearl Boladuadua

Sports Grant Recipient

The Māori Basketball Nationals 2018 was a great opportunity for my whānau to come together and be part of a great organisation. Iwi coming together as one, whether as a player, supporter, kaumātua, kaiawhina, referee or scorer really showed the aroha for the sport and how important it is to come together as one to show their talents in representing our Iwi.

The opportunity to come together to help whānau Māori understand how important exercise and being healthy was awesome.

The grants have been greatly appreciated from my whānau as it not only helped us to come together and represent our Iwi but also coming together and giving my children and I the opportunity to meet other whānau and Iwi, and to also help my whānau with costings for us to get to Rotorua.

My children and I greatly appreciate the aroha of NKT and the grants they offer and would like to say a huge THANK YOU NGĀTI KOATA TRUST for allowing my children and I the opportunity to participate in this event. I would like to think that this is the beginning of my children, mokos and myself journey in becoming more involved with our Ngāti Koata whānau.

Ngā Mihi



Puhanga Tupaea

Health Grant Recipient

I would like to thank Ngāti Koata for my new hearing aids I was able to purchase with the assistance of the health grant. It has been a blessing to me and my whānau (when I remember to put them in!).

The hearings aids have given me a new lease on life, and has helped me to participate and contribute with my friends and whānau at home, church, and in community events.

I love my Ngāti Koata whānau, and appreciate the love and assistance I receive in return.

E mihi ana ki a koutou katoa mo tēnei taonga, me te hāpai mai ki ahau.



Erratum:

In the 2017 Annual Report we incorrectly published Angus Elkington as the son of Uncle Angus and Aunty Leah (Ria) last year. He is in fact their grandson.

Tiaki Taiao

To maintain, strengthen and develop our kaitiakitanga and relationship with our environment.



Tuna Project Hinaki



Preparing the Tuna



Cultural Mapping Project trip to Kāwhia



GNS Wānanga in W

Some of our Taiao projects include the continued restoration of the wetlands around Moawhitu, the Tuna project and the Cultural Mapping project.

We have been fortunate to have our sponsors confirm that they will continue to work with us and DOC to fund a further three years of restoration work at Moawhitu. The trip pictured below successfully planted 2500 plants in July.

The Tuna and Cultural Mapping projects have involved interviewing and wānanga with iwi members from all over the motu. This has been a very collaborative undertaking with GNS Science and Alexander Turnbull Library, and has involved many whānau. The final product promises to be a very rewarding resource.



Moawhitu Restoration Project



King Salmon Hearings



Moawhitu



GNS Wānanga in Lower Hutt

Tiaki Taonga

To assist Ngāti Koata whānau to maintain, protect and strengthen their kaitiaki role with our taonga.



Kelly Tarlton's



Translocation of Tuatara



Translocation of Tuatara to Pūangiangi

We have had a very busy year with our tuatara with translocations to Pūangiāngi Island just off Rangitoto, to Victoria University in Wellington, and to the West Coast Wildlife Centre at Franz Josef Glacier. Our relationship with Kelly Tarlton's also enabled some Ngāti Koata whānau members entrance to the aquarium to visit our tuatara kept there with the provision of 60 tickets over the summer holidays.

The Oral History training was organised as part of the Cultural Mapping project, but has proven to be a huge boost to our archivists and other iwi members that attended, and has boosted our effectiveness at maintaining, protecting and strengthening our kaitiaki role with our taonga, including our kaumātua.



to the West Coast Wildlife Centre



Opening of the new Tuatara enclosure at Victoria University



Oral History Training

Mana Motuhake

To foster the growth of te mana motuhake o Ngāti Koata.



Te Haeata Committee Report

The Te Haeata Committee continue to do a marvellous job of improving and maintaining the facilities at Te Haeata.

Successful funding applications by the committee to Rata Foundation has enabled more improvements to be made including a new shower and bathroom renovation for Te Ata Puao, a new oven for Te Umurangi, and a new additional water tank for the whole complex which has increased the capacity of Te Haeata ten fold. We are very grateful to Rata for the invaluable contribution to our Cultural Centre in French Pass.

The new electronic booking system through the Trust website allows whānau to see when it is available, and make bookings online. Our bookings are particularly popular in the summer months, so get in early to ensure your stay in French Pass!

The committee have reviewed and updated the strategic plan and look forward to reporting and sharing these updates with the iwi. Our Whakakitenga (vision statement): He Nohoanga Hākapakapa, is supported by our three Whāinga (objectives): Tiaki Tangata, Tiaki Taiao, Tiaki Taonga.

Our continued thanks and appreciation go out to all those that have volunteered their time and energy at our workbees.

Ngā mihi ki a koutou katoa.



Tuatara Committee Report

Tēnā koutou te iwi, it is a pleasure for the Tuatara Committee to report to our iwi and keep you all informed about what is happening with our taonga species.

The Tuatara Committee is tasked with looking after the welfare of tuatara with whakapapa to Takapourewa on behalf of Ngāti Koata. Our committee is made up of members of the Kaunihera Kaumātua, He Kupu Reanga, handlers and specialists.

Over the past year we have had two translocations, with tuatara taken to Pūangiangi (off Rangitoto Durville) and the West Coast Wildlife Centre in Franz Josef. We also attended the opening and transfer of our tuatara at Victoria University to their new enclosure.

Working in partnership with Kelly Tarltons Aquarium in Auckland, we were able to provide 60 complimentary tickets to Ngāti Koata whānau to see our tuatara held there. It was an excellent opportunity for many of our whānau to maintain a relationship with our taonga held there. Ngā mihi Kelly Tarltons.

Over the past year we have been busy formulating a strategic plan that will help guide our relationship with our taonga, and with those that hold them. The priorities are:

- Mauri Ora | the sustainability of the tuatara
- Whakawhanaungatanga | our relationship with the tuatara and their carers
- Whakapapa | the maintenance of our kōrero tuku iho

We look forward to sharing the many exciting initiatives with the iwi in the future.

I ōu wāhi katoa, kei reira hoki ahau.

Our iwi committees, representatives and volunteers are the backbone of te mana motuhake o Ngāti Koata. E kore te mihi e mimiti ki a koutou e pukumahi ana mo te iwi.



Iwi Representative - Lovey Gieger

Rawenata Loverna (Lovey) Gieger, has been a stalwart for our iwi for most of her life, and has represented Ngāti Koata with many different organisations. She currently represents us on the:

- Care & Protection Resource Panel - Ministry for Children
- Nelson City Council Iwi Working Group
- Nelson Marlborough District Health Board Iwi Health Board

Aunty Lovey has been involved in Health for all her working life; first as a registered Nurse both in Aotearoa and in Texas, and later as a Manager of Ngāti Koata Health & Social Services, later to become Te Kāhui Hauora o Ngāti Koata. She was instrumental in establishing, managing and running the service, and many of the health, social service, and justice contracts.

She is kept busy with all these roles, but is always steadfast in ensuring Ngāti Koata values are adhered to by the organisations she works with. Her reports to the Board and iwi are always valuable, and provide wonderful insights into these organisations.

We value the contribution our iwi representatives make on behalf of our iwi, including Aunty Lovey. They all exemplify the whakataukī: nā tōu rourou, nā tōku rourou, ka ora te iwi (with your food basket and my food basket, the iwi will prosper) by committing their time and energy to their various roles. Kia ora koutou katoa.



Associate Director Programme - Dianella Ngākuru

When the pānui for the Associate Future Director Program came out last year I was excited! Excited to develop my governance skills, but even more excited to get involved with my iwi! Now almost a year in, as I reflect back on these past 12 months it has definitely been a period of tremendous growth.

The programme and the kaupapa surrounding it has been designed for us - the younger Ngāti Koata generation, in mind. An opportunity to be mentored by our whanaunga who have much experience, much skill, much dedication and much passion in seeing Ngāti Koata flourish is such an inspiring initiative to be a part of.

I encourage any of you that want to know what governance is all about, of what a Board is and what happens on a Board, and using your skills, experience, and business thinking to get involved in the program and be a part of making Ngāti Koata flourish for future generations!

Te Hāpai Ō

To provide an organisational, sustainable, informative, representative, transparent structure for Ngāti Koata



Ngāti Koata Trust Board Members



2017 Investing in People and Skills Award - Nelson Tasman Chamber of Commerce Business Awards

The Group manages iwi assets on behalf of Ngāti Koata with the aim of caring for our people, places and taonga; and supporting cultural, social, spiritual, political and economic aspirations of the iwi. The Strategic Plan is the overarching vehicle that helps us achieve these goals.

In partnership with our partners we also provide programmes that benefit our iwi members and the wider community such as Strengthening Early Learning Opportunities (SELO), the Incredible Years Programme (IYP), and the Department of Corrections Tikanga Programme.

Ngāti Koata Trust were awarded the 2017 Nelson Tasman Chamber of Commerce Business Award for Investing in People and Skills.



Te Ihu Waka - Wāhine ki Whakatū Programme
Facilitator Hinengākau Taurerewa



Incredible Years Programme facilitators
Huhana Hippolite van-Steeden and Joanie Carew



Ngāti Koata Trust Kaimahi

Ngā Tikanga

Our values are Kaitiakitanga, Whanaungatanga, Rangatiratanga Kotahitanga, Whakatupuranga, Auahatanga, Mātauranga, Manaakitanga, Wairuatanga



Māori Basketball Nationals



Arthur and Leoncine's Wedding



Lorene Wallace graduating with her Bachelor of Business in Accounting



Aunty Maria's 80th Birthday



Bailee Johnston - our rising star in Australian Netball



Maia Jefford is our Gymnastics Champ!

Te hoe ākau is the steering paddle that represents the values that steer our waka in the right direction. We value the successes of our people, and celebrate their wonderful achievements with them and their whānau. Ki te tuohu koe me he maunga teitei.



