



# NGĀTI KOATA GROUP

2019 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



Joanie Wilson  
Chair



Melanie McGregor  
Deputy Chair



Frank Hippolite



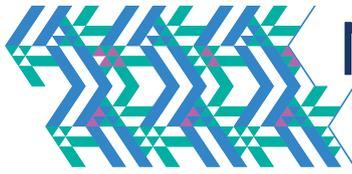
George Elkington



Tom Speers



Nadia Keogh



## Hui ā Iwi & Annual General Meeting Agenda

### *Friday 18 October 2019, Whakatū Marae*

**5:30pm**

Kawe Mate/Pōwhiri

**6:30pm**

Hākari

### *Saturday 19 October 2019, Whakatū Marae*

**9am**

#### **Annual General Meeting**

Karakia Timatanga

Mihimihi

Chair Report

Annual Plan Report

Financial Report

Commercial Report

General Business

**11:30am**

Morning Tea

**12pm**

#### **Hui ā Iwi**

Land Trustees Replacement

Kaunihera Kaumātua presentation

Te Haeata Committee presentation

He Kupu Reanga presentation

General Business

**1pm**

Preliminary Election Results

Farewell to Departing Trustees

Welcome to New Trustees

Karakia Whakamutunga

Lunch

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# Chair Report



Joanie Wilson

*Tēnā koutou katoa e te whānau o Ngāti Koata.*

*Ka tika ka mihi ki ā rātou kua ngaro i te tirowhanga kanohi.  
Haere atu ki tua o te ārai, ki reira moe ai i te moenga roa.*

*Ka huri ki ā koutou ōku kaumātua, me te whānau whānui o Ngāti Koata,  
tēnā koutou, tēnā koutou, tēnā koutou katoa.*

It is a pleasure to present the Annual Report for the 2018-2019 Financial Year.

Over the past year in my role as Chair for Ngāti Koata Trust I can be sure to say it has been a year of insightful learnings and a notably rewarding year. I would like to begin by acknowledging the collectivism of our Kaumātua and the efforts of our Board whose hard work and commitment to ensuring our places are healthy and sustainable for future generations and our taonga are safe and accessible for the advancement and sustenance of it's people.

## Tiaki Tangata - Our People

On behalf of the Board I wish to acknowledge the role that Hemi Toia played in successfully navigating Ngāti Koata Group through a transitioning period as we sought to acquire a General Manager. Hemi took many positive steps to lead and improve the operational requirements of the Group, and I am sure his unwavering belief in being responsive to the needs and aspirations of the iwi has been a significant contributor to our progress. On behalf of the Board I extend our warmest appreciation to you Hemi.

We would also like to strongly recognise and thank our Kaimahi for their continued dedication and commitment to ensuring the strategic and operational needs of the iwi are foremost. Our kaimahi have shown their resilience, strength and fortitude throughout the past year in a very challenging environment. We thank you all for your ongoing support to the Board and the wider iwi.

Earlier this year we undertook the requisite evaluation and execution of recruiting a new General Manager. We would also like to again welcome Justin who took up the position in May. Since then he has worked diligently and energetically with staff, the Board, and iwi committees to further improve our business-as-usual activities and to better scope new opportunities to grow the organisation.

## Tiaki Taiao - Our Places

Our relationship with Te Papa Atawhai continues to grow with the signing off on the Takapourewa Joint Co-operational Plan. This plan formalises our relationship with Te Papa Atawhai in the management of Takapourewa. We are also pleased that funding for the Moawhitu Restoration project has been confirmed for a further three years. The development of the Cultural Health Indicators for the Moawhitu Wetlands Restoration project also continues.

It was humbling to see the support Ngāti Koata Iwi demonstrated during the Pigeon Valley Fires earlier this year. This was a fine example of our ongoing commitment to our tangata, taiao and taonga. The collaboration with all of the eight iwi of Te Taihū during this emergency response could be described as somewhat perplexing, but I liken it to being a natural part of our role as kaitiakitanga of this rohe and having a clear understanding of what it means to be a good ancestor for our future generations. Our mandated Iwi Liaison Officers and their kaimahi worked tirelessly over the weeks implementing tikanga, karakia and ensuring the communications to the wider hāpori was up to date. The outcome from this Iwi-multiagency response has Te Taihū leading the way. We are the first in Aotearoa to have a cultural pou written into the Coordinated Incident Management System (CIMS) structure, bringing the Iwi Liaison Officer role formally into the governance of the operation.

## Tiaki Taonga - Our Treasures

I would like to acknowledge, since the significant Ngā Taonga Tuku Iho Conference which Ngāti Koata hosted in September, the ongoing tautoko Minister Nanaia Mahuta has given to this kaupapa, and has recognised a new approach is needed. Ngāti Koata will continue to support the work of the Wai 262 original claimants, one of which was the late John Hippolite.

We continue to work closely with all the iwi of Te Taihū to come to an acceptable resolution over the kaitiakitanga of taonga tūturu in the rohe. All the iwi are clear that we do not want to have the courts resolve this matter, but rather work through a tikanga Māori process.

## Whai Rawa - Economic Development

We are very pleased with the performance of our commercial entity, Koata Ltd, over the past financial year. They continue to have our complete confidence and support in fulfilling their mission to protect, manage and grow the commercial assets of Ngāti Koata.

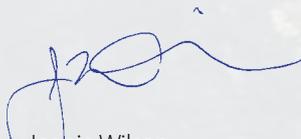
We would like to extend our appreciation to Dave Ashcroft who had contributed immensely to our commercial portfolio, and wish him the best in his new role. Thank you very much for your commitment to Ngāti Koata and our growth. Ngā mihi aroha ki a koe e hoa! This has opened the door for the new appointment of Jason Rogers who joins Rob and the KL team to grow our economic base. Nau mai haere mai ki te whānau o Ngāti Koata.

## Te Hokinga Mai o te Manu Hākapakapa

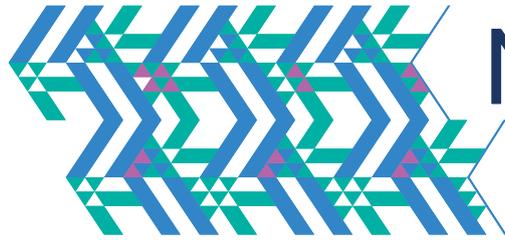
As we look forward to 2020, the Board will continue to be focussed on important strategic developments to ensure Ngāti Koata flourishes, such as the MACA (foreshore & seabed) claim, alignment of the Trust Deeds, and to provide guidance to our Commercial team in not only finding us options for a Koata House but to ensure the profitability and performance of finances continues to grow.

My thanks goes out to my fellow Board Members who are dedicated to seeing Ngāti Koata thrive, and equally I would like to thank our dedicated kaumātua, iwi representatives, office staff, committee members and volunteers who continue to be the backbone of our iwi, whether through their contribution to the Trust, on the marae, in the community, or in the home. Our values are taught and learned through our actions. Ngāti Koata is a flourishing iwi.

Nō reira rau rangatira mā, ka nui te mihi ki ā koutou katoa.



Joanie Wilson  
Chair, Ngāti Koata Trust



# NGĀTI KOATA GROUP

## 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.*



Ipukarea 2018 Women Touch Champions



National Māori Basketball Tournament



Kia Ngāwari Nationals campaign



Kia Ngāwari Regionals campaign



Pakeke & Rangatahi Wānanga Reo



Rangatahi Wānanga Reo

Ngāti Koata has had much to celebrate over the past year.

Our Ngāti Koatatanga has been enhanced and promoted through dance and song with Kia Ngāwari performing at both the Te Taihu regional and Te Matatini national competitions.

The wānanga reo for both rangatahi and pakeke, karanga wānanga for our kuikui, and establishment of Te Komiti Reo o Ngāti Koata are promoting and enhancing learning opportunities for our reo rangatira.

We have also maintained and promoted opportunities for whanaungatanga with events such as Matariki, Ipukarea, and Māori Basketball Nationals.



Kakati Restoration



Matariki



Mauri stone



Te Taihu Regional Kapa Haka Competitions



Te Pā Harakeke o Naomi

# 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 \$61,991.09 in grants to 113 iwi members in the last financial year. The breakdown is as follows:

Education	\$29,999.57	to	53 members
Health	\$20,000.37	to	24 members
Sports	\$11,991.52	to	36 members

Grant funding was split into quarterly allocations at the start of the new funding year, allowing a more even distribution throughout the year.

## Financial Assistance

The Trust also provides financial assistance of \$10,000 to Te Kaunihera Kaumātua o Ngāti Koata, He Kupu Reanga, Te Haeata and Whakatū Marae.

Financial assistance was also provided to:

Kia Ngāwari	\$4,000 (\$3,000 for national campaign, \$1,000 for regional campaign)
Te Taiuhutanga	\$3,500 (\$1,250 for Regional Competitions; \$1,500 for Ipukarea; \$750 for Manu Kōrero)
Poitūkohu Koata	\$3,000 (National Māori Basketball Tournament)

## Mahi Wahia: Annual Firewood Allocation

In partnership with Tasman Pine Forests Ltd, Ngāti Koata Trust provides an annual allocation of firewood to iwi members.

This opportunity pulls together iwi members and forestry staff who split, stack, load and transport wahia (firewood) from the forestry.

