

Te Mana o Ngāti Rangitahi

Annual Report 2012

Pūrongo-ā-Tau

TUIA TE MUKA TANGATA



Contents

Chairman's Report	4
Chief Executive's Report	5
Trustees	6
Financial Statements	7
Audit Report	8
Statement of Financial Performance	9
Statement of Changes in Trust Funds	10
Statement of Financial Position	11
Notes to the Financial Statements	12–17
Appendices:	
Cash Flow Analysis	18
Board of Trustee Payments	19
Directory	20

Chairman's Report



E nga mana e nga iwi. Tēna koutou tēnā koutou e hui mai nei tenei rangi. Ā te hui a tau o te Mana o Ngāti Rangitihī.

Ka mihi hoki ki nga mate, ki nga aitua e pā ana kia tātou katoa. No reira haere nga mate haere haere haere. Kia tātou te hunga ora noho ora mai i runga i nga manaakitanga a tō tātou atua.

It is again my privilege to report on the progress that Te Mana o Ngāti Rangitihī Trust is achieving and to present our third Annual Report for the year ended 30 June 2012.

During the period under review, our first Chief Executive left the Trust to take up a new challenge. Since then the Board has undertaken a review of the Trust's operations and is now in the process of appointing a new Chief Executive.

The Trust has continued to perform its key functions while further developing its capability to ensure that we maintain a fully accountable organisation that operates for the benefit of Ngāti Rangitihī.

The Trust has taken a prudent and robust approach to the management of its finances and in maintaining stewardship over the Trust's settlement assets which includes safeguarding the 176,000 hectares of CNI iwi forests land held by CNI Iwi Holdings Ltd.

A key Te Mana o Ngāti Rangitihī strategy is restoring the iwi to its rightful position as kaitiaki over Ngāti Rangitihī traditional taonga including our maunga, whenua, moana and awa. In pursuing this strategy, the Trust was unsuccessful in its effort to withdraw from Te Arawa Fisheries. While a majority of 64% voted in favour of the withdrawal process proceeding, this fell short of the 75% majority required.

Settlement of our mana whenua interests in the CNI forests land is a priority and we have continued to press for these assets to be held collectively and to share all economic benefits arising from them equally amongst CNI iwi shareholders.

CNI mana whenua negotiations have been protracted and a date by which CNI iwi must come to an agreement has been extended to 30 June 2013. Despite the preference of most CNI iwi to continue its tikanga-based negotiation process one iwi is pursuing resolution of its mana whenua interests through the legal system.

Since balance date CNI Holdings shareholders have reached agreement with those iwi claiming into the Crown's 10% share in CNI Holdings. The Crown has signalled its intent to rescind its shareholding in CNI Holdings following conclusion of this which will allow CNI iwi shareholders to come to agreement on how we will all share in these assets.

As signalled last year the Trust has engaged with the Crown seeking to commence negotiations to settle all Ngāti Rangitihī historic Treaty claims. As part of the Crown's Treaty negotiation process the Trust will soon formally seek the mandate of iwi to enter into Treaty negotiations on behalf of Ngāti Rangitihī.

We continue to pursue commercial opportunities through Tukia Group. This includes a minority shareholding in CO2NZ Ltd - a carbon forest business that provides carbon services to CNI Iwi Holdings, other iwi entities and the wider business community. The development of the Tauhara geothermal field has been delayed due in no small part to a slowing New Zealand economy and reduced demand for electricity. Tukia also has an investment opportunity to replant Kaingaroa forest commencing in 2013.

Other key developments included work on developing a Te Reo and Education strategy and continuing to expand our influence across a range of environmental issues. The resource consent process is now firmly embedded as a Trust activity.

We face many challenges but we are confident that the path we are following will lead to improvement in our capability to continue successful implementation of programmes on behalf of all Ngāti Rangitihī.

On behalf of the Board of Trustees, I would like to thank each and every member of our iwi for your valuable contributions to the excellent progress we have achieved this year.

Mā tou rourou, mā tōku rourou ka ora ai te iwi.

A handwritten signature in black ink, appearing to read 'G. Pryor'.

Graham Pryor
Chairman

Chief Executive's Report



In May this year our inaugural CEO, Nick Alexander, left the Trust to follow new ventures in Auckland. The Board of Trustees saw this as an opportunity for the Trust to undertake an organisational review; to explore where efficiencies might be made and to ensure that the direction the Trust is heading lines up with our strategic plan.