Our own AquaMan - Nohorua Kalani



Our tamariki mokopuna learning to provide for their whānau and kaumātua



Jarom Hippolite graduating with his Bachelor of Arts in Māori Resource Management



Te Ipukarea Inter-Iwi Sports Day

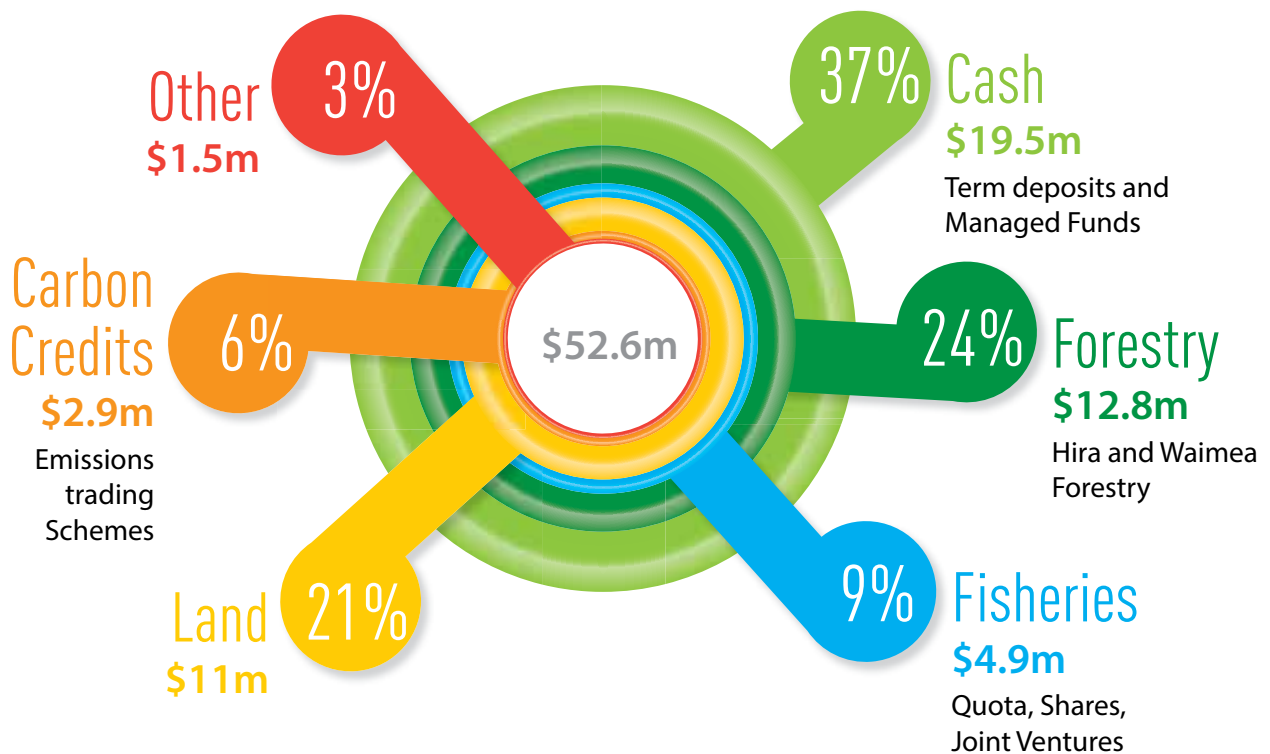


Tane & Jess Hippolite Getting Hitched



Te Ipukarea Inter-Iwi Sports Day

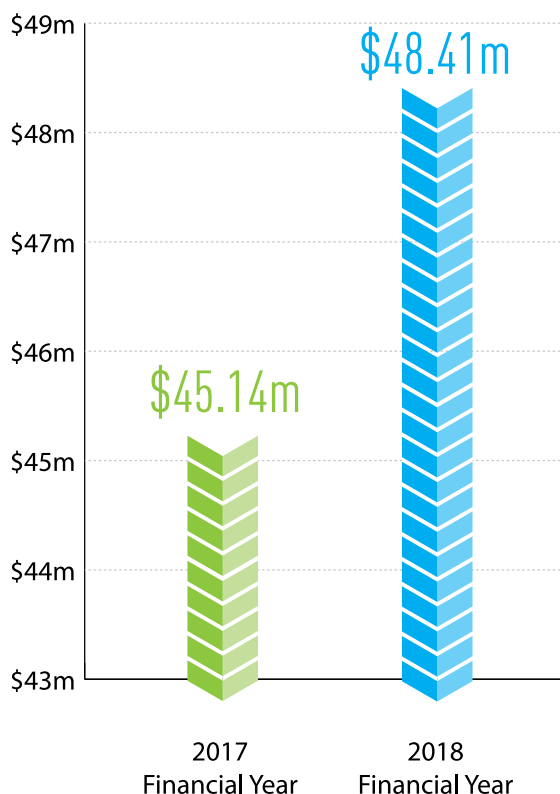
Ngāti Koata Group Net Asset Summary



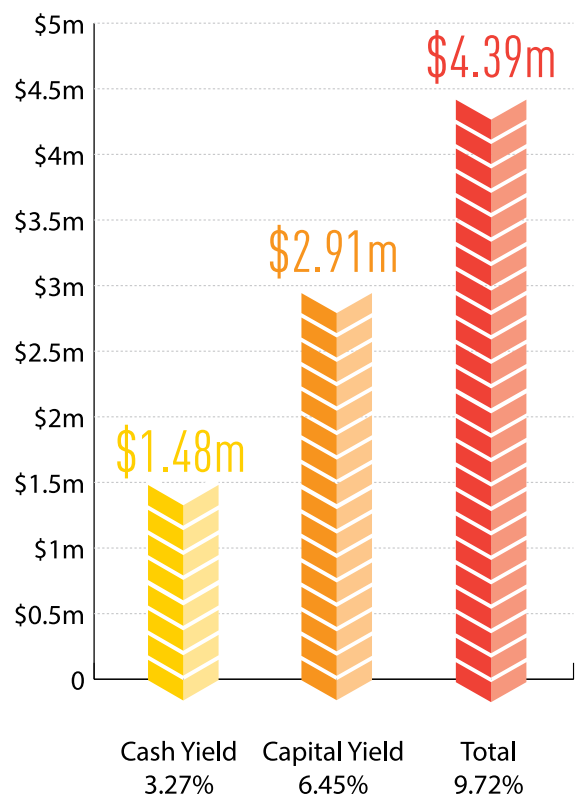
Koata Limited (Commercial) Performance Summary

(as extracted from the Koata Limited financial statements)

Net Asset Base - 7.24% Increase



Return on Net Asset Base of \$45.1m



Commercial Directors' Report

Toitū te marae a Tāne
Toitū te marae a Tangaroa
Toitū te iwi

Tēnā koutou katoa

On behalf of the Commercial Directors it is my pleasure to present the Consolidated Accounts for the 2017-2018 Financial Year.

The mission of Koata Ltd is to support the vision of Ngāti Koata Trust; 'Te hokinga mai o te manu hākapakapa - Ngāti Koata are flourishing.' Our commercial mission is described as 'Pupuru kia mau. Tupua kia eke panuku ngā whai rawa o Ngāti Koata - protecting, managing and growing Ngāti Koata commercial assets.' Directors are proud to be making significant progress with that mission, in partnership with the Ngāti Koata Trust Board and Kaumātua.

The financial year can be summarised with three key profit performance messages; commercial operations made a \$1.5m cash profit (excluding revaluation gains) \$1m of that was paid to the Ngāti Koata Trust Board and \$0.5m reinvested, and commercial assets grew by a further \$2.9m by way of market revaluation. The key balance sheet message is that the Net Asset Base grew 7.2% from \$45.1m in March 2017 to \$48.4m in March 2018.

During the year we also made very real progress in developing our 'SIPO' (Statement of Investment Policy

and Objectives) - the document approved by your Trust Board that gives Directors their mandate to operate. This year's SIPO addresses many issues identified from prior versions, and for the first time resulted in the Trust's professional advisors agreeing the Koata Limited SIPO could be locked down for longer than 12 months. Now that our operational platform has been consolidated Directors are continually looking at Koata Limited's long-term strategy including the development of a 4-6 year SIPO. We acknowledge the role our Chief Executive Hemi D Toia has played in having the new SIPO approved, and in achieving profit and relationship performance outcomes. The whakataukī above talks about caring for our natural resources, and in turn they will care for us. With this in mind we will continually strive to be mindful caretakers of your resources to continue to benefit future generations of Ngāti Koata.

In closing I acknowledge the contribution from all your Directors, they have governed professionally and with honesty and integrity, and I am sure they would join me in acknowledging the support and trust of your Trust Board, without which they could not function.

Rob Pooley
Chair, Koata Ltd

Commercial Directors (from left) Dave Ashcroft, Rob Pooley - Chair, Rāhui Kātene with CE Hemi Toia



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NGĀTI KOATA TRUST

Opinion

We have audited the financial statements of Ngāti Koata Trust ("the Parent") and the consolidated financial statements of the Parent and its subsidiaries (together, "the Group"), on pages 27 to 43, which comprise the Parent and consolidated statements of financial position as at 31 March 2018, and the Parent and consolidated statements of comprehensive revenue and expense, Parent and consolidated statements of movements in equity and Parent and consolidated statements of cashflows for the year then ended, and notes to the Parent and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying Parent and consolidated financial statements, on pages 27 to 43, present fairly, in all material respects, the Parent and consolidated financial position of the Group as at 31 March 2018, and the Parent and consolidated financial performance and the Parent and consolidated cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

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

Other Information

The Trustees are responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the Parent and consolidated 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 Parent and 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 Parent and consolidated 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.

Trustees' Responsibilities for the Parent and Consolidated Financial Statements

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

In preparing the Parent and consolidated financial statements, the trustees are responsible on behalf of the Parent and Group for assessing the Parent and 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 Parent and Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Parent and Consolidated Financial Statements

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

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

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

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

Who we Report to

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

BDO Wellington Audit Limited

BDO Wellington Audit Limited
Wellington, New Zealand
28 July 2018

Summary Financial Accounts

For the Year Ended 31 March 2018

REVENUE - This is the Group's income from leased land (comprising largely of schools and forests), marine operations and investments (managed portfolio and term deposits).