Our kaumātua in particular are very appreciative of the opportunity to receive this koha, and to keep themselves warm in the winter months.

We are grateful to both the forestry company, and to our volunteers, who work very hard to manaaki our whānau.



## Te Tini a Tūmatauenga: Hunting

Also in partnership with Tasman Pine Forests Ltd, Ngāti Koata Trust provides iwi members with the opportunity to hunt in Ngāti Koata Trust owned land that is leased to the forestry company.

Tūmatauenga is the atua of hunting, as well as war, and our hunters are maintaining a tradition of hunting and gathering on the whenua. This benefits the iwi through kai for our whānau, and our hunters being able to connect with the taiao promoting physical and mental wellbeing.

Our hunters must adhere to strict tikanga as the area is a working forestry operation, and responsible practices to mitigate fire and harm risks is a priority.



Ngāti Koata Trust provides assistance to iwi members through health, sport and education grants.

As well as the individual grants, the Trust also provides financial assistance to Te Kaunihera Kaumātua o Ngāti Koata, He Kupu Reanga, Te Haeata, Te Komiti Reo, Whakatū Marae, Kia Ngāwari, Poitukohu Koata, and Te Taihu events.

## Grant and Financial Assistance Allocation - \$112,491.46

### Education Grants | \$29,999.57 | 26.7%



Bachelor	\$10,200.00	34%
Post Graduate	\$9,600.00	32%
School Costs	\$4,011.57	13.37%
Certificate/Diploma	\$3,800.00	12.67%
Kōhanga Reo/ECE	\$2,388.00	7.96%

### Health Grants | \$20,000.37 | 17.8%



Dental	\$16,549.85	82.75%
Orthopedic	\$1,500.00	7.5%
Optical	\$1,199.00	6%
Hearing Aids	\$685.52	3.42%
Medical Expenses	\$66.00	0.33%

### Sports Grants | \$11,991.52 | 10.7%



Basketball	\$9,461.52	78.90%
Kapa Haka	\$1,730.00	14.43%
Rugby	\$400.00	3.34%
Waka Ama	\$400.00	3.34%

Of the 36 approved sport applications, 31 were for National Tournaments, 5 were for Regional Tournaments. No International Tournaments.

Kaunihera Kaumātua	\$10,000.00	8.9%
He Kupu Reanga	\$10,000.00	8.9%
Te Haeata	\$10,000.00	8.9%
Whakatū Marae	\$10,000.00	8.9%

Kia Ngāwari	\$4,000.00	3.5%
Te Taihutanga	\$3,500.00	3%
Koata Basketball	\$3,000.00	2.7%

# Tiaki Taiao

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



Cultural Mapping Wānanga



Iwi Response Team for the Pigeon Valley Fires



Gecko Translocation to Pūangiāngi



Project Moturoa Noho



Natural Hazards



Takapourewa Joint Cooperational Plan

The past year has been a very active one for our environmental projects with some very significant gains.

The completion of the Takapourewa Joint Co-Operational Plan with Te Papa Atawhai, and the establishment of the Project Moturoa Māori Trainee Ranger programme are important to Ngāti Koata for the management and development of our kaitiakitanga responsibilities.

The Moawhitu Restoration project has been strengthened with the development of Cultural Health Indicators.

The Pigeon Valley and Walters Bluff fires also necessitated a considered response to the civil defence emergency. Iwi leaders formed an Iwi Response Unit that oversaw the provision of accommodation, kai and donated stores at Whakatū Marae, and community communication.



Moawhitu Restoration Project - October



Moawhitu Restoration Project - September



# Tiaki Taonga

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



Taniko



Tuatara Encounters with Michael Elkington

Ngāti Koata kaitiakitanga has been strengthened in the past year with the translocation of tuatara from the Isaac's Conservation and Wildlife Trust in Christchurch to the Central Energy Trust Wildbase Recovery Centre in Palmerston North; and gecko from Te Pakeka (Maud Island) to Pūangiāngi.

There has also been an opportunity for Ngāti Koata whānau to learn more about our taonga species through tuatara encounters in partnership with Natureland.

Aunty Rosemary, who learnt her skill from aunty Puhanga, guided a group of weavers in the art of tāniko.



Tuatara Translocation to Central Energy Trust Wildbase Recovery Centre in Palmerston North



Takapourewa Kaitiaki Taonga

# Mana Motuhake

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

## He Kupu Reanga Report

We have had an amazing year taking part in a variety of iwi and community events, that have provided opportunities for whanaungatanga, manaakitanga and kotahitanga within the generations of Ngāti Koata.

Te Ipukarea was a day of manaakitanga, whanaungatanga and healthy competition against the other iwi of Te Taihū as we battled it out in ki-o-rahi, touch and netball. This event was thoroughly enjoyed by all, and our Ngāti Koata wāhine won the touch division.

Ngāti Koata took 11 teams to the National Māori Basketball tournament held in Rotorua. These teams ranged from our tamariki through to our masters, with players coming from all over the motu, Australia and Hawaii. This is a great way to catch up with our whānau we haven't seen in years.

We organised a Whānau Day at the Tahunanui hydroslide. We had over a hundred iwi members attend ranging from our tamariki through to our kaumātua. It was great fun and a cool way to meet new whānau.

We had 16 participants in the Wairua Warrior obstacle course race. This tested our strength, endurance and mental attitude, and we all came away feeling like champions as we crossed the finish line.

We also organised a First Aid Course for any iwi members needing a refresher or a full certificate. It was an enjoyable day with our instructor, and we had 10 people complete the Course.

Our Drivers License Initiative saw another 6 iwi members pass their drivers license test.

He mihi nui tēnei ki a koutou katoa e tautoko ana i a mātou mahi ki te hāpai ake tō tātou iwi!



HKR at Wairua Warrior



HKR Whānau Day



Te Haeata Workbee

Our iwi committees, representatives and ringa raupā 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.

There were significant events in the past year that Ngāti Koata were involved in including the Ngā Taonga Tuku Iho Conference here in Whakatū. This conference on Māori Cultural and Intellectual Property Rights was an opportunity for Māori to meet, discuss, debate and develop our own responses, protocols and key messages for legal reform.



### Ngāti Koata Representative: Waimea Water Limited Board - Andrew Spittal

Waimea Water Limited is a Tasman District Council Council Controlled Organisation in partnership with Waimea Irrigators Limited for the purposes of building a dam for the storage and supply of water for irrigation and residential use.

As this dam is situated, in part, on Ngāti Koata land, Ngāti Koata entered into a Land and Water Use Partnering Deed with Tasman District Council. One of the negotiated benefits for Ngāti Koata was the ability to appoint one Director, with Tasman District Council appointing four and Waimea Irrigators Limited appointing two.

Following a robust process involving a very high calibre of applicants, Andrew Spittal (Ngāi Tahu) was chosen as the Ngāti Koata appointed Director for Waimea Water Ltd. Andrew has the technical and professional skills, knowledge and experience needed to protect, manage and grow Ngāti Koata's interests.

Andrew's input, feedback and expertise is valued by Ngāti Koata. Kia ora Anaru.



# Te Hāpai Ō

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

## Beneficiary Database

The Trust beneficiary database had previously been stored on a Microsoft Access programme that was so obsolete it didn't even have updates anymore. There was a very real risk of losing information stored on our database.

In consultation with kaumātua we researched providers for a new, secure database. Privacy, ownership of data, access and security were the key priorities.

All beneficiary registration information has now been migrated to the new database, and we are currently auditing its accuracy before fully implementing it.

The new database will help ensure the Trust is able to communicate effectively with iwi members, and to efficiently manage grant distribution and election participation.

## Te Puna Taonga o Ngāti Koata

Te Puna Taonga o Ngāti Koata is the archiving and storage of important taonga held by the Trust. These include whānau manuscripts, whakapapa, Treaty Claim information, maps, photos etc. The retention and transmission of kōrero tuku iho has been identified as a key priority for our iwi, as has the tapu and integrity of our mātauranga.

The Trust has digitised all documents, video, audio, and images to ensure the longevity of these taonga. Filing of the originals and cataloging of digitised material is underway.

In consultation with kaumātua, a policy and tikanga has been formed to facilitate the acquisition, storage and access of items.

The purpose of Te Puna Taonga o Ngāti Koata is to collect, organise, describe, preserve and make available for research and reference use archival material and items of cultural and historical significance to Ngāti Koata; for the preservation and transmission of Ngāti Koata mātauranga to current and future iwi members.

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.

A highlight for kaimahi was the invitation to Te Rūnanga o Ngāi Tahu to learn about their Whakapapa, Archives, Registration, Grants, IT and Communications systems, processes and policies.