The Board asked that I step into the role of Interim CEO. At the time of writing this report, I am also a trustee up for rotation and a member of the Trust's Finance and Investment subcommittee. I hope that by the time you read this report, the process of seeking Nick's replacement is well underway - if not complete.

This year has seen Ngāti Rangitihū begin the journey that will lead to the development of a Te Reo and Education strategy. This is integral to our survival as an iwi. Unlike other iwi we have a small but significant base of te reo proponents left - not many - but we are in a better situation than many other iwi who are starting the same process from nothing. So we are incredibly fortunate – we have the foundations to nurture our taonga, nurture our people, grow and move forward.

The operational capacity of the Trust is now established, and we are moving from the frenetic pace of establishment into a more sustainable period - a bit like switching to marathon running. We are looking to develop our in-house capacity and ideally, over time, we would expect to have a staff of Ngāti Rangitihū portfolio managers. Right now, we are focused on having the best person for the right job to get us to where we want to be and we have both iwi and non iwi staff. Our overriding aim is to grow and develop skills within the iwi and organisation that will allow us to be self-sustaining.

Much of my time has been spent maintaining and growing partnerships with government agencies. This is where the opportunities lie without accessing our iwi capital. It is a slow process working with these agencies but gradually we are getting to see where the funding and services lie and how iwi can get access to them.

Amongst other projects we are looking to develop Ngāti Rangitihū resources that can be used in a number of environments, such as homes and schools within and outside of our ahi kaa.

The iwi management plan is now complete and is able to be viewed on our website. Alternatively you are welcome to call into the office and look over the document.

Work on the digitisation of records at Wellington archives continues, and we will be moving into the Rotorua, Hamilton and Auckland sections later this year. At the end of this process, which is expected to take at least another 18 months we will have a comprehensive library and you will have access to it.

Waihu mai I a take - me mahi a tō mahi kotahitanga.

Harina Warbrick
Interim Chief Executive Officer

Trustees (as at June 30th 2012)



Graham Pryor



Harina Warbrick



Tiipene Marr



Merepeka Raukawa-Tait



Cathy Dewes



Martin Marr



Kenneth Raureti



Financial Statements

Auditor's Report	8
Statement of Financial Performance	9
Statement of Changes in Trust Funds	10
Statement of Financial Position	11
Notes to the Financial Statements	12–17
Appendices:	
Cash Flow Analysis	18
Board of Trustee Payments	19

Auditor's Report

Financial Statements for Year Ended 30th June 2012



Independent auditor's report

To the Trustees of Te Mana O Ngati Rangitahi Trust

Report on the trust and group financial statements

We have audited the accompanying financial statements of Te Mana O Ngati Rangitahi Trust ("the trust") and the group, comprising the trust and its subsidiaries, on pages 9 to 17. The financial statements comprise the statements of financial position as at 30 June 2012, the statements of comprehensive income and changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information, for both the trust and the group.

Trustees' responsibility for the trust and group financial statements

The trustees are responsible for the preparation of trust and group financial statements in accordance with generally accepted accounting practice in New Zealand that give a true and fair view of the matters to which they relate, and for such internal control as the trustees determine is necessary to enable the preparation of trust and group financial statements that are free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these trust and group financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the trust and group financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the trust and group financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the trust and group's preparation of the financial statements that give a true and fair view of the matters to which they relate 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 trust and group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than our capacity as auditor we have no relationship with, or interest in, the trust and group.

Opinion

In our opinion the financial statements on pages 9 to 17:

- comply with generally accepted accounting practice in New Zealand;
- give a true and fair view of the financial position of the trust and the group as at 30 June 2012 and of the financial performance of the trust and the group for the year then ended.

A handwritten signature in blue ink, appearing to read 'KPMG', is written over a faint, larger KPMG logo.