EXPENSES - These are all the costs we have had to pay to run the Group. This includes employee costs, iwi development expenses, governance costs, consultancy, legal, office costs and grant payments.

CROWN SETTLEMENTS - This is the value of the cash and assets transferred from the Crown to the Group.

SHARE OF ASSOCIATES - Our share of revenue in entities which we hold an interest in (Tui Joint Venture and Port Nicholson Fisheries Ltd Partnership).

REVALUATIONS - This is the revaluation of land, carbon credits and quota shares to market value. The gain or loss is added or deducted from the surplus for the year.

Summary Statement of Comprehensive Revenue and Expense

	2018 \$	2017 \$
Revenue	2,692,405	2,221,875
Total Expenses	2,203,299	2,002,154
Net Operating Surplus Before Crown Settlements, Share of Associates and Revaluations	489,106	219,721
Crown Settlements	-	-
Share of Associates Results	57,794	42,373
Revaluations	2,913,194	4,330,784
Total Comprehensive Revenue and Expense	3,460,094	4,592,878

TOTAL ASSETS - This is the sum of all the assets that the Group owns. Assets are classified as either Current (meaning they are able to be sold or cashed up in a period of 12 months such as Cash, and some Term Deposits), or Non-Current (held for longer than 12 months, such as Land, Investments, and some Term Deposits).

LIABILITIES - This is the amount the Group owes to third party suppliers or goods or services that we are yet to pay for under normal trading terms.

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

Summary Statement of Financial Position

	2018 \$	2017 \$
Current Assets	19,413,852	17,720,818
Non-Current Assets	33,871,365	31,924,295
Total Assets	53,285,217	49,645,113
Current Liabilities	675,452	495,442
Net Assets	52,609,766	49,149,671
Total Equity	52,609,766	49,149,671

Ngāti Koata Trust Group Consolidated Financial Statements

Statement of Comprehensive Revenue & Expense

For the Year Ended 31 March 2018

		CONSOLIDATED		PARENT	
	Notes	2018 \$	2017 \$	2018 \$	2017 \$
Revenue					
Exchange Revenue					
Fisheries Income		210,496	214,636	-	-
Lease Income	1	1,032,927	915,995	-	-
Non-Exchange Revenue					
Contracts Income		500,433	344,017	500,433	344,017
Other Revenue					
Interest Received (excluding managed funds)		459,255	524,599	94,916	96,930
Dividends Received (excluding managed funds)		36,806	19,384	-	-
Exempt Dividends Received		-	-	157,267	-
Sundry Income		18,457	34,425	181,609	289,336
Managed Portfolio BNZ/JB Were	2	343,689	168,819	-	-
Share of Profit - Port Nicholson Fisheries Limited Partnership		31,414	25,991	-	-
Share of Profit - The Tui Joint Venture		26,380	16,382	-	-
Taxable Distribution - Te Pātaka a Ngāti Koata Trust		-	-	125,590	828,571
Capital Gain on Sale of Property	3	90,341	-	-	-
Revenue before Revaluation of Investment Property		2,750,199	2,264,248	1,059,815	1,558,854
Revaluation of Investment Property					
Revaluation of Commercial Land	3, 4	1,080,000	1,471,160	-	-
Revaluation of Forest Land	3, 4	851,000	920,000	-	-
Total Revenue		4,681,199	4,655,408	1,059,815	1,558,854
Less Expenses					
Administration Expenses	5	84,364	176,710	68,350	91,053
Consultancy Expenses	6	175,399	125,544	70,554	84,281
Depreciation		21,196	24,735	8,123	9,707
Health, Education and Well-being Grants	7	93,358	104,692	93,358	104,692
Financial Expenses	8	5,290	16,703	460	199
Operating Expenses	9	1,845,670	1,548,777	1,475,288	1,349,951
Total Expenses		2,225,277	1,997,161	1,716,134	1,639,883
Net Surplus/(Deficit) before Taxation and Other Comprehensive Revenue and Expense		2,455,922	2,658,247	(656,319)	(81,029)
Less Income Tax Expense	10	(21,978)	4,993	-	-
		(21,978)	4,993	-	-
Net Surplus/(Deficit) before Other Comprehensive Revenue and Expense		2,477,900	2,653,254	(656,319)	(81,029)
Other Comprehensive Revenue and Expense					
Revaluation of Cultural Redress Properties	4	-	1,068,000	-	-
Revaluation of Carbon Credits	4	510,300	823,284	-	-
Revaluation of Quota Shares	4, 16	471,894	48,340	-	-
Total Other Comprehensive Revenue and Expense for the year		982,194	1,939,624	-	-
Total Comprehensive Revenue and Expense for the year		3,460,095	4,592,878	(656,319)	(81,029)

The attached Notes and Auditor's report form an integral part of these financial statements.

Statement of Movements in Equity

For the Year Ended 31 March 2018

Consolidated

	Retained Earnings	Asset Revaluation Reserve	Capital Reserve	Total Equity
Opening Balance 1 April 2016	16,267,189	8,548,035	19,741,569	44,556,792
Total Comprehensive Income for the Year	2,653,254	1,939,624	-	4,592,878
Transfer to Asset Revaluation Reserve	(2,391,160)	2,391,160	-	-
Balance 31 March 2017	16,529,283	12,878,819	19,741,569	49,149,671
Total Comprehensive Income for the Year	2,477,900	982,194	-	3,460,095
Transfer to Asset Revaluation Reserve	(1,931,000)	1,931,000	-	-
Balance 31 March 2018	17,076,183	15,792,013	19,741,569	52,609,766

Parent

Opening Balance 1 April 2016	10,488,665	-	-	10,488,665
Total Comprehensive Income for the Year	(81,029)	-	-	(81,029)
Balance 31 March 2017	10,407,636	-	-	10,407,636
Total Comprehensive Income for the Year	(656,319)	-	-	(656,319)
Balance 31 March 2018	9,751,317	-	-	9,751,317

The attached Notes and Auditor's report form an integral part of these financial statements.

Statement of Financial Position


As at 31 March 2018

		CONSOLIDATED		PARENT	
	Notes	2018 \$	2017 \$	2018 \$	2017 \$
Current Assets					
Cash and Cash Equivalents	11	1,782,063	1,029,417	407,231	509,338
Accounts Receivable		286,756	55,147	41,463	89,391
GST Receivable		-	66,775	2,883	71,423
Income Tax Receivable	10	34,396	58,536	21,978	145,000
Accrued Income		343,031	271,794	14,675	15,136
Term Deposits	11	10,091,313	9,599,141	1,334,779	2,042,733
BNZ Private Banking Portfolios		-	6,389,150	-	-
JB Were Portfolio		6,665,055	-	-	-
Augusta Value Add Fund		134,000	200,000	-	-
Advance - The Tui Joint Venture	13	77,238	50,858	-	-
Inter Entity Balances	13	-	-	-	7,399,223
Total Current Assets		19,413,852	17,720,818	1,823,009	10,272,244
Non Current Assets					
Property, Plant and Equipment	14	1,423,959	1,440,083	1,302,289	316,842
Investments - Commercial Land	3	11,020,000	9,940,000	-	-
Investments - Forest Land	3	12,753,000	11,902,000	-	-
Carbon Credits	15	2,850,876	2,340,576	-	-
Quota Valuation	16	4,504,846	4,032,952	-	-
Shares - Tainui Taranaki ki te Tonga Limited		7,493	7,493	7,493	7,493
Shares - Aotearoa Fisheries Limited (260)		147,086	147,086	-	-
Shares - Kotato Limited		100	100	-	-
Shares - Ring Road Consortium		131,301	131,301	-	-
Shares - Koata Limited	18	-	-	33,806,461	-
Term Deposits	11	1,000,000	1,950,000	1,000,000	-
Land Interest in Tinui Island		32,704	32,704	32,704	32,704
Total Non Current Assets		33,871,365	31,924,295	36,148,947	357,039
Total Assets		53,285,217	49,645,113	37,971,956	10,629,283
Current Liabilities					
Accounts Payable and Other Accruals		259,424	175,260	161,729	148,245
GST Payable		36,729	-	-	-
Income in Advance	17	379,299	320,182	10,050	73,402
Loan - Te Pātaka a Ngāti Koata Trust	12, 13	-	-	28,048,860	-
Total Current Liabilities		675,452	495,442	28,220,639	221,647
Net Assets		52,609,766	49,149,671	9,751,317	10,407,636
Represented by:					
Trustees Funds / Shareholders' Equity					
Retained Earnings		17,076,183	16,529,283	9,751,317	10,407,636
Capital Reserve		19,741,569	19,741,569	-	-
Asset Revaluation Reserve	4	15,792,013	12,878,819	-	-
Total Trustees Funds / Shareholders' Equity		52,609,766	49,149,671	9,751,317	10,407,636

For and on behalf of the Board of Trustees:

Trustee
28 July 2018


Trustee



The attached Notes and Auditor's report form an integral part of these financial statements.