Kaimahi Whakawhanaungatanga



Te Haeata Renovation



Kaimahi trip to Te Rūnanga o Ngāi Tahu



Te Haeata Renovation

# Ngā Tikanga

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



Cathleen Walker Graduates with her Masters of Health and Nursing Practice with Distinction



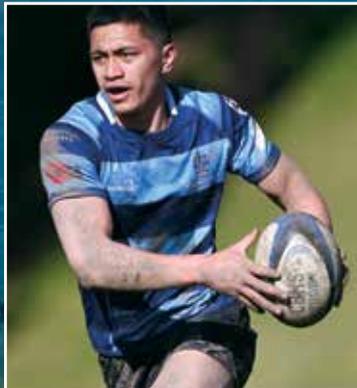
Jack Campbell winning the Golden Glove



He mihi nui ki ā koe Rāhui



Tamaira & Laura's Beautiful Day



Levi Carew U18 Tasman Mako Squad



Ezra & Keara's Big Day



Hamuera in Whatu Kakahu Book



Jarom Hippolite graduating with an LLB and a Degree in Environmental Management



Lono at the Nelson Marlborough Short Course Championships



All Blacks Pōwhiri onto Whakatū Marae

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 and milestones with them and their whānau.



Liana MacDonald Graduates with her PhD



Marley Murphy at the National Rugby Under 15 Tournament



Tysxun made it into the NZ Māori Men's Basketball Team, and the Nelson Giants squad



Lorene Wallace Graduating with her Bachelor of Business



Ngā Mihi ki a Tahua rāua ko Dianella



Manaaki Hemi receiving the Good Samaritan Award & Dion Keogh receiving the He Tohu Manaaki Award



Whitney & Taz's Fabulous Wedding



Manaaki & Kayla's Special Day

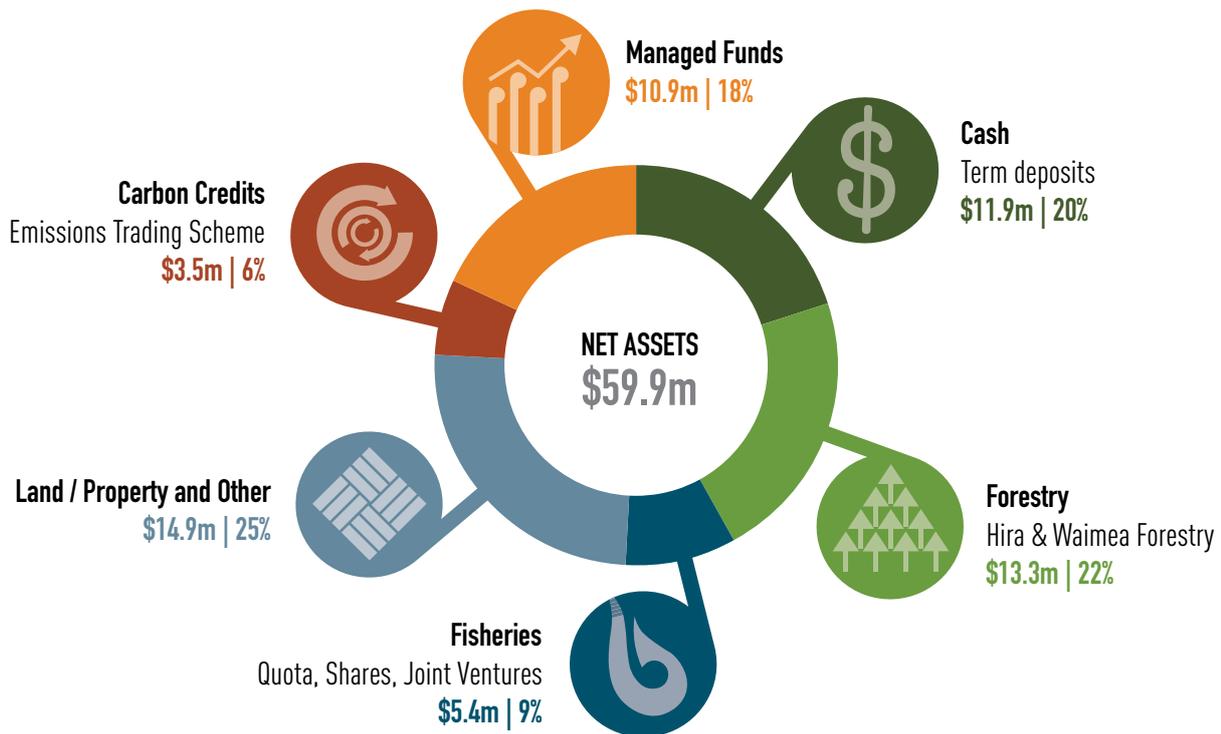


Royalty meeting Royalty



Ngāti Koata Mens Basketball Team

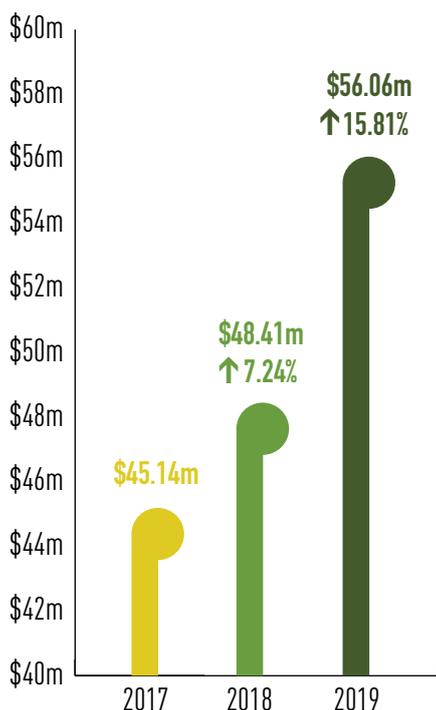
# Ngāti Koata Group Net Asset Summary



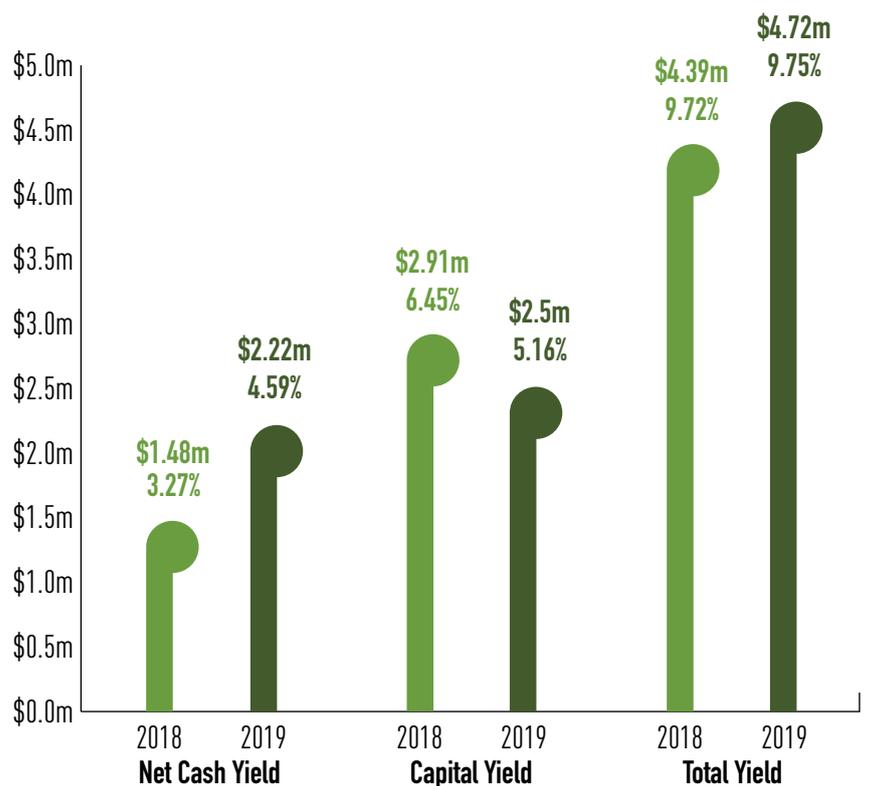
## Koata Limited (Commercial) Performance Summary

(as extracted from the Koata Limited financial statements)

### Net Asset Base



### Return on Net Asset Base



# Commercial Directors' Report

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

Tēnā koutou katoa

On behalf of Koata Limited it is our pleasure to present the Financial Report for the FY19 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.' We 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;

1. Commercial operations made a \$2.22m profit, before revaluation gains and aquaculture settlement. \$720,000 of that was distributed to the Ngāti Koata Trust Board and \$1.5m reinvested
2. Commercial assets grew by a further \$2.5m by way of market revaluation and \$3.17m via an aquaculture settlement
3. The key balance sheet message is that the Net Asset Base grew 15.81%, from \$48.41m in March 2018 to \$56.06m in March 2019.

During the year we also made very real progress in our connection to the Waimea Community Dam as a boundary land owner. Ngāti Koata were able to appoint Andrew Spittal (Ngāi Tahu) to the Governance Board of

Waimea Water Ltd and the value of this project for the wider community and our relationship with Tasman District Council and the dam project continues to be enhanced.

Our involvement with a proposed gondola supported tourism attraction on Ngāti Koata land up the Maitai Valley (Fringed Hill) continues to gather momentum, albeit a very ambitious project that has the potential to deliver significant benefits for Ngāti Koata.

It was also with sadness that we accepted Dave Ashcroft's resignation as a Director effective early April 2019 due to his taking up an employment position with Waimea Water Ltd. Dave's contribution to developing robust systems and processes has been a significant contribution to the solid foundations of Koata Limited and places us in an excellent position to progress with confidence and success. We also welcome aboard an experienced Director in Jason Rogers (Ngāti Whakaue, Ngāti Te Roro o Te Rangī, Ngāti Rangiwewehi).