20 November 2012
Tauranga

Statement of Financial Performance

Financial Statements for Year Ended 30th June 2012

	Note	GROUP		PARENT	
		2012	2011	2012	2011
Income					
Funding Income Received		-	41,529	-	41,529
Culture and Education		119,346	20,000	119,346	20,000
Environment		13,440	20,667	13,440	20,667
Comprehensive Funds Received		43,478	-	43,478	-
Iwi Development Funding		2,274	-	2,274	-
Social Services Funding		62,700	-	62,700	-
Mana Whenua		-	44,444	-	44,444
Interest & Dividends Received		510,890	484,145	507,745	483,431
Trust Distributions Received		447,012	330,151	447,012	330,151
Donations Received		-	60	-	-
Other Revenue		1,750	100	1,750	100
Forex Gain/Loss		5,767	-	5,767	-
		1,206,658	941,096	1,203,513	940,322
Operation Expenses					
Commercial Expenses		67,921	-	67,921	-
Comprehensive Expenses		68,283	-	68,283	-
Education & Culture Expenses		95,382	36,244	95,382	36,244
Environment Expenses		70,782	-	70,782	-
Iwi Development Expenses		93,404	2,871	93,404	2,871
Mana Whenua Expenses		41,606	72,716	41,606	72,716
Marketing & Communication Expenses		57,153	-	57,153	-
Social Services Expenses		92,124	81,889	92,124	71,889
		586,655	193,720	586,655	183,720
		620,003	747,376	616,858	756,602
Operating Profit					
Less Overheads					
ACC Levy		468	-	468	-
Accountancy Fees		2,544	37,691	2,544	37,691
Administration & Office Support		-	55,229	-	55,229
Audit Fees		5,568	5,000	5,568	5,000
Consultancy Expenses		13,508	86,439	13,508	86,439
Consultancy Fees - Executive		12,027	71,500	12,027	71,500
Depreciation		21,019	12,569	21,019	12,569
Impairment in Investment	7	635,999	-	635,999	-
Interest Expense		12	634	12	631
Legal Expenses		4,465	6,021	4,465	6,021
Meeting Fees - Trustees		6,216	15,600	6,216	15,600
Other Expenses		78,128	73,060	78,128	73,063
Portfolio Service Fees		21,429	18,298	21,429	18,298
Rent		16,250	15,000	16,250	15,000
Sponsorship		-	1,956	-	1,956
Travel		30,277	50,241	30,277	50,241
Trustees Fees		120,866	121,000	120,866	121,000
Wages		376,625	175,754	376,625	175,754
		1,345,402	745,992	1,345,402	745,992
Surplus (Loss) before Income tax		(725,400)	1,384	(728,544)	10,610
Income Tax Expense	4	(79,424)	(75,485)	(79,974)	(75,624)
Net Surplus		(645,976)	76,870	(648,570)	86,234

Statement of Changes in Trust Funds


Financial Statements for Year Ended 30th June 2012

	GROUP		PARENT	
	2012	2011	2012	2011
Revenue and Revaluations				
Net Surplus	(645,976)	76,870	(648,570)	86,234
Total Revenue and Revaluations	(645,976)	76,870	(648,570)	86,234
Contributions and Distributions				
Contributions	-	-	-	-
Distributions	-	-	-	(100,000)
Transfer Funds at the Beginning of the Period	9,663,700	9,586,830	9,573,065	9,586,830
Trust Funds at the End of the Period	9,017,724	9,663,700	8,924,495	9,573,065

Statement of Financial Position

Financial Statements for Year Ended 30th June 2012

	note	GROUP		PARENT	
		2012	2011	2012	2011
Current Assets					
Cash and Bank	3	679,824	325,792	577,238	225,314
Westpac Term Deposits		1,874,597	4,427,311	1,874,597	4,427,311
Accounts Receivable		62,622	14,758	62,622	14,758
Accrued Income		54,513	70,017	54,513	70,017
Income Tax Receivable	5	160,587	78,818	160,003	78,722
GST Receivable		(1,947)	19,265	(1,947)	19,265
Te Mana o Ngāti Rangitahi Charitable Trust		-	-	9,940	9,940
Tukia Group Ltd	7	1	70,000	1	70,000
Total Current Assets		2,830,197	5,005,963	2,736,967	4,915,328
Current Liabilities					
Accounts Payable		83,993	115,736	83,993	115,736
Total Current Liabilities		83,993	115,736	83,993	115,736
Working Capital		2,746,204	4,890,227	2,652,974	4,799,592
Non Current Assets					
Property Plant and Equipment	6	39,582	48,552	39,582	48,552
Westpac Portfolio Investments		-	4,173,921	-	4,173,921
Forsyth Barr Portfolio Investments	8	6,231,939	-	6,231,939	-
Shares in Tukia Group Ltd	7	-	551,000	-	551,000
		6,271,520	4,773,473	6,271,520	4,773,473
Net Assets		9,017,724	9,663,700	8,924,495	9,573,065
Trust Funds		9,017,724	9,663,700	8,924,495	9,573,065
		9,017,724	9,663,700	8,924,495	9,573,065