Statement of Cashflows

For the Year Ended 31 March 2018

		CONSOLIDATED		PARENT	
		2018	2017	2018	2017
	Notes	\$	\$	\$	\$
Cash Flows From Operating Activities					
Cash was provided from:					
Receipts from Customers		1,814,977	1,558,466	666,619	635,230
Interest Income		457,585	424,813	95,377	81,794
Dividend Income		26,519	184,875	-	-
Income Tax refund		146,817	259,000	145,000	259,000
Distributions		-	-	157,267	371,000
Net Movement in GST		116,444	-	68,540	-
		2,562,342	2,427,154	1,132,803	1,347,024
Cash was applied to:					
Payments to Suppliers		2,281,391	1,909,788	1,694,527	1,584,914
Interest Expense		2,194	6,332	-	-
Income Tax Paid		88,281	194,664	-	-
Net Movement in GST		-	62,549	-	59,833
		2,371,866	2,173,333	1,694,527	1,644,747
Net Cash Flows from Operating Activities	19	190,476	253,821	(561,724)	(297,723)
Cash Flows from Investing Activities					
Cash was provided from:					
BNZ Portfolio		6,389,150	-	-	-
Term investment activities (net)		-	2,959,504	-	365,912
Augusta Value Add Fund		66,000	-	-	-
Sale of Trafalgar Street (net)		90,341	-	-	-
		6,545,491	2,959,504	-	365,912
Cash was applied to:					
JB Were Portfolio		6,321,366	997,764	-	-
Investments - Commercial Land		-	1,123,840	-	-
Fixed Assets		5,501	299,885	2,570	297,524
Term investment activities (net)		(343,546)	-	292,046	-
		5,983,321	2,421,489	294,616	297,524
Net Cash Flows from Investing Activities		562,170	538,015	(294,616)	68,388
Cash Flows from Financing Activities					
Cash was provided from:					
Advance - Koata Limited		-	-	842,733	400,000
		-	-	842,733	400,000
Cash was applied to:					
Advance - Te Pataka a Ngati Koata Trust		-	-	88,500	-
Advance - The Tui Joint Venture		-	15,000	-	-
ASB Trade Advance		-	200,000	-	-
		-	215,000	88,500	-
Net Cash Flows from Financing Activities		-	(215,000)	754,233	400,000
Net Increase (Decrease) in Cash Held		752,646	576,836	(102,107)	170,665
Cash at 1 April 2017		1,029,417	452,581	509,338	338,673
Cash at 31 March 2018		1,782,063	1,029,417	407,231	509,338
Represented by:					
Cash at Bank		1,782,063	1,029,417	407,231	509,338
		1,782,063	1,029,417	407,231	509,338

The attached Notes and Auditor's report form an integral part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 March 2018

A. REPORTING ENTITY

Ngāti Koata Trust is a public benefit entity for the purpose of financial reporting in accordance with the Financial Reporting Act 2013. These financial statements comprise the financial statements of Ngāti Koata Trust (the "Parent") and its subsidiaries (together referred to as the "Group") for the year ended 31 March 2018. Ngāti Koata Trust is a trust established and domiciled in New Zealand by trust deed and is registered with the Charities Commission under the Charities Act 2005.

The Ngāti Koata Trust Group includes a number of operating and non-operating subsidiary companies which are included in these consolidated financial statements, these are:

- Koata Limited (asset holding company, operating)
- Te Pātaka a Ngāti Koata (Post Settlement Entity, operating)
- Te Kete Aronui o Ngāti Koata Limited (Investment Entity, amalgamated with Koata Limited on 3 April 2017)
- Te Kawau a Toru Developments Limited (non-operating, struck off Companies Register on 29 April 2016)

B. BASIS OF PREPARATION

a) Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities. All reduced disclosure regime exemptions have been adopted, except the entity has chosen to present a reconciliation to net cashflows from operating activities - refer Note 19.

The Group is eligible to report under PBE Standards RDR because it does not have public accountability and is not large.

The Parent and Group are deemed a public benefit entity for financial reporting purposes, as the Group's primary objective is to provide services to the community for social benefit and it has been established with a view to supporting that primary objective rather than for financial return.

The consolidated and separate Financial Statements comply with NZ GAAP and the Charities Act 2005.

The financial statements were authorised for issue by the Trustees on Saturday the 28 July 2018.

b) Basis of measurement

The financial statements have been prepared on an historical costs basis, except for assets and liabilities that have been revalued as identified in specific accounting policies below.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

(c) Functional and Presentation currency

The financial statements are presented in New Zealand dollars, which is Ngāti Koata Trust's functional and the Group's presentation currency.

All numbers are rounded to the nearest dollar (\$), except when otherwise stated.

(d) Comparatives

The comparative financial period is 12 months. Comparatives may have been reclassified from that reported in the 31 March 2017 financial statements where appropriate to ensure consistency with the presentation of the current year's position and performance.

(e) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

C. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with PBE Standards RDR requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

D. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the entity have been applied consistently to all years presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarised below:

a) BASIS OF CONSOLIDATION

The Group financial statements consolidate the financial statements of the Parent and all entities over which the Parent has control, and which are considered material to these accounts. Control is determined as the power to govern the financial and operating policies so as to obtain benefits from their activities (defined as 'subsidiaries'). The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The purchase method is used to prepare the consolidated financial statements, which involves adding together like terms of assets, liabilities, income and expenses on a line by line basis. All transactions and balances within the Group are eliminated on consolidation, including unrealised gains and losses on transactions.

b) REVENUE

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

The Group assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the entity's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense.

Notes to the Financial Statements

For the Year Ended 31 March 2018

The following specific recognition criteria must be met before revenue is recognised:

(i) Revenue from Exchange Transactions

Sale of goods

Revenue from sale of goods is recognised when the entity has transferred to the buyer the significant risks and rewards of ownership of the goods supplied. Significant risks and rewards are generally considered to be transferred to the buyer when the customer has taken undisputed delivery of the goods.

Rendering of services

Revenue from services rendered is recognised in the surplus or deficit in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed. Under this method, revenue is recognised in the accounting periods in which the services are provided.

Lease income

Lease income arising from leased assets is accounted for on a straight-line basis over the lease term.

(ii) Revenue from Non-exchange Transactions

Non-exchange transactions are those where the Group receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

With the exception of services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where both:

- It is probable that the associated future economic benefit or service potential will flow to the entity, and
- Fair value is reliably measurable.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be reliably estimated.

The following specific recognition criteria in relation to the Group's non-exchange transaction revenue streams must also be met before revenue is recognised.

Donated services

Some of the operations of the entity are reliant on services provided by volunteers. Volunteer services received are not recognised as revenue or expenditure.

Crown Funding

Crown Funding revenue includes revenue from historical and or fisheries settlements and is recognised when the entitlement (control) passes to the company and or where the company is able to enforce the claim. Revenue is recognised as an amount that reflects the exchange at its deemed cost at the date of exchange.

(iii) Other Income

Interest income

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

Dividend income

Dividend income is recognised on the date that the entity's rights to receive payments are established.

c) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment excluding Cultural Redress Properties (see (d) page 33) are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Additions and subsequent costs

Subsequent costs and the cost of replacing part of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

All repairs and maintenance expenditure is charged to surplus or deficit in the year in which the expense is incurred.

Disposals

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

When an item of property, plant or equipment is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is reclassified to accumulated funds.

Depreciation

Depreciation is recognised as an expense in the reported surplus or deficit and measured on a straight value (SL) basis on all property, plant and equipment over the estimated useful life of the asset unless specified otherwise. The following depreciation rates have been applied at each class of property, plant and equipment:

Asset Class	Rate
Land and Buildings	0.0%
Plant and Equipment	0.00% - 28.8%
Te Haeata Cultural Centre - Plant and Equipment	0.00% - 40.0%
Office Equipment	7.0% - 67.0%
Website	50.0%
Tui Mussel Lines	20.0%

The residual value, useful life, and depreciation methods of property, plant and equipment is reassessed annually.

Notes to the Financial Statements

For the Year Ended 31 March 2018

d) REVALUATIONS

Quota shares are revalued to fair value with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Cultural Redress Properties are revalued to fair value with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

After initial recognition, assets subject to revaluation whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Fair value is determined by reference to market based evidence, which is the amount for which the assets could be exchanged between a willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date.

Any revaluation surplus on Investment Property is recognised in the surplus or deficit in the year in which they arise. Any other revaluation surplus is recognised in other comprehensive revenue and expenses and credited to the asset revaluation reserve in equity, unless the increase relates to a revaluation decrease of the same asset previously recognised in the surplus or deficit.

Any revaluation deficit on Investment Property is recognised in the surplus or deficit in the year in which they arise. Any other revaluation deficit is recognised in other comprehensive revenue and expenses and credited to the asset revaluation reserve in equity to the extent of the revaluation reserve balance accumulated from previous year gains. When no revaluation reserve balance is available to offset a revaluation loss the revaluation deficit is reported within the surplus or deficit for the year.

e) INVESTMENT PROPERTY

Investment property is property primarily held either to earn rental income or for capital appreciation or for both.

Commercial and Forest Land is stated at revalued amounts, based on fair market values based on appraisals prepared by external professional valuers.

Gains or losses arising from changes in the fair values of investment properties are recognised in surplus or deficit in the year in which they arise and are shown in Note 3 as Reconciliation of Movements in Investments.

f) IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amounts of the Group's assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the surplus or deficit.

Estimated recoverable amounts of other assets is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses are reversed (except for goodwill) where there is a change in the estimates used to determine the recoverable amount. These are reversed through profit and loss.

g) FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, other financial assets, trade creditors and other payables, borrowings, and other financial liabilities.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.

Financial assets and financial liabilities are recognised when the reporting entity becomes a party to the contractual provisions of the financial instrument.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the entity transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset.

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

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition into one of the categories defined below, and re-evaluates this designation at each reporting date.

All financial assets except for those classified as fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The classification of financial instruments into one of the categories below, determines the basis for subsequent measurement and the whether any resulting movements in value are recognised in the reported surplus or deficit or other comprehensive revenue and expense.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The entity's cash and cash equivalents, term deposits, trade debtors and most other receivables fall into this category of financial instruments.

After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

(ii) Fair value through surplus or deficit

A financial instrument is classified as fair value through surplus or deficit if it is:

- Held for trading: Derivatives where hedge accounting is not applied.
- Designated at initial recognition: If the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy.

Notes to the Financial Statements

For the Year Ended 31 March 2018

Those fair value through surplus or deficit instruments sub-classified as held for trading comprise the BNZ Private Banking Portfolio and JB Were Portfolio. Financial instruments classified as fair value through surplus or deficit are subsequently measured at fair value with gains or losses being recognised in surplus or deficit.

(iii) 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. The entity's available-for-sale financial assets include listed securities and debentures, and certain other equity investments.