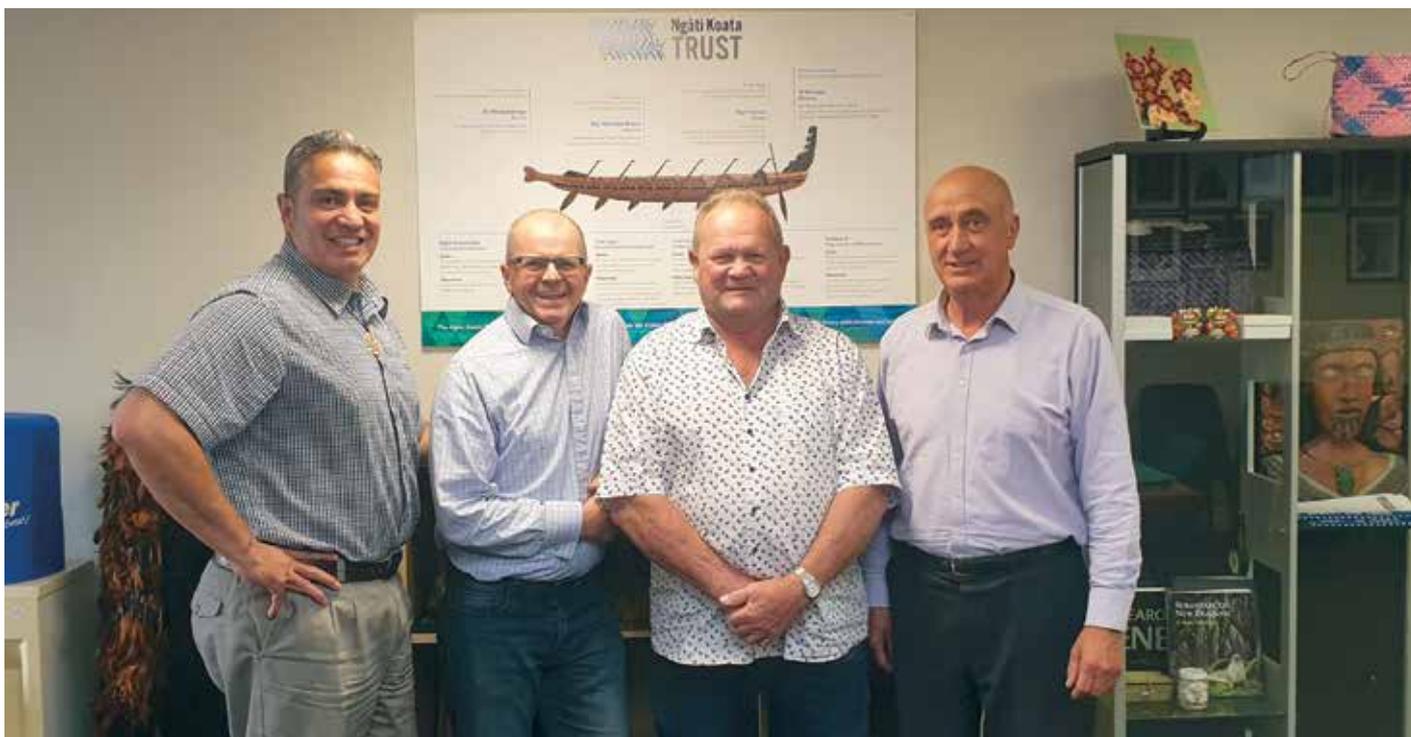
The whakataukī above talks about caring for our natural resources, and in turn they will care for us. With this in mind, we will continually strive to be mindful caretakers of your resources to ensure they continue to benefit future generations of Ngāti Koata.

In closing and as Chair, I acknowledge the professional, collaborative and integrity based contribution from my fellow Directors and our Chief Executive. I also acknowledge the ongoing support and trust of your Trust Board and Kaumātua.

Rob Pooley  
Chair, Koata Ltd

Hemi D Toia  
Chief Executive, Koata Ltd

Koata Limited (from left) Hemi Toia (CE), Dave Ashcroft (Director), Rob Pooley (Chair) and George Elkington (Trustee/Director)



## 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 27-42, which comprise the Parent and consolidated statements of financial position as at 31 March 2019, 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 27-42 present fairly, in all material respects, the Parent and consolidated financial position of the Group as at 31 March 2019, 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.

### 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  
03 August 2019

# Summary Financial Accounts

For the Year Ended 31 March 2019

**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.

	2019 \$	2018 \$
<b>Summary Statement of Comprehensive Revenue and Expense</b>		
Revenue	3,125,716	2,692,405
Total Expenses	1,596,262	2,203,299
<hr/>		
<b>Net Operating Surplus Before Crown Settlements, Share of Associates and Revaluations</b>	<b>1,529,454</b>	489,106
Crown Settlements	3,174,945	-
Share of Associates Results	33,284	57,794
Revaluations	2,502,635	2,913,194
<hr/>		
<b>Total Comprehensive Revenue and Expense</b>	<b>7,240,318</b>	3,460,094

**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.

	2019 \$	2018 \$
<b>Summary Statement of Financial Position</b>		
Current Assets	24,976,643	19,413,852
Non-Current Assets	35,426,900	33,871,365
<hr/>		
<b>Total Assets</b>	<b>60,403,542</b>	53,285,217
Current Liabilities	553,459	675,452
<hr/>		
<b>Net Assets</b>	<b>59,850,083</b>	52,609,766
<hr/>		
<b>Total Equity</b>	<b>59,850,083</b>	52,609,766

# Statement of Comprehensive Revenue & Expense

For the Year Ended 31 March 2019

	Notes	CONSOLIDATED		PARENT	
		2019 \$	2018 \$	2019 \$	2018 \$
<b>Revenue</b>					
Exchange Revenue					
Fisheries Income		274,731	210,496	-	-
Lease Income	1	1,152,048	1,032,927	-	-
<b>Non-Exchange Revenue</b>					
Contracts Income		250,957	500,433	250,957	500,433
<b>Other Revenue</b>					
Interest Received (excluding managed funds)		569,772	459,255	85,084	94,916
Dividends Received (excluding managed funds)		68,843	36,806	-	-
Exempt Dividends Received		-	-	720,000	157,267
Sundry Income		24,541	18,457	96,385	181,609
Managed Portfolio JB Were	2	662,632	343,689	-	-
Private Equity Fund JB Were		82,192	-	-	-
Share of Profit - Port Nicholson Fisheries Limited Partnership		33,284	31,414	-	-
Share of Profit - The Tui Joint Venture		-	26,380	-	-
Taxable Distribution - Te Pātaka a Ngāti Koata Trust		-	-	-	125,590
Distribution - Tui Limited Partnership		40,000	-	-	-
Capital Gain on Sale of Property	3	-	90,341	-	-
Revenue before Revaluation of Investment Property and Crown Funding		3,159,000	2,750,199	1,152,425	1,059,815
<b>Revaluation of Investment Property</b>					
Revaluation of Commercial Land	3, 4	790,000	1,080,000	-	-
Revaluation of Forest Land	3, 4	555,000	851,000	-	-
<b>Crown Funding</b>					
Aquaculture Settlement	5	3,174,945	-	-	-
<b>Total Revenue</b>		<b>7,678,945</b>	<b>4,681,199</b>	<b>1,152,425</b>	<b>1,059,815</b>
<b>Less Expenses</b>					
Administration Expenses	6	135,804	120,890	76,594	104,875
Consultancy Expenses	7	31,313	114,009	5,366	9,164
Depreciation		8,880	21,196	7,254	8,123
Health, Education and Well-being Grants	8	110,182	93,358	110,182	93,358
Financial Expenses	9	2,878	5,290	380	460
Operating Expenses	10	1,307,205	1,870,534	886,262	1,500,154
<b>Total Expenses</b>		<b>1,596,262</b>	<b>2,225,278</b>	<b>1,086,037</b>	<b>1,716,134</b>
<b>Net Surplus/(Deficit) before Taxation and Other Comprehensive Revenue and Expense</b>					
		<b>6,082,683</b>	<b>2,455,922</b>	<b>66,388</b>	<b>(656,319)</b>
Less Income Tax Expense	11	-	(21,978)	-	-
		-	(21,978)	-	-
<b>Net Surplus/(Deficit) before Other Comprehensive Revenue and Expense</b>					
		<b>6,082,683</b>	<b>2,477,900</b>	<b>66,388</b>	<b>(656,319)</b>
<b>Other Comprehensive Revenue and Expense</b>					
Revaluation of Carbon Credits	4	646,380	510,300	-	-
Revaluation of Quota Shares	4, 17	511,255	471,894	-	-
<b>Total Other Comprehensive Revenue and Expense for the year</b>		<b>1,157,635</b>	<b>982,194</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expense for the year</b>		<b>7,240,318</b>	<b>3,460,094</b>	<b>66,388</b>	<b>(656,319)</b>