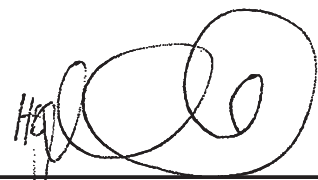


 Graham Pryor

Trustee

20/11/12

_____ Date



 Harina Warbrick

Trustee

20/11/12

_____ Date

Notes to the Financial Statements

Financial Statements for Year Ended 30th June 2012

1. Statement of Accounting Policies

Reporting Entity

Separate financial statements for the Te Mana O Ngati Rangitahi Trust ("the Trust") and consolidated financial statements are presented. The consolidated financial statements of the Trust as at and for the year ended 30 June 2012 comprise the Trust and its subsidiary Te Mana O Ngati Rangitahi Charitable Trust (together referred to as "The Group"). The financial statements are general purpose statements which have been prepared according to Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

Statement of Compliance and Basis of Preparation

The Trust qualifies for differential reporting as it is not publicly accountable and there is no separation between the owners and the governing body. The Trust has taken advantage of available differential reporting exemptions, other than Financial Reporting Standards where the Trust has detailed full disclosure of information in the Statement of Financial Performance.

The accounting principles recognised as appropriate for the measure and reporting of the financial performance and financial position on a historical cost basis are followed by the Trust. The information is presented in New Zealand dollars.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Financial Performance and Financial position have been applied:

(a) Revenue

Revenue is recognised when earned and is reported in the financial period to which it relates.

(b) Receivables

Receivables are recognised at estimated realisable value.

(c) Plant Property and Equipment

Property, plant and Equipment are recognised at cost less aggregate depreciation. Depreciation has been calculated using the maximum rates permitted by the income tax Act 2007. Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year

Plant & Equipment	30% DV
Furniture & fittings	13.0% – 15.6% DV
Motor Vehicles	30.0% – 50.0% DV

(d) Income Tax

The income tax expense recognised in the Statement of Financial Performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

(e) Investments

Investments are stated at cost, less any impairment losses.

(f) Goods and Services Taxation (GST)

Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

(g) Principles of Consolidation

Subsidiaries are those entities controlled, directly or indirectly, by the Group. The financial statements of subsidiaries are included in the consolidated financial statements using the purchase method of consolidation. The effects of intra-group transactions are eliminated in preparing the consolidated financial statements.

2. Government Grant

No Grants have been received during the year ending 30th June 2012 (2011 - \$44,444).

3. Cash and Bank

	GROUP		PARENT	
	2012	2011	2012	2011
Cash and Bank				
ANZ Bank	329,340	97,215	329,340	97,215
ANZ ChCh Appeal Account	5,224	20,137	5,224	20,137
Westpac Bank	141,114	13,244	141,114	13,244
BNZ Bank	8	8	8	8
Westpac Bond Portfolio Cash Account	-	94,191	-	94,191
Westpac Business Online Saver	102,586	100,479	-	-
Forsyth Barr Cash Account	101,194	-	101,194	-
Petty Cash	358	519	358	519
	679,824	325,792	577,238	225,314
Cash and Bank				
Westpac Term Deposits	1,874,597	4,427,311	1,874,597	4,427,311
Total Cash and Bank	2,554,421	4,753,103	2,451,835	4,652,625

4. Tax Reconciliation

	GROUP		PARENT	
	2012	2011	2012	2011
Opening Surplus before Income Tax	(725,400)	1,384	(728,544)	10,610
Plus				
Maori Tax Credits Received	-	79,974	-	79,974
Imputation Credits on Dividends Received	3,165	-	3,165	-
Non Deductible Expenses - Permanent	637,201	17,608	637,201	7,608
Non Deductible Expenses - Timing	20,960	-	20,960	-
Less				
Non Assessable Income	(29,265)	-	(29,265)	-
Donation	-	(60)	-	-
Timing Differences - Non Deductible Expenses	(7,500)	(10,200)	(7,500)	(10,200)
Total Taxable Income	(100,839)	88,707	(103,984)	87,992
Less Losses not Recognised	103,983	-	103,983	-
Taxable Expense at 17.5% (2011 - 19.5%)	550	17,298	-	17,159
Less Over Provision in Previous Year	(79,974)	(92,783)	(79,974)	(92,783)
Total Tax Expense	(79,424)	(75,485)	(79,974)	(75,624)