Equity investments are the Augusta Value Add Fund, shares held in Aotearoa Fisheries Limited (AFL), shares held in Ring Road Consortium Companies, and shares held in Kotato Limited and are measured at cost less any impairment charges, where they do not have a quoted market price and where the value cannot be reliably measured.

All other available-for-sale financial assets are measured at fair value. Gains and losses are recognised in other comprehensive revenue and expenses and reported within the 'available-for-sale revaluation reserve' within equity, except for impairment losses which are recognised in the surplus or deficit for the year.

When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive revenue and expenses is reclassified from the equity reserve to the surplus or deficit and presented as a reclassification adjustment within other comprehensive revenue and expenses.

Interest income or dividends on available-for-sale financial assets are recognised in the surplus or deficit.

Available-for-sale financial instruments are reviewed at each reporting date for objective evidence on whether the investment is impaired. Objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost.

Subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through surplus or deficit, that are subsequently measured at fair value with gains or losses recognised in the surplus or deficit.

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

h) PROVISIONS

A provision is recognised for a liability when the settlement amount or timing is uncertain; when there is a present legal or constructive obligation as a result of a past event; it is probable that expenditures will be required to settle the obligation; and a reliable estimate of the potential settlement can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material. The increase in the provision due to the passage of time is recognised as an interest expense.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

i) EMPLOYEE ENTITLEMENTS

Short-term employee benefits

Employee benefits, previously earned from past services, that the entity expect to be settled within 12 months of reporting date are measured based on accrued entitlements at current rates of pay.

These include Directors' fees, salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

j) BORROWING COSTS

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in surplus or deficit using the effective interest method.

Finance costs comprise of interest expenses charged on borrowings and the unwinding of discounts used to measure the fair value of provisions.

k) INCOME TAX

Te Pātaka a Ngāti Koata is a Māori Authority and income tax is charged at the Māori Authority income tax rate (if any).

Te Kete Aronui o Ngāti Koata Limited was a Look Through Company, so all profits and losses flowed through to the shareholders in accordance with their shareholding. Te Kete Aronui o Ngāti Koata Limited was amalgamated into Koata Limited on 3 April 2017 (see Note N).

All other entities within the Group have had no provision made in these financial statements for any taxation liability as there is no current or deferred tax payable. Further, Ngāti Koata Trust and Koata Limited are exempt from income tax.

l) GOODS AND SERVICES TAX (GST)

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

m) QUOTA SHARE

Quota shares are treated as an intangible asset. Quota Shares that are purchased at cost are recognised initially at cost and subsequent fair value. Fair value is determined as the latest valuation less any impairment cost. Values are determined by ToKM valuation except for SCA7 quota shares which have been valued based on Directors' assessment, to ensure the carrying amount does not differ materially from the fair value of the shares.

n) LEASED ASSETS

Leases where the Parent and Group assume substantially all the risks and rewards incidental to ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases.

Subsequent to initial recognition the asset is accounted for in accordance with the accounting policy applicable to the asset.

Payments made under an operating lease are recognised on a straight line basis over the term of the lease. Associated costs such as maintenance and insurances are expensed as incurred.

Rental lease revenue received under operating leases is recognised on a straight line basis over the term of the lease. This excludes receipts from reimbursements for services which are recognised when the customer has received an invoice for the service.

Costs incurred in earning the rental lease revenue are recognised as an expense as they are incurred.

Notes to the Financial Statements

For the Year Ended 31 March 2018

	Consolidated		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
1. Lease Income				
DOC Renwick Land Lease	13,163	13,163	-	-
Stoke Police Land Lease	27,000	27,000	-	-
MOE School Land Lease	495,261	482,897	-	-
Fringed Hill Land Lease	9,056	18,714	-	-
Hira & Waimea Land Lease	488,448	374,221	-	-
Total Lease Income	1,032,927	915,995	-	-

The Hira & Waimea Land Lease is higher than 2017 due to an increase in the lease amount following a lease review.

Terms of Leases are as follows:

	Commencement	Term of Lease	Rent Review
DOC Renwick Land Lease	1 August 2014	15 Years	5 Yearly
Stoke Police Land Lease	1 August 2014	20 Years	5 Yearly
MOE School Land Lease - Maitai and Nayland	1 August 2014	21 Years	7 Yearly
MOE School Land Lease - Brightwater and Broadgreen	28 July 2015	21 Years	7 Yearly
Hira Land Lease	2 Nov 1990	5 Years, then Year to Year	3 Yearly
Waimea Land Lease	2 Nov 1990	59 Years	3 Yearly
MOE School Land Lease - Dovedale	3 June 2016	21 Years	7 Yearly
MOE School Land Lease - Rai Valley	3 June 2016	21 Years	7 Yearly
MOE School Land Lease - Spring Creek	3 June 2016	21 Years	7 Yearly
MOE School Land Lease - Wairua Valley	3 June 2016	21 Years	7 Yearly
MOE School Land Lease - Waitaria Bay	3 June 2016	21 Years	7 Yearly

	Consolidated		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
2. Managed Portfolio BNZ/JB Were				
Interest	7,903	57,756	-	-
Dividends	239,612	165,900	-	-
Portfolio Gains (Losses)	96,174	(54,837)	-	-
Total Managed Portfolio BNZ/JB Were Income	343,689	168,819	-	-

Managed funds were transferred from BNZ to JB Were during the 2018 financial year.

3. Investments

Investments - Commercial Land

DOC Renwick Land	255,000	205,000	-	-
Maitai School Land	730,000	660,000	-	-
Nayland College Land	4,400,000	3,910,000	-	-
Police Office Stoke Land	345,000	295,000	-	-
Brightwater School Land	705,000	645,000	-	-
Broadgreen School Land	3,300,000	3,030,000	-	-
Dovedale School	195,000	175,000	-	-
Rai Valley School	160,000	155,000	-	-
Spring Creek School	575,000	525,000	-	-
Wairua Valley School	180,000	170,000	-	-
Waitaria Bay School	175,000	170,000	-	-
	11,020,000	9,940,000	-	-

Investments - Forest Land

Hira Land	7,237,000	6,766,000	-	-
Waimea Land	5,516,000	5,136,000	-	-
	12,753,000	11,902,000	-	-

Reconciliation of Movements in Investments - Commercial Land

Opening balance 1 April	9,940,000	7,345,000	-	-
Additions	-	1,123,840	-	-
Addition 408 Trafalgar Street	512,659	-	-	-
Carrying amount pre-valuation	10,452,659	8,468,840	-	-
Increase in fair value	1,080,000	1,471,160	-	-
Disposal of 408 Trafalgar Street	(603,000)	-	-	-
Capital Gain on Sale of 408 Trafalgar Street	90,341	-	-	-
Closing balance 31 March	11,020,000	9,940,000	-	-

Reconciliation of Movements in Investments - Forest Land

Opening balance 1 April	11,902,000	10,982,000	-	-
Additions	-	-	-	-
Carrying amount pre-valuation	11,902,000	10,982,000	-	-
Increase in fair value	851,000	920,000	-	-
Closing balance 31 March	12,753,000	11,902,000	-	-

Refer to Note D (e) 'Investment Property' for further information in relation to values.

Notes to the Financial Statements

For the Year Ended 31 March 2018

	Consolidated		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
4. Reserves				
Asset Revaluation Reserves				
<i>Cultural Redress Properties</i>				
Opening Balance	1,068,000	-	-	-
Revaluation	-	1,068,000	-	-
Closing Balance	1,068,000	1,068,000	-	-
<i>Commercial Land</i>				
Opening Balance	1,416,488	(54,672)	-	-
Revaluation	1,080,000	1,471,160	-	-
Closing Balance	2,496,488	1,416,488	-	-
<i>Forest Land</i>				
Opening Balance	6,117,000	5,197,000	-	-
Revaluation	851,000	920,000	-	-
Closing Balance	6,968,000	6,117,000	-	-
<i>Carbon Credits</i>				
Opening Balance	2,340,576	1,517,292	-	-
Revaluation	510,300	823,284	-	-
Closing Balance	2,850,876	2,340,576	-	-
<i>Quota Share Reserve</i>				
Opening Balance	1,936,754	1,888,414	-	-
Movement	471,894	48,340	-	-
Closing Balance	2,408,648	1,936,754	-	-
Closing Balance Asset Revaluation Reserve	15,792,013	12,878,819	-	-
The purpose of the asset revaluation reserve is to track the balance of each asset class being revalued.				
5. Administration Expenses				
Audit Fees	36,000	43,416	17,000	14,661
Accounting Fees	25,496	93,158	17,624	41,395
Printing Costs	13,201	17,138	16,327	16,877
Other Administration Expenses	9,668	21,498	17,399	18,121
Commission Fees	-	1,500	-	-
Total Administration Expenses	84,364	176,710	68,350	91,053
6. Consultancy Expenses				
Consultancy	145,157	110,021	70,554	84,281
Valuations	30,242	15,523	-	-
Total Consultancy Expenses	175,399	125,544	70,554	84,281
7. Health, Education and Well-being Grants				
Education Grants	30,548	33,933	30,548	33,933
Health Grants	21,090	15,736	21,090	15,736
Sports Grants	11,721	9,283	11,721	9,283
Koha - Whakatu Marae	10,000	20,000	10,000	20,000
He Kupu Raenga Costs and Grants	10,000	15,964	10,000	15,964
Kaumatua Grant	10,000	9,777	10,000	9,777
Total Health, Education and Well-being Grants	93,358	104,692	93,358	104,692
8. Financial Expenses				
Interest Expense	4,817	16,176	-	-
Bank Fees	473	527	460	199
Total Financial Expenses	5,290	16,703	460	199