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 2019

	Retained Earnings	Asset Revaluation Reserve	Capital Reserve	Total Equity
<b>Consolidated</b>				
Opening Balance 1 April 2017	16,529,283	12,878,819	19,741,569	49,149,670
Total Comprehensive Income for the Year	2,477,900	982,194	-	3,460,094
Transfer to Asset Revaluation Reserve	(1,931,000)	1,931,000	-	-
<b>Balance 31 March 2018</b>	<b>17,076,183</b>	<b>15,792,013</b>	<b>19,741,569</b>	<b>52,609,765</b>
Total Comprehensive Income for the Year	<b>6,082,683</b>	<b>1,157,635</b>	-	<b>7,240,318</b>
Transfer to Asset Revaluation Reserve	<b>(1,345,000)</b>	<b>1,345,000</b>	-	-
<b>Balance 31 March 2019</b>	<b>21,813,866</b>	<b>18,294,648</b>	<b>19,741,569</b>	<b>59,850,083</b>
<b>Parent</b>				
Opening Balance 1 April 2017	10,407,636	-	-	10,407,636
Total Comprehensive Income for the Year	(656,319)	-	-	(656,319)
<b>Balance 31 March 2018</b>	<b>9,751,317</b>	-	-	<b>9,751,317</b>
Total Comprehensive Income for the Year	<b>66,388</b>	-	-	<b>66,388</b>
<b>Balance 31 March 2019</b>	<b>9,817,704</b>	-	-	<b>9,817,704</b>

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

# Statement of Financial Position

As at 31 March 2019

	Notes	CONSOLIDATED		PARENT	
		2019	2018	2019	2018
		\$	\$	\$	\$
<b>Current Assets</b>					
Cash and Cash Equivalents	12	1,232,703	1,782,063	416,539	407,231
Receivable from Exchange Transactions		69,628	286,756	57,018	41,463
GST Receivable		-	-	-	2,883
Income Tax Receivable	11	14,787	34,396	-	21,978
Accrued Income		113,269	343,031	28,116	14,675
Term Deposits	12	10,660,000	10,091,313	2,300,000	1,334,779
JB Were Portfolio		10,856,256	6,665,055	-	-
Augusta Value Add Fund		-	134,000	-	-
Augusta Industrial Fund		2,000,000	-	-	-
Advance - The Tui Joint Venture	14	-	77,238	-	-
Advance - Maara Moana	14	30,000	-	-	-
<b>Total Current Assets</b>		<b>24,976,643</b>	19,413,852	<b>2,801,673</b>	1,823,009
<b>Non Current Assets</b>					
Property, Plant and Equipment	15	1,384,920	1,423,959	1,306,034	1,302,289
Investments - Commercial Land	3, 4	11,810,000	11,020,000	-	-
Investments - Forest Land	3, 4	13,308,000	12,753,000	-	-
Investments - Tui Limited Partnership		91,939	-	-	-
Carbon Credits	16	3,497,256	2,850,876	-	-
Quota Valuation	17	5,016,101	4,504,846	-	-
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		-	-	33,806,461	33,806,461
Term Deposits	12	-	1,000,000	-	1,000,000
Land Interest in Tinui Island		32,704	32,704	32,704	32,704
<b>Total Non Current Assets</b>		<b>35,426,900</b>	33,871,365	<b>35,152,692</b>	36,148,947
<b>Total Assets</b>		<b>60,403,542</b>	53,285,217	<b>37,954,365</b>	37,971,956
<b>Current Liabilities</b>					
Payables under Exchange Transactions		137,921	224,143	74,588	147,704
Accrued Expenses		35,215	35,282	14,000	14,025
GST Payable		9,620	36,729	313	-
Income in Advance	18	370,703	379,299	-	10,050
Loan - Te Pātaka a Ngāti Koata Trust	13, 14	-	-	28,047,760	28,048,860
<b>Total Current Liabilities</b>		<b>553,459</b>	675,452	<b>28,136,661</b>	28,220,639
<b>Net Assets</b>		<b>59,850,083</b>	52,609,765	<b>9,817,704</b>	9,751,317
Represented by:					
<b>Trustees Funds / Shareholders' Equity</b>					
Retained Earnings		21,813,866	17,076,183	9,817,704	9,751,317
Capital Reserve		19,741,569	19,741,569	-	-
Asset Revaluation Reserve	4	18,294,648	15,792,013	-	-
<b>Total Trustees Funds / Shareholders' Equity</b>		<b>59,850,083</b>	52,609,765	<b>9,817,704</b>	9,751,317

For and on behalf of the Board of Trustees:

  
Trustee  
3 August 2019

  
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 2019

	Notes	CONSOLIDATED		PARENT	
		2019	2018	2019	2018
		\$	\$	\$	\$
<b>Cash Flows From Operating Activities</b>					
Cash was provided from:					
Receipts from Customers		2,266,833	1,814,977	308,296	666,619
Crown Funding		3,174,945	-	-	-
Interest Income		556,875	457,585	85,084	95,377
Dividend Income		106,954	26,519	720,000	157,267
Income Tax refund		34,395	146,817	21,978	145,000
Net Movement in GST		-	116,444	3,196	68,540
		<b>6,140,002</b>	<b>2,562,342</b>	<b>1,138,554</b>	<b>1,132,803</b>
Cash was applied to:					
Payments to Suppliers		1,761,351	2,281,391	1,151,926	1,694,527
Interest Expense		1,891	2,194	-	-
Income Tax Paid		-	88,281	-	-
Net Movement in GST		27,109	-	-	-
		<b>1,790,351</b>	<b>2,371,866</b>	<b>1,151,926</b>	<b>1,694,527</b>
<b>Net Cash Flows from Operating Activities</b>	19	<b>4,349,651</b>	<b>190,476</b>	<b>(13,372)</b>	<b>(561,724)</b>
<b>Cash Flows from Investing Activities</b>					
Cash was provided from:					
BNZ Portfolio		-	6,389,150	-	-
Term investment activities (net)		431,365	343,546	34,779	-
Augusta Value Add Fund		134,000	66,000	-	-
Sale of Trafalgar Street (net)		-	90,341	-	-
		<b>565,365</b>	<b>6,889,037</b>	<b>34,779</b>	<b>-</b>
Cash was applied to:					
JB Were Portfolio		3,446,377	6,321,366	-	-
Augusta Industrial Fund		2,000,000	-	-	-
Fixed Assets		10,999	5,501	10,999	2,570
Term investment activities (net)		-	-	-	292,046
		<b>5,457,376</b>	<b>6,326,867</b>	<b>10,999</b>	<b>294,616</b>
<b>Net Cash Flows from Investing Activities</b>		<b>(4,892,011)</b>	<b>562,170</b>	<b>23,780</b>	<b>(294,616)</b>
<b>Cash Flows from Financing Activities</b>					
Cash was provided from:					
Advance - Koata Limited		-	-	-	842,733
Advance - The Tui Joint Venture		23,000	-	-	-
		<b>23,000</b>	<b>-</b>	<b>-</b>	<b>842,733</b>
Cash was applied to:					
Advance - Te Pataka a Ngati Koata Trust		-	-	1,100	88,500
Advance - Maara Moana Limited		30,000	-	-	-
		<b>30,000</b>	<b>-</b>	<b>1,100</b>	<b>88,500</b>
<b>Net Cash Flows from Financing Activities</b>		<b>(7,000)</b>	<b>-</b>	<b>(1,100)</b>	<b>754,233</b>
<b>Net Increase (Decrease) in Cash Held</b>		<b>(549,360)</b>	<b>752,646</b>	<b>9,308</b>	<b>(102,107)</b>
Cash at 1 April 2018		1,782,063	1,029,417	407,231	509,338
Cash at 31 March 2019		1,232,703	1,782,063	416,539	407,231
Represented by:					
Cash at Bank		1,232,703	1,782,063	416,539	407,231
		<b>1,232,703</b>	<b>1,782,063</b>	<b>416,539</b>	<b>407,231</b>

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 2019

## 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 2019. 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)

## 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 3 August 2019.

### 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 2018 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.

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

# Notes to the Financial Statements

For the Year Ended 31 March 2019

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 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) below) 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%

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

## 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.

# Notes to the Financial Statements

For the Year Ended 31 March 2019

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 independent 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 4 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.

Those fair value through surplus or deficit instruments sub-classified as held for trading comprise the 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.

# Notes to the Financial Statements

For the Year Ended 31 March 2019

## **(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 Industrial Fund, shares held in Aotearoa Fisheries Limited (AFL), shares held in Ring Road Consortium Companies, shares held in Kotato Limited and shares in Koata 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).

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. Quota Share has an indefinite useful life.