5. Income Tax

	GROUP		PARENT	
	2012	2011	2012	2011
Opening Balance	(78,818)	(48,124)	(78,722)	(48,124)
Plus				
Provision for Taxation	550	17,298	-	17,159
Refund Received	158,696	140,907	158,696	140,907
Non Assessable Income	159,247	158,205	158,696	158,065
Less				
Maori Tax Credits Previous Year	(79,974)	-	(79,974)	-
Maori Tax Credits Current Year	(78,227)	-	(78,227)	-
RWT Paid	(82,814)	(96,116)	(81,776)	(95,880)
Over Provision in Previous Year	-	(92,783)	-	(92,783)
	(241,015)	188,899	(239,978)	(188,663)
Income Tax Receivable	(160,587)	(78,818)	(160,003)	(78,722)

6. Property, Plant & Equipment

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
	\$	\$	\$	\$
Property Plant & Equipment 2012				
Plant & Equipment	44,619	14,457	21,901	22,718
Furniture & Fittings	3,124	399	640	2,484
Motor Vehicles	25,678	11,298	11,298	14,380
Total Property Plant & Equipment	73,421	26,154	33,839	39,582

	Cost	Depreciation Charged	Accumulated Depreciation	Closing Book Value
	\$	\$	\$	\$
Property Plant & Equipment 2011				
Plant & Equipment	33,223	7,444	7,444	25,779
Furniture & Fittings	2,472	241	241	2,231
Motor Vehicles	25,678	5,136	5,136	20,543
Total Property Plant & Equipment	61,373	12,821	12,821	48,552

7. Shares in Tukia Group Limited

The Trust owns 16.67% shareholding in Tukia Group limited, the same position as each of the other five Iwi shareholders of Tukia Group who are; Ngāti Manawa, Ngāti Whare, Ngāti Tuwharetoa, Ngāti Tuhoe and Raukawa.

The Trust has provided an advance of \$85,000 at 30 June 2012 (2011-\$70,000) to Tukia. The advance is unsecured, interest free and has no fixed repayment terms. The shareholders of Tukia have the option to convert all advances to ordinary shares. This requires unanimous approval of all shareholders, which has not yet been decided. The conversion of the advances into shares will not change the level of voting rights held by the Trust.

Tukia was established in September 2009 and was actively investigating a number of significant investment opportunities. Tukia has been identifying and evaluating investment opportunities; in particular opportunities surrounding geothermal energy generation, forest replanting and carbon management. The trustees have evaluated the financial position and opportunities of Tukia, and consider that the investment and advance are not fully recoverable and have therefore written down the shares and advance as an impairment to investment.