Notes to the Financial Statements

For the Year Ended 31 March 2018

9. Operating Expenses

	Consolidated		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
Employment Expenses	692,517	438,165	582,321	438,165
Contractors	348,097	458,260	311,705	439,264
Legal Costs	215,030	149,666	198,650	125,574
Travel and Accommodation	93,597	68,321	86,530	66,435
Directors' Fees	75,051	66,811	-	-
Other	71,888	54,691	50,690	49,982
Board Fees	52,611	50,950	52,611	50,950
Rent	53,525	65,761	53,525	52,937
Hui Costs - Kai	46,373	39,969	42,785	39,960
Private Equity Portfolio Fees	37,500	-	-	-
Managed Funds Portfolio Fees	28,589	24,045	-	-
Fisheries Levies	24,600	24,565	-	-
Insurance	23,426	20,293	14,968	4,519
External Meeting Fees	22,360	16,297	22,360	16,297
Management Fee - Tiakina Te Taiao	14,511	15,000	14,511	15,000
Repairs and Maintenance	10,903	2,382	10,903	2,382
Training	10,425	-	10,425	-
Computer Expenses	9,389	7,077	10,570	7,077
Hui Expenses	4,917	17,972	4,917	17,972
Rates	4,637	1,363	2,095	248
Koha	3,910	11,345	3,910	11,345
Project Supplies	1,812	6,851	1,812	6,851
Recruitment Expenses	-	4,994	-	4,994
Operational Costs Recovery (ACE)	-	4,000	-	-
Total Operating Expenses	1,845,670	1,548,777	1,475,288	1,349,951

10. Tax Reconciliation

Operating Surplus (Deficit) Before Tax	2,455,922	2,658,247	(656,319)	(81,029)
Non Assessable (Surplus) Deficit from Ngāti Koata Trust	1,080,349	764,601	656,319	81,029
Non Assessable (Surplus) from Koata Limited	(1,639,987)	(433,552)	-	-
Non Assessable Revaluation of Investment Property	(1,931,000)	(2,320,000)	-	-
Consolidated Māori Authority Tax Credits Received from Te Pātaka a Ngāti Koata Trust	21,978	145,000	-	-
Adjusted Net Surplus (Deficit) Before Tax	(12,738)	814,296	-	-
Non Deductible Expenses				
Insurance	-	3,550	-	-
Legal Fees	-	21,356	-	-
Other	-	17,900	-	-
	-	42,806	-	-
Taxable Income (Loss to Carry Forward)	(12,738)	857,102	-	-
Tax Expense Before Adjustments	-	149,993	-	-
Consolidated Māori Authority Tax Credits Received from Te Pātaka a Ngāti Koata Trust	(21,978)	(145,000)	-	-
Tax Expense as per Statement of Comprehensive Revenue and Expense	(21,978)	4,993	-	-
Resident Withholding Tax Paid	(10,287)	(28,891)	-	-
Māori Authority Tax Credits	(2,131)	(1,817)	(21,978)	(145,000)
Income Tax Payable (Receivable) from Last Year	(58,536)	(98,666)	(145,000)	(259,000)
Income Tax Paid	(88,281)	(194,562)	-	-
Refund Received	146,817	260,407	145,000	259,000
Income Tax Payable (Receivable)	(34,396)	(58,536)	(21,978)	(145,000)

11. Banking Facilities

Cash Balances	1,782,063	1,029,417	407,231	509,338
Term Deposits - Current	10,091,313	9,599,141	1,334,779	2,042,733
Term Deposits - Non Current	1,000,000	1,950,000	1,000,000	-

The Group's Term Deposits are made up of 13 separate deposits maturing within 12 months of balance date (2017: 10 deposits) and 1 separate deposit maturing greater than 12 months (2017: 2 deposits).

Per annum annual interest rate ranges applicable to banking facilities were as follows:

Cash Balances	0.00% - 0.50%	0.00% - 0.50%	0.00% - 0.50%	0.00% - 0.50%
Term Deposits	2.36% - 4.16%	3.55% - 5.30%	3.45% - 3.72%	3.55% - 5.30%

12. Loan - Te Pātaka a Ngāti Koata Trust

The loan from Te Pātaka a Ngāti Koata Trust is made up as follows:

Opening Balance	-	-	-	-
Restructure Transactions 3 April 2017 (see Note M)	-	-	28,240,971	-
Advance to Te Pātaka a Ngāti Koata Trust during the year	-	-	(88,499)	-
Taxable Distribution from Te Pātaka a Ngāti Koata Trust	-	-	(103,612)	-
Closing Balance	-	-	28,048,860	-

The loan is repayable on demand. It is interest free unless demanded in writing prior to 30 June the following year.

Notes to the Financial Statements

For the Year Ended 31 March 2018

13. Related Parties

Related Party Advance Accounts - Receivable (Payable)

	Consolidated		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
Advance - The Tui Joint Venture	77,238	50,858	-	-
Loan - Koata Limited	-	-	-	7,095,369
Advance - Koata Limited	-	-	-	1,683
Advance - Te Kete Aronui o Ngāti Koata Limited	-	-	-	(10,400)
Loan - Te Pātaka a Ngāti Koata Trust	-	-	(28,048,860)	312,571
	77,238	50,858	(28,048,860)	7,399,223

Related Party Transactions

Income

The Tui Joint Venture	26,380	16,382	-	-
Port Nicholson Fisheries Limited Partnership	31,414	25,991	-	-
Kotato Limited	83,951	77,492	-	-
Aotearoa Fisheries Limited	12,176	10,384	-	-
Te Kete Aronui o Ngāti Koata Limited (administration on-charges)	-	-	-	127,759
Koata Limited (administration on-charges)	-	-	163,151	127,153
Te Pātaka a Ngāti Koata Trust (distribution)	-	-	103,612	828,571
Koata Limited (distributions)	-	-	157,267	-

Trustees Fees and Committees

The following Trustees received fees from Ngāti Koata Trust during the year:

Frank Hippolite	21,649	17,678	21,649	17,678
George Elkington	11,025	2,900	11,025	2,900
Tahua Solomon	9,724	8,250	9,724	8,250
Rāhui Kātene	9,283	8,300	9,283	8,300
Joanie Wilson	7,600	3,400	7,600	3,400
Anthony Pātete (ceased December 2017)	4,636	8,643	4,636	8,643
John Dobson (ceased September 2017)	4,075	9,550	-	9,550
Tom Speers (elected September 2017)	2,400	-	2,400	-
Melanie MacGregor (elected February 2018)	500	-	500	-
Jeanette Grace (ceased November 2016)	-	6,350	-	6,350
	70,892	65,071	66,817	65,071

The following Trustees were on various committees as follows:

	HR Committee	Audit Risk Committee	Grants Committee
Frank Hippolite	April 17 - Mar 18	-	-
Rāhui Kātene	Nov 16 - Mar 18	-	-
Anthony Pātete	April 16 - Dec 17	-	-
Joanie Wilson	-	Nov 16 - Mar 18	-
Tom Speers	-	Sept 17 - Mar 18	-
John Dobson	-	April 16 - Sept 17	-
Tahua Solomon	-	-	April 16 - Jul 17

	Consolidated		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
Expenses				
Rob Pooley - Directors' Fees	34,000	27,329	-	-
Dave Ashcroft - Directors' Fees	18,000	15,250	-	-
Rāhui Kātene - Directors' Fees	18,000	14,468	-	-
Dee Ngākuru - Directors' Fees	5,000	-	-	-
Antonina Grant - Consulting Fees	-	5,236	-	-
Antonina Grant - Directors' Fees	-	3,765	-	-
Tahua Solomon - Directors' Fees	-	3,000	-	-
Frans van Boekhout - Consulting Fees	-	5,535	-	-
Frans van Boekhout - Directors' Fees	-	3,000	-	-
Receivables at Balance Date	-	-	11,788	36,671
Koata Limited	-	-	-	-
Port Nicholson Fisheries Limited Partnership	31,414	26,500	-	-

Payables at Balance Date

Koata Limited	-	-	17,250	-
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Nature of Relationships

The Tui Joint Venture

Koata Limited holds a 25% share in the Tui Joint Venture. Koata Limited received its share of mussel farming income and expenses received and paid for by the Tui Joint Venture. Koata Limited has Directors that are also representatives of the Tui Joint Venture.

Koata Limited

The loan from Ngāti Koata Trust was repaid in full during the year by way of issued share capital.

The advance to Koata Limited is interest free and repayable on demand.

Te Pātaka a Ngāti Koata Trust

Payments made to Ngāti Koata Trust in 2017 were in relation to overhead expense on-charges, and Te Kete Aronui o Ngāti Koata Limited's share of expenses incurred by Ngāti Koata Trust. The advances to and from Ngāti Koata Trust in 2017 arose as a result of transfers of cash, and distributions between the entities. The advances are interest free and repayable on demand.

The Ngāti Koata Loan \$28,048,860 comprises the purchase of shares in Te Kete Aronui a Ngāti Koata Limited of \$26,711,092, the transfer of cultural redress

Notes to the Financial Statements

For the Year Ended 31 March 2018

properties of \$991,000, the transfer of advances owing to Te Kete Aronui o Ngāti Koata Limited of \$851,450 less the Ngāti Koata Trust and Koata Limited advances (\$401,070) and distribution (\$103,612).

The purchase of shares in Te Kete Aronui a Ngāti Koata Limited by Ngāti Koata Trust resulted in a capital gain of \$7,319,007 for Te Pātaka a Ngāti Koata Trust.

Port Nicholson Fisheries LLP

Koata Limited is a partner in the Port Nicholson Fisheries LLP. Koata Limited received its share of ACE lease income and profit share income from Port Nicholson Fisheries LLP.

Kotato Limited

Koata Limited is a shareholder in Kotato Limited. Koata Limited received its share of ACE lease income and profit share income. Koata Limited and Kotato Limited have Directors in common.

Aotearoa Fisheries Limited

Koata Limited is a shareholder in Aotearoa Fisheries Limited. Koata Limited received its share of dividend income.

Consulting and Directors' Fees

Directors' fees were paid to Rob Pooley during the year, who was appointed as a Director of Koata Limited from 12 May 2016.

Directors' fees were paid to Dave Ashcroft during the year, who was appointed as a Director of Koata Limited from 26 April 2016.

Directors' fees were paid to Rāhui Kātene during the year, who was appointed as a Director of Koata Limited from 12 May 2016.