## **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 2019

	Consolidated		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
<b>1. Lease Income</b>				
DOC Renwick Land Lease	13,163	13,163	-	-
Stoke Police Land Lease	27,000	27,000	-	-
MOE School Land Lease	495,261	495,261	-	-
Fringed Hill Land Lease	(121)	9,056	-	-
Hira & Waimea Land Lease	616,746	488,448	-	-
Total Lease Income	1,152,048	1,032,927	-	-

The Hira & Waimea Land Lease is higher than 2018 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	
	2019	2018	2019	2018
	\$	\$	\$	\$
<b>2. Managed Portfolio BNZ/JB Were</b>				
Interest	26,288	7,903	-	-
Dividends	210,782	239,612	-	-
Portfolio Gains (Losses)	425,562	96,174	-	-
Total Managed Portfolio JB Were Income	662,632	343,689	-	-

## 3. Investments

### Investments - Commercial Land

DOC Renwick Land	285,000	255,000	-	-
Maitai School Land	780,000	730,000	-	-
Nayland College Land	4,745,000	4,400,000	-	-
Police Office Stoke Land	375,000	345,000	-	-
Brightwater School Land	765,000	705,000	-	-
Broadgreen School Land	3,475,000	3,300,000	-	-
Dovedale School	225,000	195,000	-	-
Rai Valley School	170,000	160,000	-	-
Spring Creek School	600,000	575,000	-	-
Wairua Valley School	205,000	180,000	-	-
Waitaria Bay School	185,000	175,000	-	-
	11,810,000	11,020,000	-	-

### Investments - Forest Land

Hira Land	7,597,000	7,237,000	-	-
Waimea Land	5,711,000	5,516,000	-	-
	13,308,000	12,753,000	-	-

### Reconciliation of Movements in Investments - Commercial Land

Opening balance 1 April	11,020,000	9,940,000	-	-
Additions	-	-	-	-
Addition 408 Trafalgar Street	-	512,659	-	-
Carrying amount pre-valuation	11,020,000	10,452,659	-	-
Increase in fair value	790,000	1,080,000	-	-
Disposal of 408 Trafalgar Street	-	(603,000)	-	-
Capital Gain on Sale of 408 Trafalgar Street	-	90,341	-	-
Closing balance 31 March	11,810,000	11,020,000	-	-

### Reconciliation of Movements in Investments - Forest Land

Opening balance 1 April	12,753,000	11,902,000	-	-
Additions	-	-	-	-
Carrying amount pre-valuation	12,753,000	11,902,000	-	-
Increase in fair value	555,000	851,000	-	-
Closing balance 31 March	13,308,000	12,753,000	-	-

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 2019

	Consolidated		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
<b>4. Reserves</b>				
<b>Asset Revaluation Reserves</b>				
<i>Cultural Redress Properties</i>				
Opening Balance	1,068,000	1,068,000	-	-
Revaluation	-	-	-	-
<b>Closing Balance</b>	<b>1,068,000</b>	<b>1,068,000</b>	<b>-</b>	<b>-</b>
<i>Commercial Land</i>				
Opening Balance	2,496,488	1,416,488	-	-
Revaluation	790,000	1,080,000	-	-
<b>Closing Balance</b>	<b>3,286,488</b>	<b>2,496,488</b>	<b>-</b>	<b>-</b>
<i>Forest Land</i>				
Opening Balance	6,968,000	6,117,000	-	-
Revaluation	555,000	851,000	-	-
<b>Closing Balance</b>	<b>7,523,000</b>	<b>6,968,000</b>	<b>-</b>	<b>-</b>
<i>Carbon Credits</i>				
Opening Balance	2,850,876	2,340,576	-	-
Revaluation	646,380	510,300	-	-
<b>Closing Balance</b>	<b>3,497,256</b>	<b>2,850,876</b>	<b>-</b>	<b>-</b>
<i>Quota Share Reserve</i>				
Opening Balance	2,408,648	1,936,754	-	-
Movement	511,255	471,894	-	-
<b>Closing Balance</b>	<b>2,919,903</b>	<b>2,408,648</b>	<b>-</b>	<b>-</b>
<b>Closing Balance Asset Revaluation Reserve</b>	<b>18,294,648</b>	<b>15,792,013</b>	<b>-</b>	<b>-</b>

The purpose of the asset revaluation reserve is to track the balance of each asset class being revalued.

## 5. Aquaculture Settlement

Aquaculture Settlement	3,174,945	-	-	-
Accumulated Interest	185,000	-	-	-
<b>Total Aquaculture Settlement</b>	<b>3,359,945</b>	<b>-</b>	<b>-</b>	<b>-</b>

Koata Limited received funds from the Crown in relation to Marlborough Aquaculture Settlement Assets of \$3,359,945. In accordance with the allocation agreement dated 21 June 2018 the aquaculture settlement comprised cash of \$3,169,123, Crown financial assistance of \$5,822, accumulated interest of \$185,000 and 0.5 ha of Oyster Assets.

## 6. Administration Expenses

Accounting Fees	62,912	62,021	36,339	54,149
Other Administration Expenses	22,084	9,668	12,457	17,399
Audit Fees	43,065	36,000	20,056	17,000
Printing Costs	7,743	13,201	7,743	16,327
<b>Total Administration Expenses</b>	<b>135,804</b>	<b>120,889</b>	<b>76,594</b>	<b>104,875</b>

## 7. Consultancy Expenses

Consultancy	17,052	83,767	3,838	9,164
Valuations	14,261	30,242	1,528	-
<b>Total Consultancy Expenses</b>	<b>31,313</b>	<b>114,009</b>	<b>5,366</b>	<b>9,164</b>

## 8. Health, Education and Well-being Grants

Education Grants	30,750	30,548	30,750	30,548
Koha	23,000	10,000	23,000	10,000
Health Grants	18,900	21,090	18,900	21,090
Sports Grants	17,532	11,721	17,532	11,721
He Kupu Raenga Costs and Grants	10,000	10,000	10,000	10,000
Kaumatua Grant	10,000	10,000	10,000	10,000
<b>Total Health, Education and Well-being Grants</b>	<b>110,182</b>	<b>93,358</b>	<b>110,182</b>	<b>93,358</b>

## 9. Financial Expenses

Interest Expense	-	4,817	-	-
Bank Fees	2,878	473	380	460
<b>Total Financial Expenses</b>	<b>2,878</b>	<b>5,290</b>	<b>380</b>	<b>460</b>

# Notes to the Financial Statements

For the Year Ended 31 March 2019

	Consolidated		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
<b>10. Operating Expenses</b>				
Employment Expenses	534,073	692,517	360,117	582,321
Project Supplies	102,414	1,812	102,414	1,812
Directors' Fees	88,333	75,051	-	-
Contractors	79,927	366,347	79,927	329,955
Other	58,707	71,888	53,371	50,690
Rent	53,525	53,525	53,525	53,525
Managed Funds Portfolio Fees	52,252	28,589	-	-
Impairment Expense (Nelson Adventure Park Ltd)	50,500	-	-	-
Board Fees	48,500	52,611	48,500	52,611
Repairs and Maintenance	46,545	10,903	46,545	10,903
Legal Costs	45,473	221,645	38,006	205,265
Insurance	27,430	23,426	18,455	14,968
Travel and Accommodation	25,393	93,597	18,220	86,530
Fisheries Levies	23,008	24,600	-	-
Hui Expenses	22,699	4,917	20,128	4,917
Management Fee - Tiakina Te Taiao	15,000	14,511	15,000	14,511
External Meeting Fees	10,432	22,360	10,432	22,360
Koha	8,800	3,910	8,800	3,910
Recruitment Expenses	7,460	-	7,460	-
Training	2,907	10,425	2,907	10,425
Rates	1,606	4,637	1,606	2,095
Private Equity Portfolio Fees	1,370	37,500	-	-
Computer Expenses	849	9,389	849	10,570
Hui Costs - Kai	-	46,373	-	42,785
<b>Total Operating Expenses</b>	<b>1,307,205</b>	<b>1,870,534</b>	<b>886,262</b>	<b>1,500,154</b>

## 11. Tax Reconciliation

<b>Operating Surplus (Deficit) Before Tax</b>	<b>6,082,683</b>	2,455,922	<b>66,388</b>	(656,319)
Non Assessable (Surplus) Deficit from Ngāti Koata Trust	725,456	1,080,349	(66,388)	656,319
Non Assessable (Surplus) from Koata Limited	(5,470,129)	(1,639,987)	-	-
Non Assessable Deficit from Te Pātaka a Ngāti Koata Trust	6,990	-	-	-
Non Assessable Revaluation of Investment Property	(1,345,000)	(1,931,000)	-	-
Consolidated Māori Authority Tax Credits Received from Te Pātaka a Ngāti Koata Trust	-	21,978	-	-
<b>Adjusted Net Surplus (Deficit) Before Tax</b>	-	(12,738)	-	-
<b>Taxable Income (Loss to Carry Forward)</b>	-	(12,738)	-	-
<b>Tax Expense Before Adjustments</b>	-	-	-	-
Consolidated Māori Authority Tax Credits Received from Te Pātaka a Ngāti Koata Trust	-	(21,978)	-	-
<b>Tax Expense as per Statement of Comprehensive Revenue and Expense</b>	-	(21,978)	-	-
Resident Withholding Tax Paid	(12,897)	(10,287)	-	-
Māori Authority Tax Credits	(1,889)	(2,131)	-	-
Income Tax Payable (Receivable) from Last Year	(34,396)	(58,536)	(21,978)	(21,978)
Income Tax Paid	-	(88,281)	-	-
Refund Received	34,396	146,817	21,978	-
<b>Income Tax Payable (Receivable)</b>	<b>(14,786)</b>	<b>(34,396)</b>	-	<b>(21,978)</b>

## 12. Banking Facilities

Cash Balances	1,232,703	1,782,063	416,539	407,231
Term Deposits - Current	10,660,000	10,091,313	2,300,000	1,334,779
Term Deposits - Non Current	-	1,000,000	-	1,000,000

The Group's Term Deposits are made up of 12 separate deposits maturing within 12 months of balance date (2018: 13 deposits) and 1 separate deposit maturing greater than 12 months (2018: 1 deposit).