8. Portfolio Investments

	2012	2011
Fixed interest		
ANZ National Bonds \$400,000 @ 17.16% mat 16/6/2011	-	401,062
Auckland City Council Bonds \$200,000 @ 6.28% mat 24/3/2015	201,774	202,424
Auckland City Council Fixed Rate Bonds \$200,000 @ 6.52% mat 29/9/2017	150,000	200,000
Contact Energy Ltd Bonds \$200,000 @ 8% mat 15/5/2014	-	207,659
Fonterra Co-Op Group Ltd \$400,000 @ 6.83% mat 4/3/2016	405,447	406,927
Goodman+Bonds Senior Sec Bonds \$420,000 @ 7.75% mat 28/9/2017	425,641	427,540
Powerco Guaranteed Bonds \$200,000 @ 6.74% mat 28/9/2017	195,606	387,709
Powerco Ltd \$200,000 @ 6.39% mat 29/3/2013	199,784	199,493
TCNZ Finance Ltd Telebond \$80,000 @ 8.65% mat 15/6/2015	83,673	84,914
Transpowers Finance Ltd Notes \$200,000 @ 6.59% mat 15/2/2017	203,479	204,230
Transpower Ltd Tranche A Sr Bonds \$450,000 @ 7.60% mat 15/12/2014	-	463,371
Westpac NZ Ltd Notes \$300,000 @ 7.05% mat 28/11/2013	303,404	462,255
Works Finance Ltd \$220,000 @ 9.65% mat 15/6/2009	221,104	226,337
Z Energy Ltd \$300,000 @ 7.35% mat 15/10/2016	300,000	300,000
Air NZ Ltd \$400,000 mat 29/3/2013	400,000	-
Sky Television Network Ltd \$200,000 @ .92 mat 16/10/2016	185,580	-
Contact Energy Ltd Capital Bonds \$300,000 @ 8% mat 15/5/2014	300,000	-
Bank of New Zealand 25/6/2012	200,000	-
Insurance Australia Group Ltd	300,000	-
Genesis Power Ltd	212,618	-
New Zealand Post Group Ltd	72,643	-
Goodman Fielder NZ Ltd	251,310	-
ANZ Banking Group Unsecured \$100,000 AUD	128,457	-
Fixed Interest	4,740,520	4,173,921
Equities		
Auckland international Airport: 15,000 units @ 2.41	36,185	-
Chorus limited: 30,000 units @ 3.15	94,540	-
Ebos Group: 6,000 units @ 6.83	40,968	-
Fletcher Building Ltd: 20,000 units @ 6.95	139,036	-
Freightways Ltd: 22,500 units @ 3.28	73,808	-
Guinness Peat Group: 100,000 units @ .59	58,739	-
Ryman Healthcare Ltd: 15,000 units @ 2.45	36,751	-
Trade Me Group Ltd: 20,000 units @ 2.70	54,000	-
Toll Holdings: 10,000 units @ 4.36 AUD	56,410	-
UGL Ltd: 4,000 units @ 11.96 AUD	61,622	-
Coca-Cola Company: 600 units @ 69.41 USD	54,619	-
Google Incorporation: 50 units @ 520.67 USD	33,352	-
Diageo Plc: 1,300 units @ 15.38 GBP	38,499	-
Edinburgh Dragon Trust: 8,500 units @ 2.47 GBP	39,761	-
National Grid Transco: 4,000 units @ 6.23 GBP	47,528	-
Royal Dutch Shell Plc B Shs: 525 units @ 23.15 GBP	23,373	-
Goldcorp Inc: 500 units @ 47.29CAN	29,876	-
Nestle SA: 200 units @ 50.75 SWF	14,542	-
Equity	933,609	-
Property		
Goodman Property Trust - 200,000 units @ 1.03	206,623	-
Kiwi Income Property Trust - 200,000 units @ 1.07	211,621	-
Vital Healthcare Property Trust - 125,000 units @ 1.12	139,566	-
Property	557,810	-
TOTAL Portfolio Investments	6,231,939	4,173,921

The Forsyth Barr Portfolio Investments has a market value at balance date of \$6,275,458.

9. Contingent Assets

As a beneficiary of the CNI Holdings Trust, the Te Mana o Ngāti Rangitihi Trust will be entitled to receive title to specific forests land currently held by the CNI Iwi Holdings Trust. The exact land eligible to be transferred will be determined through the Mana Whenua process which is currently underway between the eight beneficiaries of the CNI Iwi Holdings Trust.

Once this due process is completed and there is unanimous agreement by trustees of CNI Holding Trust, then land may be transferred. Te Mana o Ngāti Rangitihi Trust has the right, after 2044, to receive all income directly generated from its forest land and the return of full control of this land to the Trust.

As the Te Mana o Ngāti Rangitihi Trust does not have control, or has yet to specifically identify what land will be distributed to the Trust, no asset has been recognised in these financial statements.

The Te Mana o Ngāti Rangitihi Trust will also negotiate directly with the Crown for the return of culturally significant land to the Trust which forms part of the CNI forest land.

10. Related Parties

CNI Iwi Holdings Limited is a corporate trustee of the CNI Iwi Holdings Trust. Graham Pryor and Kenneth Raureti are directors of CNI Iwi Holdings Limited. Graham Pryor is also a director of Tukia group Limited, a company in which the trust has a 16.67% shareholding.

During the year, the trust has paid executive consulting fees to Pryor & Associates Ltd, a company in which Graham Pryor is a director and shareholder. These fees are based on rates recommended by Strategic Pay Limited.

All trustees receive an annual trustee fee for their services provided to the trust based on rates also recommended by Strategic Pay Limited.

11. Contingent liabilities

The Trust has no contingent Liabilities as at 30 June 2012 (2011-Nil).

12. Capital Commitments

The trust has no capital commitments as at 30 June 2012 (2011-Nil).

13. Subsequent Events

There are no subsequent events since balance date.