Directors' fees were paid to Dee Ngākuru during the year, who was appointed as an Associate Director of Koata Limited from October 2017.

Ring Road Companies

Koata Limited is a shareholder in the following Ring Road companies:

- Tasman Bay Ring Road Farming Limited
- Tasman Bay Ring Road Spat Catching Limited
- Golden Bay Ring Road Farming Limited
- Golden Bay Ring Road Spat Catching Limited

Koata Limited receives lease income and mussel sales from the Ring Road companies via the Tui Joint Venture.

14. Property, Plant and Equipment

	Consolidated		Parent	
	2018 \$	2017 \$	2018 \$	2017 \$
Cultural Redress Properties				
At Cost	260,870	-	260,870	-
Additions				
Te Haeata - Nurses Residence	-	260,870	-	260,870
Moukikiriki Island	-	-	80,000	-
Whangarae Estuary	-	-	17,000	-
Lucky Bay	-	-	54,000	-
Te Haeata - School House and Teachers Residence	-	-	840,000	-
	-	260,870	991,000	260,870
Closing Cost	260,870	260,870	1,251,870	260,870
Opening Revaluations	1,068,000	-	-	-
Revaluations				
Moukikiriki Island	-	80,000	-	-
Whangarae Estuary	-	17,000	-	-
Lucky Bay	-	54,000	-	-
Te Haeata - School House and Teachers Residence	-	840,000	-	-
Mātangi Awhio	-	77,000	-	-
	1,068,000	1,068,000	-	-
Total Land and Buildings	1,328,870	1,328,870	1,251,870	260,870
Current Year Depreciation	-	-	-	-
Plant & Equipment				
Opening Cost	13,565	11,087	13,565	11,087
Additions	174	2,478	174	2,478
Closing Cost	13,739	13,565	13,739	13,565
Accumulated Depreciation	(2,850)	(2,367)	(2,850)	(2,367)
Total Plant & Equipment	10,889	11,198	10,889	11,198
Current Year Depreciation	483	592	483	592
Te Haeata Cultural Centre - Plant & Equipment				
Opening Cost	36,913	12,518	36,913	12,518
Additions	-	24,395	-	24,395
Closing Cost	36,913	36,913	36,913	36,913
Accumulated Depreciation	(6,749)	(5,269)	(6,749)	(5,269)
Total Te Haeata Cultural Centre - Plant & Equipment	30,164	31,644	30,164	31,644
Current Year Depreciation	1,480	1,913	1,480	1,913
Office Equipment				
Opening Cost	37,707	78,250	27,798	70,702
Additions	4,898	7,027	2,395	4,666
Disposals	(1,528)	(47,570)	-	(47,570)
Closing Cost	41,077	37,707	30,193	27,798
Accumulated Depreciation	(29,265)	(23,240)	(22,321)	(17,655)
Total Office Equipment	11,812	14,467	7,872	10,143
Current Year Depreciation	7,551	7,361	4,666	5,068

Notes to the Financial Statements

For the Year Ended 31 March 2018

	Consolidated		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
Website				
At Cost	5,120	10,232	5,120	10,232
Additions	-	5,120	-	5,120
Disposals	-	(10,232)	-	(10,232)
Closing Cost	5,120	5,120	5,120	5,120
Accumulated Depreciation	(3,627)	(2,133)	(3,627)	(2,133)
Total Website	1,493	2,987	1,493	2,987
Current Year Depreciation	1,493	2,133	1,493	2,133
Tui Mussel Lines				
At Cost	116,317	116,317	-	-
Closing Cost	116,317	116,317	-	-
Accumulated Depreciation	(75,586)	(65,399)	-	-
Total Tui Mussel Lines	40,731	50,918	-	-
Current Year Depreciation	10,188	12,735	-	-
TOTAL PROPERTY, PLANT & EQUIPMENT				
At Cost	470,492	228,404	344,266	104,539
Additions	5,072	299,890	993,569	297,529
Disposals	(1,528)	(57,802)	-	(57,802)
Closing Cost	474,036	470,492	1,337,835	344,266
Revaluations	1,068,000	1,068,000	-	-
Less Accumulated Depreciation	(118,077)	(98,408)	(35,547)	(27,425)
TOTAL PROPERTY, PLANT & EQUIPMENT	1,423,959	1,440,083	1,302,288	316,841
Total Current Year Depreciation	21,195	24,734	8,122	9,706

The cultural assets which were revalued above were vested to Te Pātaka a Ngāti Koata Trust as part of the settlement process in 2015 and were previously shown at nil value. They were revalued during the 2017 year to recognise the fair value of the properties and ensure completeness and transparency of the financial statements. Some were subsequently sold to Ngāti Koata Trust in the 2018 year.

15. Carbon Credits / Emission Rights

Te Pātaka a Ngāti Koata Trust was granted 136,080 tradeable emission units from the New Zealand Government in August 2014. These were subsequently transferred to Te Kete Aronui o Ngāti Koata Trust. The carbon credits have now been transferred to Koata Limited as part of the amalgamation. These units were received from the Crown at no cost; however they were recorded at their deemed value upon receipt based on published market data. For 31 March 2018 they have been revalued to market value (\$20.95 per unit; 2017: \$17.20 per unit), based on the published NZU market value published on Carbon Forest Services.

Carbon Credits	2,850,876	2,340,576	-	-
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16. Quota Shares

Reconciliation of Quota Shares

Opening balance 1 April	4,032,952	3,984,612	-	-
Additions	-	-	-	-
Carrying amount pre-valuation	4,032,952	3,984,612	-	-
Increase (Decrease) in fair value	471,894	48,340	-	-
Closing balance 31 March	4,504,846	4,032,952	-	-

17. Income in Advance

Hira and Waimea Land Lease	350,000	238,449	-	-
Ma Te Reo - Rangatahi and Pakeke	-	26,270	-	26,270
Fringed Hill Land Lease	7,999	7,626	-	-
Stoke Police Land Lease	11,250	705	-	-
OMV Grant	-	16,000	-	16,000
Contracts Income	10,050	31,132	10,050	31,132
Total Income in Advance	379,299	320,182	10,050	73,402

18. Shares - Koata Limited

Opening balance 1 April	-	-	-	-
Restructure 3 April	-	-	26,711,092	-
Issued Share Capital by Koata Limited	-	-	7,095,369	-
Closing balance 31 March	-	-	33,806,461	-

As part of the restructure Te Pātaka a Ngāti Koata Trust sold its shares in Te Kete Aronui o Ngāti Koata Limited to Ngāti Koata Trust on 3 April 2017 for \$26,711,092.

Koata Limited issued shares \$7,095,369 in repayment of the loan owing to Ngāti Koata Trust.

Notes to the Financial Statements

For the Year Ended 31 March 2018

	Consolidated		Parent	
	2018	2017	2018	2017
	\$	\$	\$	\$
19. Reconciliation to Net Cashflows from Operating Activities				
Net Surplus	2,455,922	2,653,254	(656,319)	(81,029)
Add (Less) Non cash items				
Depreciation	21,196	24,735	8,123	9,707
Unrealised Losses / (Gains) Commercial and Forest Land	(1,931,000)	(2,391,160)	-	-
Distribution (Non Cash Portion)	-	-	(103,612)	(312,571)
Māori Authority Tax Credits Attached to Dividend	-	(145,000)	(21,978)	(145,000)
Add (Less) Movements in Investing Activities				
Realised and Unrealised Losses / (Gains) Managed Portfolio BNZ/JB Were	(343,689)	54,837	-	-
Capital Gain on Sale of Trafalgar Street	(90,341)	-	-	-
Add (Less) Movements in Working Capital Items				
(Increase) / Decrease in Accounts Receivable, Accrued Income and Income in Advance	(78,081)	(247,483)	116,929	(83,415)
Increase / (Decrease) in Accounts Payable	126,130	103,191	(49,868)	55,585
Increase / (Decrease) in Income Tax Payable	56,719	217,829	145,000	259,000
Add (Less) Non-Operating Items				
Movement in Tui JV Share	(26,380)	(16,382)	-	-
Net Cashflow from Operating Activities	190,476	253,821	(561,725)	(297,723)

20. Māori Authority Tax Credit Account

The movements of the Māori Authority Tax Credit Account during the year were as follows:

Opening Balance	1,428	8,212	-	-
Plus				
RWT received from LTC	-	28,891	-	-
2016 Income Tax Paid During Year	-	20,673	-	-
2017 Provisional Tax Paid During Year	-	33,254	-	-
2017 Provisional Tax Paid (by way of tax purchase post balance date)	-	55,398	-	-
2018 Provisional Tax Paid During Year	32,540	-	-	-
	32,540	138,216	-	-
Less				
Māori Authority Tax Credits attached to Distribution Paid	21,978	145,000	-	-
	21,978	145,000	-	-
Closing Balance	11,990	1,428	-	-

E. IMPUTATION CREDIT ACCOUNT

Koata Limited is a wholly owned subsidiary of a charitable trust, so it is not required to maintain an Imputation Credit Account.

Te Pātaka a Ngāti Koata Trust and Ngāti Koata Trust are not required to maintain an Imputation Credit Account.

F. CAPITAL COMMITMENTS

No capital commitments have been contracted for or provided for at balance date (2017:Nil).

G. CONTINGENT LIABILITIES

A Caveat had been put on the Maitai School Land by Wakatū Incorporation. Koata Limited is receiving the income, however the Crown will not pass title until this issue is resolved. It is expected that if the land was given to Wakatū Incorporation then Koata Limited would receive further settlement from the Crown to that value. The basis for recognising the Maitai School land in the financial statements was that the Deed of Settlement had been signed and the Crown had entered into a lease back for the use of the land. There has been no change other than the fact the land transferred from Te Kete Aronui o Ngāti Koata Limited to Koata Limited during the 2018 financial year.

There are no other significant contingent liabilities (2017: Nil).