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

Cash Balances	0.00% - 0.40%	0.00% - 0.50%	0.00% - 0.40%	0.00% - 0.50%
Term Deposits	2.28% - 3.72%	2.36% - 4.16%	2.92% - 3.72%	3.45% - 3.72%

## 13. Loan - Te Pātaka a Ngāti Koata Trust

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

Opening Balance	-	-	28,048,860	-
Restructure Transactions 3 April 2017	-	-	-	28,240,971
Advance to Te Pātaka a Ngāti Koata Trust during the year	-	-	(1,100)	(88,499)
Taxable Distribution from Te Pātaka a Ngāti Koata Trust	-	-	-	(103,612)
<b>Closing Balance</b>	-	-	<b>28,047,760</b>	<b>28,048,860</b>

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 2019

	Consolidated		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
<b>14. Related Parties</b>				
<b>Related Party Advance/ Investment Accounts - Receivable (Payable)</b>				
Advance - The Tui Joint Venture	-	77,238	-	-
Loan - Te Pātaka a Ngāti Koata Trust	-	-	(28,047,760)	(28,048,860)
Investment - Tui Limited Partnership	91,939	-	-	-
Advance - Maara Moana	30,000	-	-	-
Receivable - Koata Limited	-	-	7,904	-
	<b>121,939</b>	<b>77,238</b>	<b>(28,039,856)</b>	<b>(28,048,860)</b>
<b>Related Party Transactions</b>				
<b>Income</b>				
The Tui Joint Venture	23,000	26,380	-	-
Port Nicholson Fisheries Limited Partnership	123,472	114,970	-	-
Kotato Limited	125,987	83,951	-	-
Aotearoa Fisheries Limited	10,795	12,176	-	-
Koata Limited (administration on-charges)	-	-	71,844	163,151
Te Pātaka a Ngāti Koata Trust (distribution)	-	-	-	103,612
Koata Limited (distributions)	-	-	720,000	157,267
<b>Trustees Fees and Committees</b>				
<i>The following Trustees received fees from Ngāti Koata Trust during the year:</i>				
Frank Hippolite	14,175	21,649	14,175	21,649
George Elkington	6,600	11,025	6,600	11,025
Tahua Solomon (retired 22 September 2018)	3,500	9,724	3,500	9,724
Rahui Katene (retired 22 September 2018)	4,900	9,283	4,900	9,283
Joanie Wilson	10,100	7,600	10,100	7,600
Anthony Patete (ceased December 2017)	-	4,636	-	4,636
John Dobson (ceased September 2017)	-	4,075	-	-
Tom Speers	7,700	2,400	7,700	2,400
Melanie MacGregor	6,000	500	6,000	500
Nadia Keogh (elected 22 September 2018)	2,500	-	2,500	-
	<b>55,475</b>	<b>70,892</b>	<b>55,475</b>	<b>66,817</b>

The following Trustees were on various committees as follows:

	HR Committee	Audit Risk Committee	Grants Committee
Frank Hippolite	Apr 17 - Oct 18	Nov 18 - Mar 19	-
Rahui Katene	Apr 18 - Oct 18	-	-
Joanie Wilson	-	Apr 18 - Oct 18	-
Tom Speers	-	Apr 18 - Mar 19	-

The board have decided from October 2018 that the HR and Grants committees will be convened when and if needed.

	Consolidated		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
<b>Expenses</b>				
Rob Pooley - Directors' Fees	40,375	34,000	-	-
Dave Ashcroft - Directors' Fees	20,979	18,000	-	-
Rahui Katene - Directors' Fees	12,125	18,000	-	-
Dee Ngakuru - Directors' Fees	6,000	5,000	-	-
George Elkington - Directors' Fees	8,854	-	-	-
<b>Receivables at Balance Date</b>				
Koata Limited	-	-	7,904	11,788
Port Nicholson Fisheries Limited Partnership	33,284	31,414	-	-
Kotato Limited	5,552	-	-	-
<b>Payables at Balance Date</b>				
Koata Limited	-	-	-	17,250

## Nature of Relationships

### The Tui Joint Venture

Koata Limited held 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 had Directors that were also representatives of The Tui Joint Venture. On the 10th of April 2018 the assets and advances were transferred to the Tui Limited Partnership.

### Tui Limited Partnership

The Tui Limited Partnership was formed as a new vehicle to hold and manage The Tui Joint Venture assets. Koata Limited holds a 25% share in the Tui Limited Partnership. On the 10th of April 2018 the assets and advances in The Tui Joint Venture were transferred into the new Limited Partnership.

### Maara Moana

Maara Moana was established in June 2018 as the operating company providing services relating to the use and development of the recent aquaculture settlement assets in Tasman Bay and Golden Bay. The settlement assets themselves are held by 8 limited liability companies of which Koata Limited has a 1/8 share in each. \$3,750 has been advanced to each of the 8 holding companies (\$30,000 in total) which in turn has been lent to Maara Moana Limited. For simplicity purposes the advances have been shown as a single amount to Maara Moana Limited.

### Nelson Adventure Park Limited

Koata Limited has made a \$50,500 capital investment in Nelson Adventure Park Ltd. This investment is for costs associated with research and due diligence on a Gondola proposal for Fringed Hill. There is no certainty of the project going ahead, therefore has been impaired for through operating expenses. Hemi Toia is a director of Nelson Adventure Park Ltd. Koata Limited holds a 50% share in Nelson Adventure Park Limited.

# Notes to the Financial Statements

For the Year Ended 31 March 2019

## Koata Limited

Koata Limited transferred funds to Ngāti Koata Trust by way of a dividend. For the 2019 year, the value of this dividend was \$720,000. During the 2018 year, the equivalent distributions were treated as a combination of dividends and repayments of the loan to Ngāti Koata Trust. For the 2018 year, the value of the dividend was \$157,267.

## Te Pātaka a Ngāti Koata Trust

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 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) in the 2018 year. A small advance of \$1,100 was made in the 2019 year to cover costs incurred by Te Pātaka a

## Ngāti Koata Trust.

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 in 2018.

## 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.

## 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 Limited Partnership.

## 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 and has resigned 23 March 2019.

Directors' fees were paid to Rahui Katene during the year, who was appointed as a Director of Koata Limited from 12 May 2016 and resigned 22 September 2018. Rahui Katene was reappointed as an interim Director of Koata Limited from 23 March 2019

Directors' fees were paid to Dee Ngakuru during the year, who was appointed as an Associate Director of Koata Limited from 1 October 2017 and resigned 1 October 2018.

Directors' fees were paid to George Elkington during the year, who was appointed as a Trustee Director of Koata Limited from 17 November 2018.

## 15. Property, Plant and Equipment

	Consolidated		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
<b>Cultural Redress Properties</b>				
Te Haeata - Nurses Residence	260,870	260,870	260,870	260,870
Moukikiriki Island	80,000	80,000	80,000	80,000
Whangarae Estuary	17,000	17,000	17,000	17,000
Lucky Bay	54,000	54,000	54,000	54,000
Te Haeata - School House and Teachers Residence	840,000	840,000	840,000	840,000
Mātangi Awhio	77,000	77,000	-	-
<b>Total Cultural Redress Properties</b>	<b>1,328,870</b>	<b>1,328,870</b>	<b>1,251,870</b>	<b>1,251,870</b>
<b>Reconciliation of Movements in Cultural Redress Properties</b>				
Opening Cost 1 April	260,870	260,870	1,251,870	260,870
<b>Additions</b>				
Moukikiriki Island	-	-	-	80,000
Whangarae Estuary	-	-	-	17,000
Lucky Bay	-	-	-	54,000
Te Haeata - School House and Teachers Residence	-	-	-	840,000
	-	-	-	991,000
<b>Closing Cost 31 March</b>	<b>260,870</b>	<b>260,870</b>	<b>1,251,870</b>	<b>1,251,870</b>
Revaluations	1,068,000	1,068,000	-	-
<b>Closing balance Cultural Redress Properties 31 March</b>	<b>1,328,870</b>	<b>1,328,870</b>	<b>1,251,870</b>	<b>1,251,870</b>
<b>Plant &amp; Equipment</b>				
Opening Cost	13,739	13,565	13,739	13,565
Additions	2,384	174	2,384	174
<b>Closing Cost</b>	<b>16,123</b>	<b>13,739</b>	<b>16,123</b>	<b>13,739</b>
Accumulated Depreciation	(3,547)	(2,850)	(3,547)	(2,850)
<b>Total Plant &amp; Equipment</b>	<b>12,576</b>	<b>10,889</b>	<b>12,576</b>	<b>10,889</b>
Current Year Depreciation	697	483	697	483
<b>Te Haeata Cultural Centre - Plant &amp; Equipment</b>				
Opening Cost	36,913	36,913	36,913	36,913
Additions	3,078	-	3,078	-
Closing Cost	39,991	36,913	39,991	36,913
Accumulated Depreciation	(8,060)	(6,749)	(8,060)	(6,749)
<b>Total Te Haeata Cultural Centre - Plant &amp; Equipment</b>	<b>31,931</b>	<b>30,164</b>	<b>31,931</b>	<b>30,164</b>
Current Year Depreciation	1,311	1,480	1,311	1,480