Appendices

Financial Statements for Year Ended 30th June 2012

Cash Flow Analysis (Unaudited)

	GROUP		PARENT	
	2012	2011	2012	2011
Net Cash from Operating Activities				
Cash Provided from:				
Interest and Dividend Income Received	367,210	490,639	364,066	489,925
Grants and Funding Received	195,537	109,362	195,815	109,362
Other Operating Receipts	5,831	40,160	5,553	40,100
Tax Refunds Received	158,696	140,907	158,696	140,907
Trust Distribution Received	447,012	410,125	447,012	410,125
	<u>1,174,286</u>	<u>1,191,194</u>	<u>1,171,142</u>	<u>1,190,419</u>
Cash Applied to:				
Payments to Suppliers and Employees	1,622,487	1,225,819	1,620,899	1,215,584
Grants Paid	-	-	-	-
	<u>1,622,487</u>	<u>1,225,819</u>	<u>1,620,899</u>	<u>1,215,584</u>
Net Cash from Operating Activities	(448,201)	(34,626)	(449,757)	(25,165)
Net Cash Used in Investing Activities				
Cash Provided from:				
Movement of Investments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Applied to:				
Movement of Investments	1,748,827	1,289,019	1,748,827	56,085
Purchase of Other Non Current Assets	12,048	56,085	12,048	1,289,019
	<u>1,760,875</u>	<u>1,345,104</u>	<u>1,760,875</u>	<u>1,345,104</u>
Net Cash from Investment Activities	(1,760,875)	(1,345,104)	(1,760,875)	(1,345,104)
Plus Movements in Equity				
Distributions to Charitable Trust	-	9,940	-	-
Income Tax Expense	550	-	-	-
Prior Period Adjustment	-	-	-	-
Total Movements in Equity	550	9,940	-	-
GST Movements				
GST Inputs	(79,463)	(92,562)	(79,463)	(92,562)
GST Outputs	89,825	96,645	89,825	96,645
Net Movement in GST	10,362	4,082	10,362	4,082
Net increase (decrease) in Cashflow	(2,198,163)	(1,365,708)	(2,200,270)	(1,366,186)
Cash Balance at the Beginning of the Year	4,752,584	6,118,292	4,652,105	6,018,292
Cash Balance at the End of the Year	2,554,421	4,752,584	2,451,835	4,652,105

Board of Trustees Payments (Unaudited)

Under the Trust Deed, clause 8.9, there is a provision for the payment of remuneration to the trustees. This includes reasonable remuneration for the trustees, Chairperson and Deputy Chair paid out of the Trust Fund. Such remuneration may be prescribed and approved in the form of a meeting fee or as a total amount payable per annum; and also in the form of full reimbursement of all expenses properly authorised and incurred by that trustee in conducting duties as a trustee.

Board Members	Meeting Attended 2012	Trustee Fees	Other Meeting Fees	Other Payments	Total 2012	Total 2011
Graham Pryor (Chair)	7	24,999.96	13,427.00	11,100.77	49,527.73	55,971.00
Catherine Moana Dewes	7	15,999.96	-	-	15,999.96	16,000.00
Harina Warbrick	6	15,066.63	1,586.00	2,822.48	19,475.11	20,100.00
Kenneth Lawrence Te Ianga Raureti	7	15,999.96	1,591.30	609.76	18,201.02	16,353.00
Martin Marr	5	15,999.96	800.00	2,982.53	19,782.49	27,791.00
Merepeka Raukawa-Tait	5	15,999.96	39.13	-	16,039.09	16,103.00
Stephen Tiipene Perenara Marr	7	15,999.96	800.00	3,458.96	20,258.92	16,828.00
		<u>120,066.39</u>	<u>18,243.43</u>	<u>20,974.50</u>	<u>159,284.32</u>	<u>169,146.00</u>

Directory

Nature of Business	Governance Entity for the Ngāti Rangitīhi Iwi
Trust Formation Dates	Te Mana o Ngāti Rangitīhi Trust – 21 June 2009 Te Mana o Ngāti Rangitīhi Charitable Trust – 1 July 2009
Trustees	Graham Pryor Cathy Dewes Harina Warbrick Kenneth Raureti Martin Marr Merepeka Raukawa-Tait Stephen Marr
IRD Number	Te Mana o Ngāti Rangitīhi Trust 103-910-234 Te Mana o Ngāti Rangitīhi Charitable Trust 106-409-781
Registered Office	PO Box 7 Matata 3168
Auditors	KPMG 85 Alexander Street Hamilton 3240
Bankers	ANZ Bank - Auckland
Solicitors	Harkness Henry Hamilton