H. OPERATING LEASE

Ngāti Koata Trust has signed an agreement to lease office space at 137 Vickerman Street for \$45,825 plus GST per annum. The term of this lease is for five years, and expires on 31 March 2021, with a rent review on 1 April 2019.

I. AUDIT

The financial statements have been audited by BDO Wellington Audit Limited.

J. LAND INTEREST IN TINUI ISLAND

Ngāti Koata Trust holds 20.55682 of the 220 shares in Tinui Island, d'Urville. Government valuation reference 19850-00500 records that the land value for the 89.0308 hectares as \$943,000 at 1 July 2014.

K. EVENTS SUBSEQUENT TO BALANCE DATE

No events or transactions have occurred since balance date which would have a material effect on the financial statements or which are of such significance as to require a mention in the Notes other than the settlement assets below. There are no other plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

Koata Limited received funds from the Crown in relation to Marlborough Aquaculture Settlement Assets, in accordance with the Allocation agreement dated 21 June 2018 comprising cash of \$3,354,122, Crown financial assistance of \$5,822 and 0.5 ha of Oyster Assets, which have not been included in the financial statements.

Notes to the Financial Statements

For the Year Ended 31 March 2018

L. TE KĀHUI HAUORA O NGĀTI KOATA TRUST

Te Kāhui Hauora o Ngāti Koata Trust was a controlled entity of Ngāti Koata Trust by virtue that Ngāti Koata Trust appoints 3 of a possible 5 Trustee positions. The financial accounts of Te Kāhui Hauora o Ngāti Koata Trust were not consolidated into the Ngāti Koata Trust accounts at 31 March 2017 as they are not considered material to the Group. An investigation and report into the activities of the Trust have been concluded and Te Kāhui Hauora o Ngāti Koata Trust has been wound up in the 2018 financial year.

M. RESTRUCTURE

Ngāti Koata Trust has completed a restructure as at 3 April 2017. The key aspects of this new structure have Ngāti Koata Trust at the "heart" and Koata Limited as a wholly owned subsidiary which will hold all commercial assets. Te Kete Aronui o Ngāti Koata Limited, a wholly owned subsidiary of Te Pātaka a Ngāti Koata Trust, has had its shareholding transferred to Ngāti Koata Trust and assets and liabilities amalgamated into Koata Limited. Te Pātaka a Ngāti Koata Trust will be retained for any future settlements but will not hold any assets on behalf of the Iwi.

The following transactions were completed as part of the restructure with all settling 3 April 2017;

- Te Pātaka a Ngāti Koata Trust sold their shares in Te Kete Aronui o Ngāti Koata Limited to Ngāti Koata Trust for \$26,711,092.
- Te Pātaka a Ngāti Koata Trust has sold to Ngāti Koata Trust, Moukirikiri Island, Whangarae Estuary, Lucky Bay, and Te Haeta school house and teachers residence for \$991,000.
- Advances of \$851,450 owing from Te Kete Aronui o Ngāti Koata Limited to Te Pātaka a Ngāti Koata Trust were transferred to Ngāti Koata Trust.
- Advances of \$312,571 owing from Te Pātaka a Ngāti Koata Trust to Ngāti Koata Trust were offset against the loan balance owing from Ngāti Koata Trust.

The funding for the above transactions was provided by a loan from Te Pātaka a Ngāti Koata Trust to Ngāti Koata Trust for the full purchase price which was recorded in a Term Loan Agreement and secured by a General Security Agreement over all of the present and future acquired assets of Ngāti Koata Trust. The total loan entered into from Te Pātaka a Ngāti Koata Trust to Ngāti Koata Trust was \$28,240,971.

In addition Te Kete Aronui o Ngāti Koata Limited was amalgamated into Koata Limited effective 3 April 2017 as per the Amalgamation Agreement. Further details of the Amalgamation are provided in Note N Amalgamation.

Further the loan of \$7,095,369 that Koata Limited owed Ngāti Koata Trust at has been capitalised into shares with Koata Limited issuing 7,095,369 shares.

N. AMALGAMATION

In the year ended 31 March 2017 'The Commercial Group' comprised two entities; Koata Limited and Te Kete Aronui o Ngāti Koata Limited. Per Note M, Te Kete Aronui o Ngāti Koata Limited was amalgamated into Koata Limited effective 3 April 2017. i.e. They merged and continue to operate as Koata Limited.

The following table shows the two companies balance sheets at 31 March 17, the resulting Koata Limited (Amalgamated) at 3 April 17, and comparable Koata Limited values at 31 March 2018.

	Koata Limited 31 March 2018	Koata Limited 31 March 2017	Te Kete Aronui o Ngāti Koata Limited 31 March 2017	Amalgamation Adjustments	Koata Limited (Amalgamated) 3 April 2017
Current Assets					
Cash Balances	1,368,056	120,038	381,337	-	501,375
Accounts Receivable	274,331	-	2,427	-	2,427
Income Tax Receivable	12,418	1,817	-	-	1,817
Accrued Income	328,356	106,959	149,699	-	256,658
GST Receivable	-	8,275	-	(8,275)	-
Term Deposits	8,756,534	3,100,000	4,456,408	-	7,556,408
Advance - Koata Limited	-	-	375,000	(375,000)	-
Advance - Ngāti Koata Trust	-	-	10,400	(1,683)	8,717
Managed Funds BNZ/JB Were	6,665,055	6,389,150	-	-	6,389,150
Augusta Value Add Fund	134,000	200,000	-	-	200,000
Advance - The Tui Joint Venture	77,238	50,858	-	-	50,858
Non Current Assets					
Property, Plant and Equipment	44,671	54,813	428	-	55,241
Quota Shares	4,504,846	4,032,952	-	-	4,032,952
Investments - Commercial Land	11,020,000	1,195,000	8,745,000	-	9,940,000
Investments - Forest Land	12,753,000	-	11,902,000	-	11,902,000
Carbon Credits	2,850,876	-	2,340,576	-	2,340,576
Term Deposits	-	-	1,950,000	-	1,950,000
Shares - Aotearoa Fisheries Limited (260)	147,086	147,086	-	-	147,086
Shares - Kotato Limited	100	100	-	-	100
Shares - Ring Road Consotium	131,301	131,301	-	-	131,301
Total Assets	49,067,868	15,538,349	30,313,275	(384,958)	45,466,666
Current Liabilities					
Accounts Payable and Accruals	122,665	53,081	7,116	-	60,197
Income in Advance	369,249	-	246,780	-	246,780
GST Payable	39,619	-	12,940	(8,275)	4,665
Loan - Ngāti Koata Trust	-	7,095,369	-	-	7,095,369
Advance - Ngāti Koata Trust	-	1,683	-	(1,683)	-
Advance - Te Kete Aronui o Ngāti Koata Limited	-	375,000	-	(375,000)	-
Advance - Te Pātaka a Ngāti Koata Trust	-	-	851,450	-	851,450
Total Liabilities	531,533	7,525,133	1,118,286	(384,958)	8,258,461
Net Assets	48,536,337	8,013,216	29,194,989	-	37,208,205
Equity					
Share Capital	36,290,358	6,005,302	19,392,085	-	25,397,387
Reserves	12,245,979	2,007,914	9,802,904	-	11,810,818
Total Equity	48,536,337	8,013,216	29,194,989	-	37,208,205

Notes to the Financial Statements

For the Year Ended 31 March 2018

O. FINANCIAL INSTRUMENTS

	Loans and Receivables	Carrying Amount Available for Sale	Amortised Cost	Fair Value through Surplus or Deficit
31 March 2018 - Consolidated				
Cash Balances	1,782,063	-	-	-
Accounts Receivable	286,756	-	-	-
Term Deposits	11,091,313	-	-	-
BNZ Private Banking Portfolios	-	-	-	-
Augusta Value Add Fund	-	134,000	-	-
Advance - The Tui Joint Venture	77,238	-	-	-
Shares - Aotearoa Fisheries Limited	-	147,086	-	-
Shares - Kotato Limited	-	100	-	-
Shares - Ring Road Consortium	-	131,301	-	-
Shares - Tainui Taranaki ki te Tonga Limited	-	7,493	-	-
Accounts Payable	-	-	259,424	-
	13,237,370	419,980	259,424	-
31 March 2017 - Consolidated				
Cash Balances	1,029,417	-	-	-
Accounts Receivable	55,147	-	-	-
Term Deposits	11,549,141	-	-	-
BNZ Private Banking Portfolios	-	-	-	6,389,150
Augusta Value Add Fund	-	200,000	-	-
Advance - The Tui Joint Venture	50,858	-	-	-
Shares - Aotearoa Fisheries Limited	-	147,086	-	-
Shares - Kotato Limited	-	100	-	-
Shares - Ring Road Consortium	-	131,301	-	-
Shares - Tainui Taranaki ki te Tonga Limited	-	7,493	-	-
Accounts Payable	-	-	(175,260)	-
	12,684,563	485,980	(175,260)	6,389,150
31 March 2018 - Parent				
Cash Balances	407,231	-	-	-
Accounts Receivable	41,463	-	-	-
Term Deposits	2,334,779	-	-	-
Inter Entity Balances	(28,048,860)	-	-	-
Shares - Tainui Taranaki ki te Tonga Limited	-	7,493	-	-
Accounts Payable	-	-	(161,729)	-
	(25,265,387)	7,493	(161,729)	-
31 March 2017 - Parent				
Cash Balances	509,338	-	-	-
Accounts Receivable	89,391	-	-	-
Term Deposits	2,042,733	-	-	-
Inter Entity Balances	7,399,223	-	-	-
Shares - Tainui Taranaki ki te Tonga Limited	-	7,493	-	-
Accounts Payable	-	-	(148,245)	-
	10,040,685	7,493	(148,245)	-

P. KEY MANAGEMENT PERSONNEL

Key management personnel is made up of the Chief Executive of Koata Limited and the General Manager of Ngāti Koata Trust and Te Pātaka a Ngāti Koata Trust.

	2018	2017
Leadership Team	\$317,178	\$184,406
FTE	2	1



Ngāti Koata TRUST

Ngāti Koata Trust

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