# Notes to the Financial Statements

For the Year Ended 31 March 2019

	Consolidated		Parent	
	2019 \$	2018 \$	2019 \$	2018 \$
<b>Office Equipment</b>				
Opening Cost	41,077	37,707	30,193	27,798
Additions	5,536	4,898	5,536	2,395
Disposals	-	(1,528)	-	-
Closing Cost	46,613	41,077	35,729	30,193
Accumulated Depreciation	(35,290)	(29,265)	(26,820)	(22,321)
<b>Total Office Equipment</b>	<b>11,323</b>	<b>11,812</b>	<b>8,909</b>	<b>7,872</b>
Current Year Depreciation	6,125	7,551	4,499	4,666
<b>Website</b>				
At Cost	5,120	5,120	5,120	5,120
Closing Cost	5,120	5,120	5,120	5,120
Accumulated Depreciation	(4,373)	(3,627)	(4,373)	(3,627)
<b>Total Website</b>	<b>747</b>	<b>1,493</b>	<b>747</b>	<b>1,493</b>
Current Year Depreciation	747	1,493	747	1,493
<b>Tui Mussel Lines</b>				
At Cost	116,317	116,317	-	-
Closing Cost	-	116,317	-	-
Disposals	(116,317)	-	-	-
Accumulated Depreciation	-	(75,586)	-	-
<b>Total Tui Mussel Lines</b>	<b>-</b>	<b>40,731</b>	<b>-</b>	<b>-</b>
Current Year Depreciation	-	10,188	-	-
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENT</b>				
At Cost	474,036	470,492	1,337,835	344,266
Additions	10,998	5,072	10,998	993,569
Disposals	(116,317)	(1,528)	-	-
Closing Cost	368,717	474,036	1,348,833	1,337,835
Revaluations	1,068,000	1,068,000	-	-
Less Accumulated Depreciation	(51,797)	(118,077)	(42,800)	(35,547)
<b>TOTAL PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>1,384,920</b>	<b>1,423,959</b>	<b>1,306,034</b>	<b>1,302,288</b>
<b>Total Current Year Depreciation</b>	<b>8,880</b>	<b>21,195</b>	<b>7,254</b>	<b>8,122</b>

The cultural assets were vested to Te Pātaka a Ngāti Koata Trust as part of the settlement process in 2015 and were initially 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.

## 16. 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 2019 they have been revalued to market value (\$25.70 per unit; 2018: \$20.95 per unit), based on the published NZU market value published on Carbon Forest Services. Carbon Credits have an indefinite useful life.

<b>Carbon Credits</b>	<b>3,497,256</b>	2,850,876	-	-
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## 17. Quota Shares

Reconciliation of Quota Shares				
Opening balance 1 April	4,504,846	4,032,952	-	-
Additions	-	-	-	-
Carrying amount pre-valuation	4,504,846	4,032,952	-	-
Increase (Decrease) in fair value	511,255	471,894	-	-
<b>Closing balance 31 March</b>	<b>5,016,101</b>	4,504,846	-	-

The revaluation occurred effective 1 October 2018 (2018: 1 October 2017).

## 18. Income in Advance

Hira and Waimea Land Lease	359,453	350,000	-	-
Fringed Hill Land Lease	-	7,999	-	-
Stoke Police Land Lease	11,250	11,250	-	-
Contracts Income	-	10,050	-	10,050
<b>Total Income in Advance</b>	<b>370,703</b>	379,299	-	10,050

# Notes to the Financial Statements

For the Year Ended 31 March 2019

	Consolidated		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
<b>19. Reconciliation to Net Cashflows from Operating Activities</b>				
Net Surplus	6,082,683	2,455,922	66,388	(656,319)
<b>Add (Less) Non cash items</b>				
Depreciation	8,880	21,196	7,254	8,123
Unrealised Losses / (Gains) Commercial and Forest Land	(1,345,000)	(1,931,000)	-	-
Distribution (Non Cash Portion)	-	-	-	(103,612)
Māori Authority Tax Credits Attached to Dividend	-	-	-	(21,978)
<b>Add (Less) Movements in Investing Activities</b>				
Realised and Unrealised Losses / (Gains) Managed Portfolio BNZ/JB Were	(744,824)	(343,689)	-	-
Capital Gain on Sale of Trafalgar Street	-	(90,341)	-	-
<b>Add (Less) Movements in Working Capital Items</b>				
(Increase) / Decrease in Accounts Receivable, Accrued Income and Income in Advance	454,621	(78,081)	(28,996)	116,929
Increase / (Decrease) in Accounts Payable	(141,109)	126,130	(79,996)	(49,868)
Increase / (Decrease) in Income Tax Payable	34,400	56,719	21,978	145,000
<b>Add (Less) Non-Operating Items</b>				
Movement in Tui JV Share	-	(26,380)	-	-
<b>Net Cashflow from Operating Activities</b>	<b>4,349,651</b>	<b>190,476</b>	<b>(13,372)</b>	<b>(561,725)</b>

## 20. Māori Authority Tax Credit Account

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

Opening Balance	11,990	1,428	-	-
<b>Plus</b>				
2019 Provisional Tax Paid During Year	-	32,540	-	-
	-	32,540	-	-
<b>Less</b>				
Māori Authority Tax Credits attached to Distribution Paid	-	21,978	-	-
	-	21,978	-	-
<b>Closing Balance</b>	<b>11,990</b>	<b>11,990</b>	<b>-</b>	<b>-</b>

## 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 (2018: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 (2018: 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.

# Notes to the Financial Statements

For the Year Ended 31 March 2019

## L. FINANCIAL INSTRUMENTS

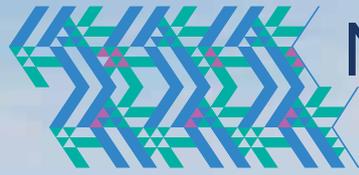
	Loans and Receivables	Carrying Amount Available for Sale	Amortised Cost	Fair Value through Surplus or Deficit
<b>31 March 2018 - Consolidated</b>				
Cash Balances	1,232,703	-	-	-
Accounts Receivable	69,628	-	-	-
Term Deposits	10,660,000	-	-	-
JB Were Portfolio	-	-	-	10,856,256
Shares - Aotearoa Fisheries Limited	-	147,086	-	-
Shares - Kotato Limited	-	100	-	-
Shares - Ring Road Consortium	-	131,301	-	-
Shares - Tainui Taranaki ki te Tonga Limited	-	7,493	-	-
Accounts Payable	-	-	(137,921)	-
Advance - Maara Moana Limited	30,000	-	-	-
Augusta Industrial Fund	-	2,000,000	-	-
	<b>11,992,331</b>	<b>2,285,980</b>	<b>(137,921)</b>	<b>10,856,256</b>
<b>31 March 2018 - Consolidated</b>				
Cash Balances	1,782,063	-	-	-
Accounts Receivable	286,756	-	-	-
Term Deposits	11,091,313	-	-	-
JB Were Portfolio	-	-	-	6,665,055
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)	-
	<b>13,237,370</b>	<b>419,980</b>	<b>(259,424)</b>	<b>6,665,055</b>
<b>31 March 2019 - Parent</b>				
Cash Balances	416,539	-	-	416,539
Accounts Receivable	57,018	-	-	57,018
Term Deposits	2,300,000	-	-	2,300,000
Inter Entity Balances	(28,047,760)	-	-	(28,047,760)
Shares - Tainui Taranaki ki te Tonga Limited	-	7,493	-	7,493
Shares - Koata Limited	-	33,806,461	-	33,806,461
Accounts Payable	-	-	(74,588)	(74,588)
	<b>(25,274,203)</b>	<b>33,813,954</b>	<b>(74,588)</b>	<b>8,465,163</b>
<b>31 March 2018 - Parent</b>				
Cash Balances	407,231	-	-	407,231
Accounts Receivable	41,463	-	-	41,463
Term Deposits	2,334,779	-	-	2,334,779
Inter Entity Balances	(28,048,860)	-	-	(28,048,860)
Shares - Koata Limited	-	33,806,461	-	33,806,461
Shares - Tainui Taranaki ki te Tonga Limited	-	7,493	-	7,493
Accounts Payable	-	-	(161,729)	(161,729)
	<b>(25,265,387)</b>	<b>33,813,954</b>	<b>(161,729)</b>	<b>8,386,839</b>

## M. KEY MANAGEMENT PERSONNEL

Key management personnel for the parent includes the Trustees and the General Manager of Ngāti Koata Trust and Te Pataka a Ngāti Koata Trust. Consolidated key management personnel also includes the Directors and the Chief Executive of Koata Limited.

	Consolidated		Parent	
	2019	2018	2019	2018
	\$	\$	\$	\$
Leadership Team	351,163	458,995	142,705	275,245
FTE	1.88	2.70	1.00	1.68

# Notes



NGĀTI KOATA  
GROUP

Ngāti Koata Trust

137 Vickerman Street, Nelson

PO Box 1659, Nelson 7040

Phone 03 5481639

[www.ngatikoata.com](http://www.ngatikoata.com)

[www.facebook.com/NgatiKoataTrust/](https://www.facebook.com/NgatiKoataTrust/)